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Crain's Health Pulse

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Special Master at LICH

William C. Thompson Sr. will likely become the court-appointed special master to oversee SUNY Downstate's compliance with a judge's order not to close Long Island College Hospital. It is the latest development in the legal tussle between SUNY Downstate and groups that went to court to keep LICH open, including the New York State Nurses Association, 1199 SEIU and LICH doctors. A special master is different from a court-designated hospital operator, who would need to satisfy the state Department of Health's regulatory requirements. A special master acts as the court's representative in overseeing "the matter of interest to the court," according to a NYSNA spokesman. Jill Furillo, the union's executive director, called Mr. Thompson's appointment "a good choice; he will get the job done." Mr. Thompson, a former state Supreme Court Appellate Division judge, City Council member and state senator, is the father of mayoral candidate Bill Thompson.

Health Exchange Hints at Rates

Though the state Department of Finance and the state DOH have not yet announced which insurers have applied to sell products on the coming Health Benefit Exchange, officials who spoke Wednesday at a planning committee meeting of the Public Health and Health Planning Council offered an update. Interested plans have met the July 1 deadline to submit materials, and their potential offerings are being reviewed. Donna Frescatore, the executive director of the exchange, described likely premium rates for plans that will sell on the exchange's individual market. A person earning \$17,000 a year could expect to pay about \$55 a month for coverage, an amount that would rise to \$182 monthly when income hits \$28,000 a year and to \$317 monthly when income reaches \$40,000. Those premiums are significantly less than the \$1,000 a month that is typical for New Yorkers who purchase coverage on the commercial market. Ms. Frescatore said the state expects that 615,000 individuals will seek exchange coverage, and that 50% to 60% of those people are currently uninsured.

New Pact for Cigna, NYU Docs

NYU Langone Medical Center and its University Physicians Network announced a new initiative with Cigna. In a "collaborative accountable care" agreement starting July 1, the program will offer 300 primary care physicians in the faculty practice plan financial incentives to meet Cigna's quality-care standards. NYU Langone will be eligible for a share of Cigna's savings when care goals are met and costs are reduced. There are about 24,000 patients with Cigna coverage who use these doctors. The initiative will focus on managing chronic illness. There will be no changes in plan requirements for referrals to specialists. NYU nurses will serve as care coordinators. The program is Cigna's 66th such initiative nationally.

Farewell, and thanks, to HANYS' Dan Sisto

Just as he's always done after HANYS' post-legislative session annual meeting, Dan Sisto will head to Loon Lake in the Adirondacks for some R&R on July 1. This year he's staying until fall, contemplating a new life to be divided among "playing, volunteering and working," he said. Nothing's set yet. "I've always found pathways open to me when a path is right."

After nearly three decades at HANYS, Mr. Sisto retires on June 30 as head of the health care trade group. For nearly three years, he has groomed Dennis Whalen as his successor.

Mr. Sisto's advice for HANYS' new president? "To trust his instincts," he said. "He's got great knowledge of health policy. His judgments are always sound."

His long career at HANYS—one that began with a Cuomo and ended with a Cuomo—wraps up during a tumultuous time in health care.

State and federal budget cuts and reforms have put tremendous pressure on hospitals. Many of HANYS' members have merged or closed. The spread between haves and have-nots has widened.

But HANYS must serve hospitals (and some 300 nursing homes) that are rural and urban, academic medical centers and community hospitals—some in risk arrangements, others clinging to fee for service. Advocacy for one could be a bad policy for another. Political compromise through HANYS is the thread that binds them, said Mr. Sisto.

Asked to predict how many hospitals will close in the next few years, he said there will be enough hospitals to care for New Yorkers.

"The issue is less how many will close, and more what drives closure, and will they be allowed to close?" he said. The state has grappled over the years with whether it should regulate, deregulate, make decisions by [Berger] commission, or let market forces prevail.

These days, the Medicaid cap insulates New York state from the cost of making hospitals more efficient. With that insulation, "we can keep providers open that aren't needed," he said. "The political context of these decisions usually trumps what would otherwise happen."

New Yorkers see hospitals as "big institutions with a bunch of inpatient beds," he noted. In reality, hospitals treat far more patients outside their inpatient units, in clinics or the ED. They also are shifting care from an emphasis on admissions to population management, risk assumption, and linking quality outcomes to reimbursement.

"In that context," said Mr. Sisto, "it doesn't matter if we lose five hospitals or 15, but how the community will be best served."

At A Glance

CONTRACT: North Shore-LIJ signed a \$25 million multiyear contract with HealthShare. The company will implement a secure technology infrastructure to connect all of North Shore-LIJ's clinical and business systems. The new system will accommodate smart message routing, event-triggered alerts, advanced work flows and real-time active analytics.

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