

Jay Sandelin  
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Oral History Interview  
March 3, 1994

Blake Hailey: We have the pleasure today of talking to Mr. Jay Sandelin, the chairman of the board of the Osteopathic Medical Center of Texas. Now, after all the introduction, I would like to ask you some questions.

Blake Hailey: Perhaps we could go back to your prior background and what led you into the osteopathic profession and the medical center.

Mr. Sandelin: The real story or which story do you want Blake.

Blake Hailey: Well, the real story unless the fake story is far more interesting.

Mr. Sandelin: No, I don't know how interesting either one of them are. I used to live over in Medford Court and I was in my backyard one day. There were some weeds coming over the back fence. I did not know my neighbor very well, so I got a ladder and looked over the fence and it was a guy by the name of Joel Alter, who was an osteopathic physician. He was weeding his garden and throwing his

weeds over the fence into my yard. We became friends after that and that is one of the connections I have with the school. The other one was that I was working at Fort Worth National Bank at the time that Dr. Everett and Dr. Luibel were starting the school. I used to monitor the size of the bank accounts and I noticed that this one account was getting larger and larger. It was under the name of Carl Everett trustee. So, I called on Dr. Everett to find out what was going on. That was the money that they were raising to put together a fund to start the school. That was the beginnings of my relationship with the school. Then after the school was started back in 1971. I was one of the member of the board when the school was a private institution before it became part of the university system.

Blake Hailey: What are some of the things you did while you served on the board at that point. You were still in banking for a number of years after that. What are some of the things you did on the board?

Mr. Sandelin: Well, we originally started the school then, at that point was located in tavenors building, which of course was the bowling lanes, which nobody likes to talk about it. Some people even called it alley then. The people that were up town called bowling alleys bowling lanes and it was where the school was originally at that time. Dr. Henry Hart I believe it was, was the first president and then I believe it was Marian Coy after that.

Both of those gentlemen of course were there during the time that I was on the board.

Blake Hailey: So, you witnessed when the merged with North Texas, well it was then North Texas State University. All these name changes.

Mr. Sandelin: Like the banks.

Blake Hailey: Exactly. How were things going with the North Texas people. Were you heavily involved with that.

Mr. Sandelin: No, as a board member no, we met on a monthly basis and reviewed what was going on. We were aware what was going on. There was an arrangement with North Texas and I believe the 1st 2 years they travelled up to Denton. That was a good relationship and it worked out very well. Of course, when the school was able to get the money to evolve, they moved most of that back up here. That went on for a period, I guess, of 7 or 8 years.

Blake Hailey: Then you stayed with the bank until 1984 or in banking until 1989 really.

Mr. Sandelin: Yea, I left the Fort Worth National at one point, was it 1984, I guess it was. I started my own bank, or started a bank with a group of investors. That bank eventually closed, along

with a lot of others.

Blake Hailey: Well, what bank hasn't closed or changed.

Mr. Sandelin: Well, there are a few that haven't. Some made it but for the most part that was in 1989 I believe when I came to work for, on a full time basis, at the hospital.

Blake Hailey: Who got you interested in that?

Mr. Sandelin: I had originally been on the board of the college for a long time. Then when it became a state institution there was not a position because the board of regents was the board at that point. We had an advisory board of which I was chairman for several years. My original association with the osteopathic community was through the college. Then at that point I met some people from the hospital and at some point I went on the board of the hospital as well.

Blake Hailey: I take it from that, you did a lot of traveling and that type of thing.

Mr. Sandelin: Not much.

Blake Hailey: What are some of the things you did on the board there. What were some of your responsibilities.

Mr. Sandelin: If I told you I might lose my job, because they would find out that I did not have much to do. General long range planning. All the things a chief executive officer does. Since I have been there we have expanded somewhat, our thinking about what the future holds. We are now involved a great deal in developing some clinics. Rural clinics, we are talking to people as far out as Jacksboro. To strike within our outreach, or catchment area. A couple of years ago, actually I believe it was in 1989 we changed the name of the hospital from Fort Worth Osteopathic Medical Center to Osteopathic Medical Center of Texas. It wasn't just so all the letters were the same as TCOM. It was because we really wanted to position ourselves as the largest osteopathic hospital in the state of Texas. To, perhaps pickup patients from outside our area. That was the reason we changed the name. There was some fore thought into it. That has worked out to some extent.

Blake Hailey: What are some other long range, you mentioned the clinics, and possibly going to Jacksboro. What are some other long range plans that you have for the hospital, that you would like to see achieved.

Mr. Sandelin: Mainly, I think we need to strengthen the clinics, the family practice clinics. That I think, is the osteopathic strength, the family practitioner. That is the basis of the feeder system if you will. Our ultimate goal is to stay alive financially, to keep the hospital going and support the osteopathic profession.

I think we can do that through having the family clinics. We now have I think, 7 of those.

Blake Hailey: That is a good number. How many beds are in the hospital?

Mr. Sandelin: 265. However that used to be when you had to have certificates of need and you had so many licensed beds. In reality I think we have about 210.

Blake Hailey: That makes it the largest or one of the largest in the state.

Mr. Sandelin: Well, it is the largest osteopathic hospital.

Blake Hailey: How is the relationship or has the relationship been between TCOM and now the Health Science Center and the hospital been over the years, since you have been there or even before you came on?

Mr. Sandelin: I have always thought the relationship has been good but there are others that think it is horrible, and others that think it is Ok. Others struggle with it every day, but I have always thought it has been good. The 5th floor of the hospital is where the school started and I have always thought the relationship has been good. You all have the built in competitiveness of some

of the physicians. There are some in private practice, some that work for the school, but for the most part I think it is good. Years ago, I was chairman of the Liason Committee that was between the hospital and the school. Roy Fisher at that point was very active. If there was a problem I would call Roy and say, "Roy don't you think we ought to get together". He would say " Oh, lets not, lets just wait and see". Sure enough, the problems would eventually evolve or resolve themselves. I think there is always the potential for conflict. Now, the profession has changed enough because of the lack of positions for interns and residents, it has caused some additional pressures I think. The osteopathic hospitals are dwindling very quickly and probably, there were at some point 20, and now we are down to 3 or 4 that are really osteopathic to any extent. I think that has caused pressure on the school, to have to find other places for the students to go to get there training. Also, one of the criticisms of osteopathic medicine in the past has been the fact that probably their residency training might not have been as strong as the allopathic residency training. I think in order to meet that criticism, it has been necessary to develop other programs, a lot of them with allopathic institutions. Which we understand, we're so small with respect to the needs of the school. We can fulfill part of these, but of course we can't do all of them because we don't have the scope and volume of patients for a good background for the interns.

Blake Hailey: Where do you see the medical center and the

relationship with the Health Science Center going. What things would you like to see done between the 2 institutions in working together.

Mr. Sandelin: I think it is probably like a marriage, it has to be worked at everyday. No marriage is perfect and I always give out the analogy that we are catholics and the pope won't give us an award, so we may as well stop worrying about that, and just worry about trying to get along the best way we can. We have some projects that we are doing together. I think that as time goes on with some of the changes in medicine, we will probably, in some ways, become closer. The Hyperbaric Medicine program which was started over here, of course on this side of Montgomery if you wanted to draw lines. We began to be involved with because it simply was not possible to treat some of the patients that the hyperbaric program got in the school, in a non clinical setting. At some point years ago, Dr. Richards asked if we could make space for one of the units in the hospital. We did that and I think that was the genesis of the hyperbaric program and then of course recently we installed the new hyperbaric medicine chamber which seats 12 people. Going from the single unit chamber to the 12, and we do this in conjunction. We would never have done this without the school. The professors and so forth that run that come from the school, Dr. Mills, Dr. Slocum, Dr. Wilson and other that have been with the school. We consider it to be a joint program and probably, a good example of cooperation between the 2 institutions.



Blake Hailey: Do you have some other programs you would like to see advanced, or thoughts of your own you would like to see tried in the next few years between the 2 institutions. Off the top of your head.

Mr. Sandelin: I can't think of anything specifically. We have talked in the past about trying to maybe even have some clinics that would have some private side physicians in the same practice with someone from the school. I don't think in the day of computerization that is unrealistic to think about that. We have no obstetricians that are private. All of them have been with the school which has been a fine relationship for us. So, should we ever have a private obstetrician, I would hope that at some point they could practice with the other people. We haven't recruited one and don't intend to.

Blake Hailey: Well, it sounds like then that the marriage as you say is going pretty well. Of course, there are always some people that may wish that the marriage hadn't happened and look at Montgomery as a dividing line. It sounds like things are in pretty good shape.

Mr. Sandelin: I don't think there are any question that the hospital would not have progressed to the extent it has without the school and to some extent vice versa. I think the two together make a very strong unit. There is a great deal of, ah, you know

there are people that say, well we need to do this separately of that separately, but I think our strength lies in doing as much as we can together. We can't do everything together, I mean it just can't possibly work, but we can cooperate where we can. I do think that there is a lot of anxiety among some people about worrying about the fact that the community does not understand who is who and what is what. I gave up years ago trying to explain to people the difference because it makes no difference. I get mail addressed to me at Texas College of Osteopathic Medicine and I am sure Dr. Richards has people that think he works at the hospital. You can worry about that but the community really doesn't mind. It is kind of like the sex of a hippopotamus, only another hippopotamus cares. It makes no difference, I know that people have asked me in the past and I have tried to explain it. In many instances they have said oh well its the same thing then. Since, we are so much together, so much interweaving of the fabric that to most people it does not make a difference.

Blake Hailey: I have noticed in my encounters with people when I tell them what I'm doing. They often, hear Health Science Center but see TCOM but that is all they are ever going to see. I guess it doesn't really matter in a sense people in the community are going to think what they want, as long as a D.O. knows the difference then that is all that matters.

Mr. Sandelin: I was at lunch the other day and I saw a guy by the

name of George Pepper, who has been around the community a long time and you would think would know the difference. He says well I see you finally got all your signs changed. Instead of saying no George, I just said oh yea. They don't care. Terry Ryan, that your mother knows very well, in the chamber of commerce. I have explained it to Terry and know that Dr. Richards has explained it to Terry no less than 5 times and he still doesn't understand the difference. I went to a chamber meeting the other day and they had my name tag up and it said University of North Texas Health Science Center, and so I took it to Terry, and said we have the "e" in there, because people always misspell my name. I said Terry that is not what this is about. He said what do you want to go as TCOM or UNTHSC. I said neither but I will talk to you about it later. They don't understand and I don't think it makes a lot of difference to the community. The community for the most part we are look upon us as one institution. That is why I think it is so important to cooperate where we can and know what the other one is doing because if one does something, it reflects upon the other. In many measures probably 35 to 45% of the admissions to the hospital are from the faculty at the school, so we are the same in many instances.

Blake Hailey: Its a win win situation.

Mr. Sandelin: Well, it can be, most certainly can be.

Blake Hailey: Let me ask you this. How do you see the UNT Health Science Center in you background. How do you see it different from the other centers in Texas and what do you think it really has to offer this area or the state in general. You mentioned the primary care physicians, are there other things that come to mind.

Mr. Sandelin: I think the public health school program can be very beneficial but I don't really know a lot about the other centers. I do know that it was absolutely necessary, with my conversation with Dr. Richards, to change the name. There was some resistance to that, but I do think that nationally you absolutely have to have that name in order to get the respect and the grants and the funds that go along with research. You have to be a health science center. I do think where the osteopathic physician is concerned I think we are 80% family practice and 20% other. The allopathic profession is the other way round. I do think it is important, especially if you read the newspaper, to see that we really are of what the national healthcare plan can look like. We have a predominance of family practitioners, who I do think in large measure can take care of the patient at a lower cost, than if they immediately get in the specialist loop. I think what has to happen, the way the payment system works, we will have to go to a capitated system in order to get the physician to change his practice habits. There is a lot of resistance to this. A lot of physicians think this is bad medicine, so it is going to create a lot of problems and it will create a lot of changes in the system.

Blake Hailey: I guess people that are reluctant to change but then some don't want it to stay the same either.

Mr. Sandelin: I think change is essential, and it happens very normally. In this case, due to the pressure from the national government and the other plans, I think it is evolving quicker than it would have, but change is necessary. About 15-20% of GNP is spent on spent on medical care and that is to high of a number. The government doesn't mandate spending caps on other things, but they are very concerned about health care. This is probably political hearsay but I think it was a given that as soon as the defense budget went down that the government would stay involved somehow, and the big other expenditure is health care. It is natural that they would keep that pool of money in my estimation. I don't mean in a cynical view but a realistic view.

Blake Hailey: We have covered a lot of things. One more question I do want to ask you but first see if there is anything else you would like to bring up, that you already have not mentioned. Anything that you can think of, off the top of your head.

Mr. Sandelin: I probably editorialized over the things I want to.

Blake Hailey: It sounds to me from the studies I have done that the name change was a logical step and a smart step for TCOM to make and bring a lot to the school and the hospital as well. One

question I have for you, and you have made some changes in the past few years, is how do you see your role as a chairman changing in the next few years? Or, is it going to stay pretty much the way it has.

Mr. Sandelin: I don't know because I don't really know what my role has been. Primarily what I see as my charge is to try to the best of my ability, is to look out as far as you can into the future and position our institution so it can survive. There are a lot of hospitals that will close in the next few years and we don't want to be one of those. I think that will be a struggle. That is why everybody gets so concerned about health care, because it affects all of our lives and so I think it is a hot topic. Whether or not the Presidents health care plan passes in the way in which he formulated or not remains to be seen. Most people feel it will not at all look like it. In my opinion I feel it shouldn't look like it. You can't really offer less healthcare for more money which is basically what they said they were going to do, and think people are going to be thrilled about the prospect.

Blake Hailey: So, you do see a healthcare change in some form down the line.

Mr. Sandelin: There is no question there will be a change. Change is taking affect as people position themselves for the future. I think that is good. That is evolutionary and is very

good.

Blake Hailey: Do you think the hospital and the school are on the cutting edge to make these changes without too much trouble.

Mr. Sandelin: I think that you always need to make adjustments to what you do. Again, I think what osteopathic medicine has what the healthcare system needs to look like and that is a predominance of family practitioners.

Blake Hailey: Do you have any closing remarks that you would like make.

Mr. Sandelin: No, I have probably made enough. I have talked to much already Blake.

Blake Hailey: You definitely have made some good and valuable remarks in this interview. I do appreciate you taking the time out of your busy schedule with us. I know you have a lot of things that you have been working on in the community. We do appreciate you taking your valuable time out to meet with us. I hope we did not ask you too many tough to answer questions. Thanks again.

Mr. Sandelin: Thank you.

Blake Hailey: With that we will conclude this interview. Thank

you and have a nice day.