

**THE HOUSE THAT MORRIE BUILT  
RILEY HOSPITAL FOR CHILDREN**

May 18, 1990

Robert J. Haggerty, M. D.

When I mentioned to a colleague that I was to give a talk at the Herman Wells Center for Pediatric Research at Riley Hospital (better known throughout the rest of the United States as “The House that Morrie Built”) and also that Morris Green had become the Acting Commissioner of Health of the State of Indiana, he commented, “The next step for Morrie must be Sainthood!”

In my view, sainthood is not good enough for Morris Green, although he certainly is saintly. He deserves more than that. After twenty-five years of close association with Morris Green, I am so proud to be a part of this festive event. “The House that Morrie Built” here in Indianapolis is a marvelous amalgam of a public/private venture. It has coupled the stability and public commitment through state funding for education and service with the creativity of private support for innovative programs through the Riley Association. This is a model that many would like to emulate throughout the United States.

In one sense all money for health care is both public and private. Public money comes from taxes, not through making and selling a better widget, and therefore comes from private sources. On the other hand, private money, at least that given through the non-profit organizations such as foundations or the Riley Association, is the result of our public tax laws, which permit tax free donations to such ventures. Few other countries have tax laws that foster private giving for public good. We in the Foundation world feel very keenly that the resources that we administer are there because of some successful individual entrepreneur in the past, plus the public trust that it will be well spent by us rather than taken as taxes and used for general purposes. I want to speak for just a few minutes on the importance of so-called “private support” of public institutions.

First, let me review the anatomy of private giving. In 1988 over fifty billion dollars were given by private individuals for public purposes in the United States. The largest share was for religious purposes, but some four and a half to five billion dollars went for health. This amount is nearly as large as the public appropriations at the National Institute of Health, but it is dwarfed by expenditures for health care by Medicare, Medicaid and the health insurance agencies, altogether estimated to be more than six hundred billion dollars per year.

Therefore private giving for health is minuscule compared to public and quasi-public funds, that is, health insurance. Private funding plays an extremely important role if it finds its appropriate

ecological niche. But, in my view, private funding should not take up the slack when federal and state dollars for traditional health services are cut. Nor should it be used for ongoing medical care. I realize that may seem inhumane.

The Riley Fund here in Indianapolis is a wonderful example of a small amount of money which has spawned the research careers of many young investigators, and allowed them to grow into researchers who can compete successfully for NIH or other support. It has also allowed such buildings as the Herman B Wells Center, being dedicated today, to be established.

In New York City, we have been attempting to link the public sector of health care—our health department and our publicly owned health and hospital corporation—with the private sector—the voluntary hospitals, medical schools, and private physicians to build an integrated community health system. In many ways you have achieved this here in Indianapolis.

The future of health care here in the United States lies in a system of public/private linkages. Another role for private resources in the health care field is the pressure they can bring on the bureaucracies that inevitably arise in public institutions. (Not that private institutions are free of bureaucracy, but they do tend to be a bit more willing to cut through red tape. A privately funded program can demand the end of rules and regulations that paralyze progress.) Thus private support for public services must do things that public money finds difficult to do. It must be creative, risk-taking, and yet not replace appropriate public funding for ongoing services. “The House that Morrie Built” here in Indianapolis with all of your help is a solid health model for the rest of the United States. Morrie Green deserves even more than sainthood for his role in this; and you who have so ably assisted him are truly angels.

Provided January 2018 to Riley Hospital Historic Preservation Committee by Mary Ann Underwood, Assistant to Dr. Morris Green, Chairman of the Department of Pediatrics, 1967-1987. For more information about Mary Ann, see footnote #21 in Brief History of Department of Pediatrics.

To learn more about who Robert J. Haggerty, M.D., was, visit: Papers of Robert J. Haggerty, The University of Rochester Medical Center, Edward G. Miner Library, available at: [https://www.urmc.rochester.edu/libraries/miner/historical\\_services/archives/faculty/RobertJ.Haggerty.cfm](https://www.urmc.rochester.edu/libraries/miner/historical_services/archives/faculty/RobertJ.Haggerty.cfm)