Hospitals. During much of the 19th century, hospitals offered few advantages to the sick and suffering. Doctors treated most patients in their own homes. Early hospitals had evolved from almshouses and were little more than welfare institutions. The medical care at these institutions was minimal, and the death rate from infection was high (approximately 10 percent). Patients in these early hospitals were poor and had been abandoned by family and friends.

By the mid-19th century, most municipal hospitals abandoned their welfare functions and began operating as true hospitals, offering primarily medical care to the poor. A number of private, or voluntary, hospitals also provided care to the poor. Not until the late 19th and early 20th centuries did the middle class use hospital facilities.

Indianapolis opened its first hospital during the Civil War. The Indianapolis City Hospital (now Wishard Memorial Hospital) was used by the federal government to care for sick and wounded soldiers. After the war, the city assumed control of the facility and operated it as a charity hospital that provided care for the indigent. Like city hospitals elsewhere, the institution was constantly overcrowded and chronically underfunded.

The late 19th and early 20th centuries witnessed the expansion of City Hospital and the opening of a number of other hospitals to provide better care for those considered the worthy poor, as well as for paying patients. The Daughters of Charity of the St. Vincent de Paul Society established the St. Vincent Infirmary (later St. Vincent Hospital) in 1881. In 1899 Protestant Deaconess Hospital and Home for the Aged (later known as the Indiana Christian Hospital and Clinic) opened. The Epworth League dedicated its 65-bed Methodist Episcopal Hospital (now Methodist Hospital) in 1908. Although all these institutions initially accepted charity cases, the majority of the patients paid for care and consequently the care at these institutions was superior to City Hospital. These new hospitals and hospital additions employed the latest techniques in hospital architecture. Most were laid out in a pavilion style, which maximized ventilation, minimized the crowding of wards, and reduced the risk of infection. Pavilion hospitals usually were sprawling structures, one or two stories in height.

By the early 20th century much of the stigma attached to hospitals had subsided. Hospitals began offering specialty services such as care for contagious patients, obstetrics-gynecology, ophthalmology, gastroenterology, neurology, and urology. Hospitals were also influenced by the tremendous growth of medical science (especially the development of the germ theory and bacteriology) and medical technology, improvements in medical education, and the professionalization of nursing. For the first time, hospitals had the potential for providing better care than could be received at home. They also became an integral part of the medical education system and important facilities for training medical students and nurses, as well as major research centers.

As the demand for hospital services rapidly increased, Indianapolis hospitals could not keep pace with the need for bed space. In 1914 the Poor Sisters of St. Francis Seraph of Perpetual Adoration founded St. Francis Hospital. This 75-bed charity hospital
served the city’s rapidly expanding south side and eventually accepted mostly paying
patients.

The 1910s and 1920s also witnessed the growth of a number of specialty hospitals
funded through private philanthropy. The Robert Long Hospital opened in 1914 as a
138-bed hospital for the care of the rural poor. Although Long donated the original gift
for the hospital, the institution relied on the state for operating support. Because of a
generous gift from William H. Coleman and his wife, the William H. Coleman Hospital
for Women opened in 1927 to provide obstetrical and gynecological services. Through
contributions collected by the Riley Memorial Association, the James Whitcomb Riley
Hospital for Children opened in 1924. Long, Riley, and Coleman were all used as
teaching hospitals for the Indiana University School of Medicine.

During this time two hospitals served the needs of the mentally ill. The Indiana
Hospital for the Insane (later Central State Hospital) opened in 1848 as a state-funded
hospital. This hospital remained open continuously to the early 1990s. In 1992, after
several scandals and patient deaths in the institution, the governor ordered the facility to
close. In 1899 the city opened the Marion County Insane Asylum (known as Julietta) and
operated it until 1938. Norways Sanatorium, founded by Albert Sterne, operated in the
city’s near east side from 1898 to 1957 as a private facility to care for nervous and mental
disorders. The latter was the first institution in the state to employ insulin, metrazol, and
electric shock therapy.

Despite all the hospitals in the city, the black population failed to receive proper
health care, since Indianapolis City Hospital was the only institution until the late 1940s
which admitted them. Unable to gain admission to existing hospitals, African-Americans
established their own hospitals, including Lincoln Hospital (1909), Charity Hospital
(1911), Dr. Ward’s Sanatorium (late 1910s; later Dr. Battie’s Sanatorium), and Provident
Hospital (1921). All these institutions were short-lived since they lacked money and
proper facilities to practice modern medicine. In 1927 the black physicians of
Indianapolis approached the Indianapolis Foundation to study the state of black
healthcare in the city. The foundation’s report in 1930 concluded that Indianapolis City
Hospital’s facilities were woefully inadequate to care for blacks, and it urged that City
Hospital construct a separate hospital for them.

The Great Depression had an adverse effects on the city’s hospitals, with
resources strained to the limit as charity care increased dramatically. Some hospitals
were unable to withstand the economic hardships. In 1935, after a number of
reorganizations, Protestant Deaconess closed its doors. Other hospitals began
considering accepting hospitalization insurance, although the state and local medical
associations initially opposed it. In 1944 Methodist Hospital became the first
Indianapolis hospital to sign an agreement with the Blue Cross Hospital Service.

The world wars also had an effect on local hospitals, especially with staff
shortages. After World War I, many individuals became aware of the need for a hospital
to care for the veterans. William Fortune donated land on the near northwest side of the
city (on Cold Spring Road) for such a facility. Originally called the General Medical and Surgical Hospital, it opened in 1932 as a model veterans hospital. In 1952 a new veterans facility opened near the medical school complex. The Cold Spring facility was used briefly for the care of tuberculosis patients. Both facilities currently are used for veterans and, although federally funded, both are an integral part of the Indiana University Medical School complex.

The end of World War II marked the beginning of the baby boom, which resulted in a need for more bed space. Demand for hospital bed space also occurred because of the growth of hospital insurance and the advances made in surgery.

Concerned about the lack of hospital bed space, the Indianapolis Medical Society urged the community to take action. In 1951 a group of local businessmen formed the Indianapolis Hospital Development Association and named Edward Gallahue as its president. This represented the first attempt to systematize hospital development within Indianapolis. After assessing the city’s hospital needs, the association undertook a $12 million campaign to add 825 hospital beds by 1975. To participate in the campaign, however, hospitals could not discriminate by race. Hospitals which had previously not admitted blacks (e.g., Methodist, St. Francis, Norways) began admitting them. The 1963 explosion at the Coliseum also pointed to the need for additional hospital bed space within the city.

Out of this campaign, many local hospitals added bed space. Also, Community Hospital opened in 1956 as a 300-bed facility. The money for that hospital was raised exclusively through private donations from eastside residents. In 1952 the state opened the first psychopathic hospital, LaRue Carter, and opened a new facility on the medical school campus in 1971. Also in 1956 Dr. Joseph E. Walther founded Winona Memorial Clinic (now Winona Memorial Hospital), a voluntary hospital funded totally through private donations. Winona specialized in medical and surgical cases. In 1964 construction was begun on a much larger facility (280 beds) just north of the clinic. Although the construction of Winona Hospital increased bed space in Indianapolis, it was not part of the city-wide fund-raising campaign for hospitals.

In the 1960s, with the enactment of Medicare (1965), the health care industry witnessed dramatic growth. The government paid for the medical care of the elderly, and physicians set fees arbitrarily. The result was increased hospital admissions, new clinics, and skyrocketing medical costs. Health insurance premiums rose dramatically.

To control the costs the federal government in 1983 set prices in advance based on the expense of medical procedures. To implement this they established diagnosis related groups (DRGs). DRGs created problems for the hospital and for the physician. If a person took a longer period of time to recover from an illness, the hospital paid the difference. As a result, hospital admissions declined and the city was left with excess bed space.
Thus, 1983 and 1984 were very lean years for local hospitals; many cut staff or downsized their operations. Other hospitals sought new markets, offering specialized medical care and wellness programs. Methodist, the largest hospital in Indiana, became known for its treatment of heart disease, cancer, and diabetes, its emergency medicine and trauma center, the Midwest Eye Institute, and organ transplantation. Indiana University Medical Center specialized in cancer, cardiac, and neonatal care, treatment for hypertension, neurosurgery, and rheumatology. St. Vincent Hospital became recognized for its heart institute, family life center, vascular center, and the specialties of sports medicine, oncology-biotherapy, geriatrics, and occupational health. Community Hospital’s specialties include neurology, cardiovascular programs, and oncology. Wishard Hospital’s burn and trauma units are among the best in the nation. The Winona Memorial Hospital has the Walther Cancer Institute, adult, child, and adolescent psychiatric services, and a diabetic unit.

The 1970s and 1980s also saw the development of a number of specialty hospitals including Westview (opened in 1975) for osteopathic medicine, New Hope of Indiana (a treatment facility for mentally and physically handicapped children that opened in 1978), Humana Women’s Hospital (the first for-profit hospital, which opened in 1983, now the Women’s Hospital-Indianapolis), Lifelines Hospital (opened in 1987 as a pediatric rehabilitation hospital), Fairbanks Hospital (which opened in 1982 to replace the Cornelia Cole Fairbanks Home) for the treatment of alcoholism, and Charter Hospital (a private hospital specializing in mental health and substance abuse treatment). The major hospitals like St. Vincent and Community opened “branch” hospitals in high-growth areas of the city and surrounding counties. They also opened community health centers and began utilizing outpatient departments to make their health care service more accessible.

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