Crain's Health Pulse



Tuesday, March 26, 2013

SUNY plots LICH strategy

Long Island College Hospital will run out of cash by the end of the month, but SUNY officials are hopeful that the state Department of Health and Division of the Budget will somehow come to the rescue to keep the facility open. "We didn't get the \$150 million we asked for in the [state] budget," said a SUNY official. "But we are working with the Health Department and the budget office to get accelerated cash payments" while SUNY devises a long-term strategy to save medical education in Brooklyn.

SUNY Downstate must submit a detailed restructuring plan for the facility by June. LICH remains open for now.

Layoff notices were sent out last week after the SUNY board voted to close the hospital, and were effective in 90 days. The SUNY Downstate official said providing medical education in Brooklyn is the facility's main focus, and it is awaiting consultants' reports on how to meet that goal. The university will also seek public input. "We are very serious about medical education—80% of Downstate graduates are New York state residents," said the official.

The final state budget amends the statute related to all SUNY hospitals regarding contracts for participation in managed-care networks and other joint and cooperative arrangements, reports HANYS. SUNY hospitals now can have joint ventures, network arrangements and joint operating agreements with for-profit corporations and for-profit limited-liability companies if the contracts are approved by DOH and the Division of the Budget.

When asked whether SUNY might consider privatizing some operations to avoid pension and labor costs, the official said "we're not there yet" in weighing that option.