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**Public Comment by State Senator Daniel Squadron On Issues Relating to Downstate Medical Center and Long Island College Hospital at the State University of New York Public Board Meeting**

**February 7, 2013**

My name is Daniel Squadron and I represent the 26th Senate District in the New York State Senate. My district includes the Brooklyn neighborhoods of Greenpoint, Williamsburg, Vinegar Hill, DUMBO, Fulton Ferry, Brooklyn Heights, Downtown Brooklyn, Boerum Hill, Cobble Hill, Carroll Gardens, and Columbia Waterfront, and the Manhattan neighborhoods of Tribeca, Battery Park City, the Lower East Side, Chinatown, the Financial District, Little Italy, SoHo, and the East Village.

The State University of New York Health Science Center at Brooklyn (SUNY Downstate) is a keystone healthcare provider in New York City. Across its facilities and schools in Brooklyn, SUNY Downstate delivers healthcare services to a diverse, often uninsured or underinsured population, provides critical diversity in medical education, and employs approximately 8,000 faculty and staff, making it the fourth largest employer in the borough.

Today, you are being asked to vote on a resolution that authorizes Dr. John F. Williams, President of SUNY Downstate, to propose a plan to the New York State Department of Health (DOH) that will likely close University Hospital of Brooklyn at Long Island College Hospital (LICH) and potentially sell off the hospital for development with no community benefit.

I strongly urge you to vote against the resolution before you today.

Over the last five years there has been consistent and clear evidence of the healthcare needs in the community surrounding LICH. Senior staff at LICH, the New York State Comptroller, DOH, and the SUNY Board of Trustees itself have all confirmed two things: a demonstrable healthcare need met by LICH and significant financial mismanagement at SUNY Downstate.

One reason given for the closure of LICH is bed occupancy that is far lower than capacity. However, the number of beds certified by DOH is different from the number of beds that are *able* to be occupied based on staffing. Therefore, the number of beds able to be used is likely to be different than the number of beds certified by DOH.

When the number of beds certified by DOH is used as the baseline to measure the percentage of inpatient beds that are actually used, and consequently evaluate the level of demand for beds, it can give an inaccurate impression of a hospital's real capacity and utilization. The Comptroller's recent Financial



Condition and Outlook Report (Comptroller's Audit) seems to do exactly this in basing its finding that "55 percent of LICH inpatient beds (excluding beds available for newborns) were unoccupied during 2010, an average of 284 beds unused each day" on data included in the November 2011 Brooklyn Health Systems Redesign Work Group Report 'At the Brink of Transformation: Restructuring the Healthcare Delivery System in Brooklyn' ("the Berger Report").

These numbers seem to use the number of beds certified by DOH as a baseline, excluding beds available for newborns (although there is slight discrepancy between the maximum bed occupancy these numbers indicate and the number of DOH certified beds at LICH). But, as the Berger Report notes "...many licensed beds are not staffed. The number of beds that is staffed varies based on occupancy and other factors." According to Senior Staff at LICH, for the last 10 years LICH has operated at an effective capacity of approximately 250 beds and has adapted staffing accordingly. When 250 available beds is used as the baseline number, not the of 506 beds certified by DOH, it is clear that there is not a crisis of utilization and need at LICH but a demand for beds consistent with a level that the hospital is organized to provide.

A further indication of the volume of existing need is a concern expressed by DOH itself in a letter written to Dominick Stanzone, the Interim Chief Executive Officer of LICH, regarding the proposed closure of obstetrics, neo-natal, and pediatric services. The letter, dated November 17, 2008, clearly stated that: "Currently there is insufficient capacity in the hospitals immediately around LICH and in much of Brooklyn to clearly demonstrate that women will have appropriate access to obstetrical and maternity care if LICH closes these services." Since 2008 there has remained a high volume of need for neo-natal and emergency care. For example, in 2011 it was reported that 2,500 babies were delivered and there were 55,000 emergency room visits at LICH.

In June 2012, the SUNY Board of Trustees itself adopted a resolution authorizing the Chancellor to establish a \$75 million line of credit to Downstate. The resolution stated: "...any changes in the healthcare system in Brooklyn must not jeopardize the vital educational and public service missions of Downstate Medical Center." Unfortunately, based on existing need and a growing local population, the closure of LICH *would* significantly jeopardize the overall public service mission of SUNY Downstate, as demonstrated by the Comptroller's Audit, the Berger Report, and DOH.

The Comptroller's Audit in January did confirm that SUNY Downstate was in a dire fiscal situation. The Comptroller stated, "the hospital is hemorrhaging millions of dollars every week" and needs immediate action to be saved. But the plan that Dr. Williams would be authorized to propose to DOH if this resolution is adopted today is not the kind of action required.

Though the Berger Report in November 2011 and the Comptroller's Audit this year confirmed the dire financial mismanagement that has taken place at SUNY Downstate, and despite the urgency and severity of the fiscal challenges, neither report recommended the closure of LICH. In fact, the Berger Report clearly stated: "The financial position of Long Island College Hospital (LICH) has also been grim, but it has recently been placed under the umbrella of SUNY Downstate Medical Center and can be turned around with its support."

It is abundantly clear that to this point support, both for medical professionals and the institution as a whole, has not been forthcoming.

Further, when it was announced in October 2010 that SUNY Downstate was merging with LICH, the deal included a \$63 million HEAL New York grant, with \$22 million going to LICH and \$40 million to SUNY Downstate. HEAL New York is intended to encourage efficiencies and mergers in New York's healthcare system, and in this case was meant to ease the merger. Now that we are faced with a plan that essentially turns this \$63 million state grant into a subsidy for a massive real estate deal, it should be no surprise that the community and State feels looted.

I welcome the fact that the resolution acknowledges that the needs of the community should be central to this process and that services will continue at LICH. In fact, this language, in the absence of authorization for Dr. Williams to submit a facility closure plan, would be an appropriate starting point to address LICH's significant challenges.

To be clear, it is simply unacceptable to authorize a plan to shut down this hospital and replace it with an enormous market rate real estate deal.

Rather, I urge a truly comprehensive proposal: preserve the LICH campus; stabilize the fiscal situation at SUNY Downstate; strategically increase volume and quality in specific service areas by focusing on physician relationships; and secure State support. In fact, much of this has been suggested by Dr. Williams already and these are the foundations on which any restructuring plan must be assembled.

One final time I urge the board to delay the vote on this resolution until SUNY Downstate can formulate a comprehensive plan for our community and all of Brooklyn.

Thank you for the opportunity to comment today.