

## US medical care

# Hospices gain

*Washington*

What could be a major shift in the pattern of US health care lies nearly hidden in the big tax bill Congress passed on 19 August. This is a feature allowing the federal government to pay for hospice care, that is, care of terminally ill people who have chosen not to have extreme life-prolonging measures and want to "die with dignity". Some 95 per cent of US hospice patients have cancer, and an estimated half of them are over 65.

The advent of what amounts to complete federal insurance for hospice care is sure to swell the ranks of those who chose it. Indeed, because this is a budget cutting, cost-saving year for US domestic programmes, the congressmen voted for it because of claims that it would encourage more people to use hospices, relieving pressure on acute care hospitals.

Until now, the estimated 36,000 people receiving hospice care in the United States have had to pay for many of the costs themselves, or have their families pay. Of the estimated 360,000 deaths from cancer per year in the United States, only 10 per cent are now in hospice programmes. So the potential growth of hospice usage is enormous.

According to figures provided by the Congressional Budget Office that Congress relied on heavily in its decision, this extension of Medicare benefits would cost the programme an additional \$1 million per year in the first two years. Afterwards, however, the numbers of people choosing hospices over hospitals would save \$16 million in fiscal 1985 and \$40 million in fiscal 1986. The National Hospice Organization says the cost of home hospice care is up to \$100 a day, compared with \$600 for full hospital care.

The measure's successful passage, despite opposition from the Administration, the American Medical Association, the American Hospital Association, and the Blue Cross Association, has been eclipsed by the larger fight over the tax bill.

The bill has been a focal point for national discussion of how to narrow the federal deficit and give the business community confidence in a US economic recovery. One House staffer deeply involved in the legislation noted that in normal times, something like the hospice measure would have made a big splash at the time it passed. Instead it has barely been reported, having arrived in the final bill by a strange parliamentary route.

In the house the most active proponent was Leon Panetta (Democrat, California), while Senator John Heinz (Republican, Pennsylvania) is responsible for having the Senate version included in the midst of that body's marathon debate on the overall tax bill.

**Deborah Shapely**

# Bankruptcy for interferon firm

*Washington*

While Southern Biotech Inc., a Tampa, Florida, biotechnology firm that was forced to file for bankruptcy on 28 May, continues to negotiate with its creditors a plan to become solvent again, the US Food and Drug Administration has approved the company's first interferon product for clinical trials.

Approval came on 16 August for US trials of an interferon preparation of possible benefit to lymphoma patients. Although founded and promoted on the basis of its possible interferon sales, the company had not previously been able to market any in the United States, and a 50,000-million unit inventory of alpha-interferon remains unsold.

To facilitate its product reaching doctors in the Florida area, says Daphne B. Floyd, the company's vice-president for marketing, she has helped start a new organization, the Interferon Foundation of Florida, to help tell cancer patients and doctors about interferon. Southern Biotech has donated enough of the newly approved product to the foundation to treat 20 patients.

The company was formed in 1979 by former physician, John Kilgore, who sought to graft an interferon products business using genetic engineering onto a successful blood plasma business. But various deals, including one with Key Energy Enterprises of Tampa, apparently drained the company of cash. Hopes of an innovative research programme under William E. Stewart II, formerly of Memorial Sloan-Kettering Cancer Center, were dashed when Stewart, who was listed

as director of research at the time of the 18 August 1981 stock offering, was fired in September. The prospectus envisaged 17 doctoral-level scientists and a support staff of 34. At present, the scientific staff numbers 3, says Floyd.

However, the company continues to sell its blood plasmas in the United States, while a subsidiary, Southern Biotech Caribbean, located in Kingston, Jamaica, sells its interferon products locally and in West Germany.

Southern Biotech currently has applications for two other interferon products, one for treating breast carcinomas and the other for herpes, filed with FDA, says Floyd.

**Deborah Shapely**

## Spruce bark beetle

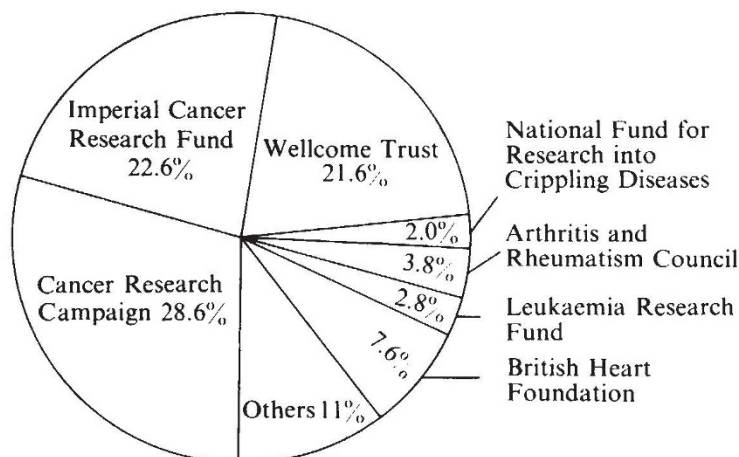
# Peril imported

Despite stringent import controls which demand the stripping and spraying of imported conifers, the great spruce bark beetle (*Dendroctonus micans*) has found its way into British woodland.

Forestry Commission entomologists have identified the beetle on a private estate near Ludlow in Shropshire and the commission has implemented a monitoring programme using helicopters and foot patrols to survey the area within a 50 mile radius of Ludlow. Other counties affected are Gloucestershire, Hereford, Powys and Glamorgan. The Forestry Commission is optimistic that the pest will remain confined to this area assuming it has not already spread further afield.

*Dendroctonus micans* attacks and kills

## Per cent distribution of UK charities' £64 million expenditure on medical research



The total annual income of the 35 principal UK medical research charities passed £100 million for the first time last year according to figures collated and just released by the Association of Medical Research Charities. Total expenditure was only £3 million less than the £103 million income but only 64 per cent of the expenditure was on "research" (the Spastics Society spent virtually all of its £18 million on such things as housing and care). The diagram shows the major contributors to research spending; none of the "others" spent more than £1 million. For comparison, the Medical Research Council was granted £102 million by Parliament for 1981-82. And in 1981 the National Society for the Prevention of Cruelty to Children collected £6.7 million and the Royal Society for the Prevention of Cruelty to Animals, £7.8 million.