COVID-19 Eruption Challenges Take-Down of U.S. Healthcare System

by Richard Freeman and Mary Jane Freeman

March 28—The current rampaging spread of American COVID-19 cases rips off the mask of a functioning U.S. healthcare system. On March 9, there were 637 U.S. COVID-19 cases; by March 20, there were 18,747; by March 28, 105,726. The eruption has revealed the carnage of the U.S. hospital system: the slashing of the number of hospital beds; the refusal to produce or purchase ventilators, or N95 respirator masks and other personal protective equipment (PPE). This is a process forty years in the making.

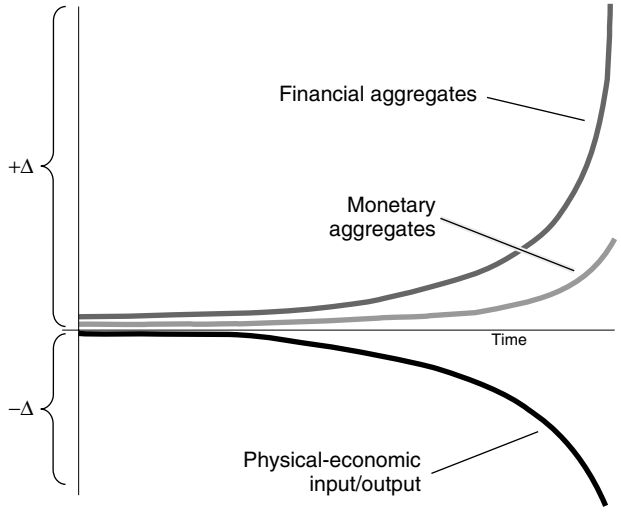
As state governors scramble to deal with state systems that are overwhelmed, no one can say that they didn't see this crisis coming. As for the virus itself, the world has gone through waves of SARS, Ebola, influenza H5N1, and other pathogens, and as long as the world is dominated by a speculative world financial system, such waves are almost a certainty. Lyndon LaRouche warned in 1974—and put together a Biological Holocaust Task Force that amplified those warnings—that pandemics would occur as monetarist economic policies drove human beings below the level of intake required to preserve the existing level of potential relative population density.

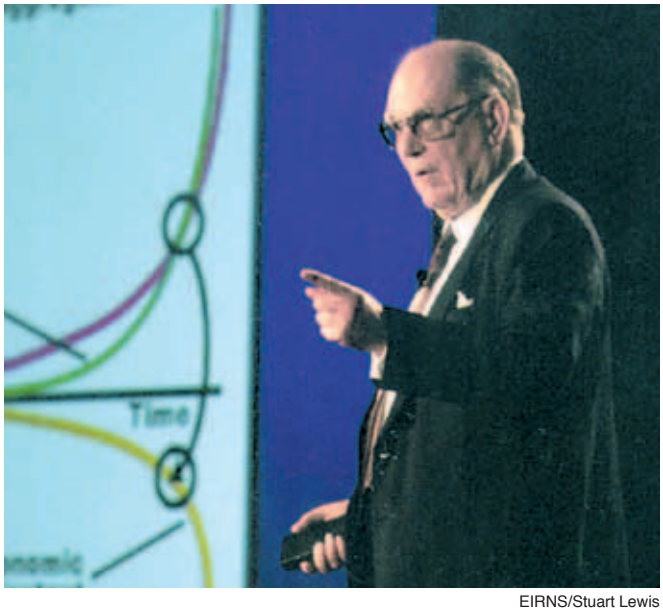
Secondly, the pull of the City of London and Wall Street banking system has forced the take-down of every aspect of our health system, in plain day, in front of everyone's eyes. This includes the sustained neglect or dismantling of hospitals, clean water systems, sanitation, power systems. Some may have fought individual aspects of this take-down, such as a hospital closing, but not the entire assault, and the policy behind it.

LaRouche, in his famous "triple curve" graphic of a "typical collapse function," **Figure 1**, showed the cause of the crisis: the growth of a City of London-Wall Street speculative bubble, a financial cancer that parasitizes and sucks the life blood out of the underlying physical economy and its scientific-physical productivity, upon which all human survival and growth depends.

Could anyone miss the flashing red lights? In 1975, the United States possessed 7,156 hospitals by the

FIGURE 1
A Typical Collapse Function





EIRNS/Stuart Lewis

Lyndon LaRouche discusses his Typical Collapse Function during a webcast, September 2012.

broadest measure of all types of facilities; and by 2016, one out of every four of them had been eliminated. Also in 1975, the U.S. had 1,466,000 hospital beds, again using the broadest measure of hospitals; by 2020, this had been slashed by two-fifths. On this broad basis, the number of hospital beds per 1,000 persons fell from 6.8 in 1975, to 2.6 today.

Governments often publish a narrower measure, based on beds in community hospitals, which are short-term, and general hospitals, to which most people go today. That measure shows hospital beds per 1,000 people in the United States fell from 4.4 in 1975, to 2.3 in 2020.

This hospital, in Mitchell County, Georgia, built in the 1950s, was one of hundreds constructed under the auspices of the Hill-Burton "Hospital Survey and Construction Act."

The Change

What went wrong was the trashing of the exemplary 1946 Hill-Burton Act, while financiers implemented genocidal policies represented by the 1973 Health Maintenance Organization (HMO) Act, whose implementation cut costs and reduced services while advancing a Malthusian purpose.

In 1946, the U.S. Congress passed, and the President signed into law the Hill-Burton Act, otherwise known as the Hospital Survey and Construction Act. The Act authorized the provision of federal grants and guaranteed loans to states to upgrade the nation's health care facilities, including specifically building new hospitals, with the stated goal of building and maintaining the level of 4.5 beds per 1,000 people. This was based on the work of the U.S. military during World War II, and the remarkable achievement of President Franklin Roosevelt in raising the number of hospital beds by 68% between 1933 and 1944. FDR used New Deal agencies, especially the Works Progress Administration.

While Hill-Burton activated hospital construction in the late 1940s, and the 1950s, the financiers pushed it aside in the 1960s, and shifted to the HMO (Health Maintenance Organization) policy in the 1970s.

By 2002 LaRouche, with his movement, had been involved for seven years in a mass mobilization to save the nation's capital's only public hospital, D.C. General Hospital, from being shut down with thousands of others nationwide. On May 20 of that year, he said in part:

> Over a period of more than three decades to the present date, there had been a trend in national policy and practice, away from the Constitutional commitment to promotion of the general welfare, toward an increasingly radical notion of what is sometimes named "shareholder value." With the rising flood-tide of global monetary-financial and economic crises, the United States, like other nations, is being impelled, of necessity, to return to what some prefer to name as "protectionist" measures, and to economy-rebuilding policies referencing successful features of the U.S.-led recovery and reconstruction programs of the Americas, Europe, and Japan during various phases of approximately the 1933-1965 interval.

We present below a battlefield report of the forced bankruptcy and shutting down of hospitals in major cities, as well as in rural communities; the planned shortage of intensive care facilities, so necessary to fight the coronavirus; and the awakening to reality by several of the nation's governors who are re-opening closed hospitals and converting other facilities to emergency healthcare.

A top-down policy change must be achieved to combat this terrible crisis. Every closed hospital that has been reopened today to provide beds and services must remain open in the future. A mobilization is needed to construct modern, state-of-the-art facilities containing equipment based on advanced physical principles, and the required new 700,000 permanent hospital beds to meet Hill-Burton standards. This and other healthcare requirements can only be achieved within

wikipedia /Pinoy916

The Center City Philadelphia campus of Hahnemann University Hospital, with 496 beds, has been closed for months, after its purchaser, private equity investor Joel Freedman, put it into bankruptcy.

the implementation of LaRouche's Four Laws, as we explain below.

Bankruptcies Instead of Construction

The year 2019 was a disaster of bankruptcies, and the process carried over into 2020. This during a time when new hospital construction was required. A January 6, 2020 *Bloomberg News* article, "Hospital Bankruptcies Leave Sick and Injured Nowhere to Go," reports that, "at least 30 hospitals entered bankruptcy in 2019, according to data compiled by Bloomberg." This ranges from Hahnemann University Hospital in downtown Philadelphia, to De Queen Medical Center in rural Sevier County, Arkansas, to Americore Health LLC, a company built to preserve local hospitals.

The closing of Hahnemann Hospital is particularly severe. Founded in 1848, this 496-bed facility with a medical staff of 570 had been serving mostly the poor and under-served among Philadelphia's 1.5 million people. It provided 30 medical specialties. It was taken over by private equity investor Joel Freedman, who on June 26, 2019 put the hospital into bankruptcy reorganization, forcing its closure. An entire section of Philadelphia now has no hospital.

The 214-bed Astria Regional Medical Center was in Yakima, Washington state, one of the centers of concentrated coronavirus deaths. Two months ago, after sustaining $40 million in losses over the previous months, it was put into bankruptcy and shut down. Another case is MetroSouth Medical Center, a 314-bed, acute care hospital, that employed 800 doctors, nurses, and other professionals, and serviced over 70,000 patients each year in a district of Chicago with extensive pockets of poverty. Quorum Health Corporation, which had taken over the hospital, closed MetroSouth on September 30, 2019.

This problem is particularly acute for rural hospitals. From 2005 to 2019, a total of 168 rural hospitals closed. Over 57% (or 96) of those were closed during the Obama years, and the largest number were closed in the South. Especially hard hit have been Texas and Tennessee. The closures are concentrated in East Texas and West Tennessee. For example, McKenzie Regional Hospital, in Tennessee, closed in September 2018, and now families face an hour-long commute to the nearest hospital, if they have a car. In Texas, of 22 communities impacted, 11 now have no hospital, emergency services, or clinic services.

EIRNS/Dan Sturman

Felix Rohatyn, Lazard Frères banker-hitman.

NYC Didn't Have to Have Mass Outbreak

New York City is the current epicenter for coronavirus for the United States, with 26,600 cases and 450 deaths as of the evening of March 27. Two instances show why this didn't have to happen.

First, in 1975, Lazard Frères banker Felix Rohatyn and other Wall Street bankers set up the Municipal Assistance Corporation (the "Big MAC"), which effectively supplanted the Mayor and City Council of New York City. The Big MAC shut down

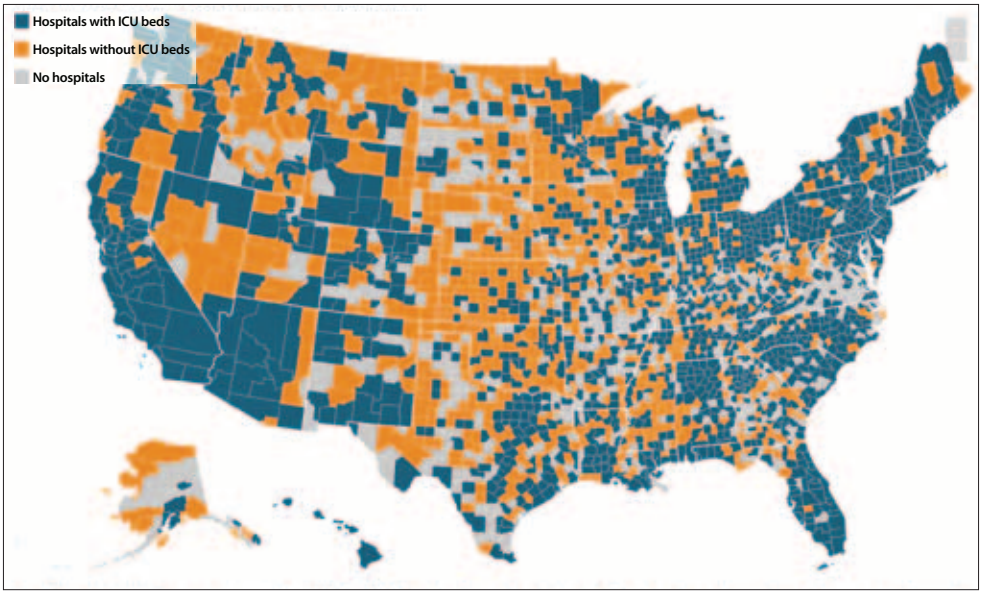
Sydenham Hospital in West Harlem, Manhattan, which served that community; Long Island College Hospital and other hospitals in Brooklyn; and other hospitals in New York City. In 1960, New York City had 154 hospitals; by 1990, in large part because of the Big MAC policy, that had been cut in half, to 79. Then Sir Michael Bloomberg, during his 2002-2013 reign as mayor, effected the closure of another 20 hospitals. Do you think the city could use the more than 95 closed hospitals, and the attendant beds, to save lives right now?

Second, in the March 19 *New York Post*, former New York Lt. Governor Betsy McCaughey ran an explosive exposé, "We Didn't Have to Have Ventilator Shortage—Leaders Chose Not to Prep for Pandemic." McCaughey related:

> Several years ago, after learning that the Empire State's stockpile of medical equipment had 16,000 fewer ventilators than the 18,000 New Yorkers would need in a severe pandemic, state public-health leaders came to a fork in the road.
>
> They could have chosen to buy more ventilators to back up the supplies hospitals maintain. Instead, the health commissioner, Howard Zucker, assembled a task force for rationing the ventilators they already had.
>
> In 2015, that task force came up with rules that will be imposed when ventilators run short. Patients assigned a red code will have highest access, and other patients will be assigned green, yellow or blue (the worst), depending on a "triage officer's" decision.

McCaughey says that in 2015, the state could have purchased an additional 16,000 ventilators for $36,000 apiece, or a total of $756 million. She added, "It's a lot of money, but in hindsight, spending half a percent of the budget to prepare for pandemic was the right thing to do."

Where the ICU Beds Are



Kaiser Health News

More than half of U.S. counties have no ICU beds, a grave danger for the more than 7 million people who are aged 60 and up, who face the highest risk of serious illness or death from the rapid spread of COVID-19, a Kaiser Health News analysis shows. Hospitals for veterans run by the Department of Defense are not included in Kaiser's analysis.

COVID-19's appearance in New York City could not have been totally stopped. Nonetheless the consequent death and illness could have been greatly reduced with beds and ventilators, but austerity triumphed with horrible consequences.

Wall Street: No ICU Bed if You're 60 or Older

Intensive care units, which in the case of COVID-19 would have ventilators, are critical for patients with the disease to survive.

A study released March 20 by the Kaiser Health News (KHN) service shockingly reported that, "More than half of the counties in America have no intensive care beds, posing a … danger for more than 7 million people" over the age of 60 who reside in those counties as COVID-19 rapidly spreads. Further the study indicated that even where there are ICU beds, the numbers available for senior citizens "vary wildly." The study's data is a comparison between hospital data and the numbers of persons over age 60.

The KHN study reports that those counties with hospitals with no ICU beds, encompasses 18 million people, and that of those, "about a quarter of them are 60 or older." And, there are 11 million more people who live in counties with no hospital at all, and "2.7 million of them [are] seniors."

The real evidence of what LaRouche always identified as Wall Street gouging is seen in KHN's data comparing numbers of the available ICU beds to the number of seniors who might need those beds in a given county. Among counties that do have ICU beds, the average is 1,300 seniors per bed in each county. Some incredible examples are given: Clinton County, Michigan, has 8,469 residents aged 60 and up, for each ICU bed; Santa Cruz County, California, has 2,601 seniors per ICU bed.

Those are the most extreme. It's not better in the big cities: Los Angeles has one ICU bed for each 847 senior residents; San Francisco has one per 5,323 older residents. Using KHN's data table, *EIR* found that in New York City, the epicenter of the U.S. COVID-19 pandemic, the ratios for ICU beds for seniors are: Manhattan, 452 seniors for each ICU bed; Brooklyn, 1,499; and Queens, 3,648.

The farm belts are extreme in the lack of hospitals and ICU beds. For example, in Kansas, 68 of the state's 105 counties have no ICU beds at all.

CGTN

New York's Jacob K. Javits Convention Center was converted to a temporary hospital, housing 1,000 hospital beds.

Reality Strikes State Governors

On March 16, Maryland Governor Larry Hogan signed an omnibus health care order that "calls on the [Maryland] health department and [healthcare] providers to reopen closed hospitals in an effort to increase the state's healthcare capacity by 6,000 beds." The same order allows healthcare practitioners from other states or those with inactive licenses in Maryland to work in the state. Governors across all 50 states, to varying degrees, are reopening hospitals or placing hospital beds in various facilities.

The most serious issues are faced in two of the nation's largest states. New York Governor Andrew Cuomo stressed that at the peak, his state will need 140,000 hospital beds and 40,000 ICU beds, but currently has only 53,000 of the former and 3,000 of the latter.

At a March 24 press conference, he detailed how New York will increase its active bed inventory: He has gotten agreement from all hospitals to increase their bed supply by 50%, which will yield 27,000 additional beds, and he will use dormitories of the state university system, which will yield 29,000 beds. This will include installing beds in the Javits Convention Center, the sending of the Navy's USNS *Comfort* 1000-bed hospital ship to New York, and so on. But even with all that, he will be 20,000 hospital beds short. As for the drastic shortage of ICU beds, they are limited by the supply of ventilators.

On March 23, California Governor Gavin Newsom said that the state, the most populous in America, will need an additional 50,000 hospital beds. He said he is asking existing hospitals to add 33,000 beds. The Navy's 1,000-bed USNS *Mercy* has already docked in Los Angeles. These added beds are vital to saving lives now. They show momentum, but don't meet the level required.

LaRouche Versus Nazi Policies

The *Washington Post* on March 25, in an article titled, "Hospitals Across U.S. Consider Universal Do-Not-Resuscitate Orders for Coronavirus Patients," reported that "Northwestern Memorial Hospital in Chicago has been discussing a universal do-not-resuscitate (DNR) policy for infected patients, regardless of the wishes of the patient." This is a re-incarnation of Adolf Hitler's health policy of killing those "whose lives are not worthy to be lived." President Trump's epidemiology advisor, Dr. Deborah Birx, angrily opposed the *Post* for publishing this: "No situation in the United States warrants this discussion," she stressed. LaRouche's "People First" and no-triage policy denounced it 20 years ago.

The City of London-Wall Street bankers have destroyed the U.S. hospital system, and now demand that

as a consequence of its inadequacy to meet the novel coronavirus crisis, we must murder people.

That argument presumes a fixed universe of destruction and austerity.

Mankind is not bound by that universe. The United States and the world have another course and responsibility.

Every closed hospital that has been re-opened during this emergency must be kept open permanently. This may mean financing arrangements, including perhaps grants or subsidies by federal and state governments for hospitals that were losing money. Concurrently, medical staffing and training needs be geared up.

White House

Dr. Deborah Birx, U.S. Special Representative for Global Health Diplomacy and White House Coronavirus Response Coordinator, speaking at the President's press conference announcing a National Health Emergency to combat and defeat COVID-19.

There must be a massive hospital building program, to build new, modern fully-equipped hospitals possessing equipment based on the characteristics of the electromagnetic spectrum, including optical biophysics. This defines the needed permanent new 700,000 beds to meet Hill-Burton standards of 4.5 beds per 1,000 persons.

The recent $2.2 trillion stimulus bill, signed into law by President Trump on March 17, provides $130 billion principally for maintaining hospitals, re-opening some that are closed, and turning other facilities into temporary hospitals with beds as well as equipment that must be produced. This is a useful first step, but not adequate. The full construction would need be done under the Hill-Burton law, perhaps complemented and accelerated through the use of the National Defense Production Act, which would provide hospital builders accelerated amortization credits.

David Christie has calculated for *EIR* that simply to add 575,000 new hospital beds would mean adding about 9600 MW to the United States' electricity grid. That's about 1.5 times the output of the Grand Coulee Dam, or equivalently about 10 Westinghouse pressurized-water nuclear reactors. We would also have to add about 85 billion gallons of water a year to supply these added hospitals.

But this construction would never occur under the present gigantic speculative bubble that hangs over and strangles the world and the United States. The world financial system, which has been hopelessly bankrupt for two decades, is disintegrating. The signs abound, including the buckling of the $10 trillion U.S. corporate debt market and the failing of sections of the hedge fund industry. This bubble cannot be bailed out, no matter how much money is thrown at it, nor should it be.

To correct this, Helga Zepp-LaRouche has called for the immediate shut-down of the world's speculative markets, and has issued a call for the Presidents of China, the United States, Russia, and India to meet at a summit, where the current, cancerous world monetary system is cancelled and replaced by a New Bretton Woods as designed by Lyndon LaRouche. That system would transform the world through projects of infrastructure and machine-tool growth, financed by Hamiltonian credit. The United States would simultaneously implement LaRouche's Four Laws, including new scientifically advanced platforms of fusion power, a Moon-Mars mission, high-speed and maglev rail, and mass hospital building.

The U.S. could re-establish President Franklin Roosevelt's Reconstruction Finance Corporation, a vehicle for Hamiltonian credit-generation, which could set up a Hospital Construction Corporation like the Defense Plants Corporation of World War II, to supplement Hill-Burton.

Similar measures need be undertaken on a crash basis in Africa, Asia and Ibero-America, as their forced underdevelopment is removed.

We can ensure that a COVID-19 crisis, or anything like it, never happens again.