

EVOLVING HOSPITAL CARE ON THE ISLAND – LONG ISLAND

Health care is evolving and economic realities such as sequestration and reimbursement cuts are prompting business decisions to be made on Long Island (Kings, Nassau, Queens and Suffolk Counties) and across the state about how and where services will be provided vs. what communities have come to expect. According to a NY Times article, http://www.nytimes.com/2013/09/07/nyregion/debating-a-fix-for-hospitals-in-dire-straits.html?pagewanted=2&_r=0, 52 hospitals in the state have closed since 1990. Rather than continue to provide grants and loans to failing institutions the state is pushing consolidation and downsizing which might include some combination of emergency care, primary care and other services, but not the full array they now provide. These limited service facilities such as freestanding Emergency Departments would have to send patients to a full service hospital if they needed to be admitted. Pushing back against the effort are local communities as well as hospital governing boards, medical staff and unions which have vested interests. While this is going on, the NYS DOH has also begun a review of ambulatory care regulations in general including hours of service, procedures and services provided patients, signage, etc.

Hospital closures and downsizing effect EMS services in the form of longer transport times for patients needing specialized care as well as longer turnaround times at Emergency Departments that are receiving more patients. Volunteer squads are hit with rising fuel costs, wear and tear on vehicles as well longer call times for crews that respond from home or work. Patients may want to avoid hospitals that expose them to costs that are not covered by their insurance.

A potential EMS issue involves patients wanting out of “observation status” in a hospital “Clinical Decision Unit”, signing out against medical advice (AMA) and calling for an ambulance to go to another hospital or home. Observation status is a concern for patients as it may not be good for their financial health according to a recent Wall Street Journal article. Patient stays in hospital observation units (or even corridors) give doctors 24 to 48 hours to evaluate whether or not a patient needs to be “admitted” for inpatient care. In recent years, the use of observation status has grown as regulators penalize hospitals for admitting patients that auditors say should receive outpatient care. Observation status can expose Medicare patients to unexpected expenses. As outpatients, their visits are not covered under Medicare Part A, which pays for hospital charges above a \$1,184 deductible. Instead, outpatient services are billed under Medicare Part B, which requires patients to pay 20% of the cost and imposes no cap on their total expenditures. Observation patients also pay out-of-pocket for the medication they receive in the hospital. While those with Medicare Part D prescription-drug plans can file claims for reimbursement, they stand to receive little or no refund if their Part D plan doesn’t cover the medications they took or include the hospital in its network, according to the president of the nonprofit Medicare Rights Center. Moreover, upon discharge, observation patients can get hit with big bills for rehabilitation care. While Medicare pays for up to 20 days of rehabilitation at a skilled-nursing facility, a patient must spend three consecutive nights in the hospital as an inpatient to qualify. Consumer advocates say Medicare patients should ask whether they are considered inpatients or outpatients. Those on observation care who suspect they will need rehabilitation services should ask their doctors for help in getting the decision reversed before they are discharged, says a senior policy attorney with the nonprofit Center for Medicare Advocacy. Under Medicare rules that took effect on 10/1/13, doctors should admit as inpatients those they expect to stay in the hospital for two or more nights. But to qualify for rehabilitation services, the three-night minimum (also referred to as the two midnight rule) remains in effect—and the patient must be an inpatient for all three nights. In NYS in late October Gov. Andrew Cuomo signed a bill that requires hospitals to inform Medicare patients that their overnight stay might not be fully covered under the two-midnights rule. The idea is to give these patients the option of leaving, hopefully only if medically appropriate. The two-midnights rule currently affects only Medicare patients, but insurers often adopt Medicare’s rules in deciding what their policies will cover. Patients leaving hospitals without their condition being brought under control may be calling EMS within days or hours.

RECENT ACTIONS AFFECTING LONG ISLAND HOSPITALS

FLUSHING HOSPITAL, Queens County, opened a new ambulatory care unit in September that it billed as part of the healthcare organization's efforts to transition from a hospital-centric system to patient-centric preventive care. NYS's HEAL program provided \$4 million in funding. While there are plans to expand the Emergency Department – good for EMS - part of the expansion involves creation of a new Observation Unit – maybe not so good for some patients.

INTERFAITH MEDICAL CENTER, Kings County (Brooklyn), filed for bankruptcy 12/2/12 but is still operating. Closure plans were filed with the NYS DOH indicating that on 12/26/13, later extended to 1/17/14, it would begin to wind down its 287 bed hospital operations which serve the Bedford-Stuyvesant and Crown Heights areas. Inpatient admissions and elective surgeries would cease and 911 ambulances would be directed elsewhere. On 1/26/14 the Emergency Department would be closed and outpatient programs would end. About 2:00 PM on Friday 1/17/14 the hospital's chief executive, who previously submitted his resigning to be effective 1/31/14, issued an order to stop accepting ambulance patients. That evening the hospital's chief medical officer sent a memo to the FDNY EMS asking for ambulance service to be reinstated to Interfaith and saying that the hospital's board had appointed him acting chief executive. Crain's reports Kingsbrook Jewish Medical Center, serving the Crown Heights and Prospect-Lefferts Gardens area, had agreed to take over some or all of Interfaith's 16 clinics and may also operate an Urgent Care Center on the site of Interfaith's ED as well as other programs at Interfaith facilities. Latest news from Crain's is that Brooklyn Hospital Center is involved in negotiations and Interfaith wants representation on the board of a merged entity and a supermajority vote required for issues such as closing Interfaith or eliminating services. While negotiations continue, the closure keeps getting put off.

LONG BEACH MEDICAL CENTER, Nassau County, has remained closed since Hurricane Sandy hit in October 2012. It is reportedly in NYS DOH mandated talks about a takeover by South Nassau Communities Hospital in Oceanside involving an asset purchase agreement to buy the land, buildings and equipment. Newsday reports South Nassau was allocated \$6.6 million by NYS for an urgent care and ambulatory surgery center in Long Beach that could open in early 2014 followed by a free standing Emergency Department in place of the previous 162 bed full service hospital. NYS DOH also instituted a study of area hospitals to track ambulance turnaround time pre and post hurricane but Nassau REMSCO feels NYS DOH got it wrong and that ambulance call time from start to finish is the parameter that should be studied. During summer months traffic swells on roads and waterways and bridges can be up for boat traffic adding even more time to ambulance calls. LBMC filed for Chapter 11 bankruptcy on 2/18/14.

LONG ISLAND COLLEGE HOSPITAL, Kings County (Brooklyn)

SUNY Downstate Medical Center acquired financially troubled LICH in 2011, subsequently decided to close the hospital and started the process including notification to staff of impending layoffs. Extensive litigation resulted in judicial action to undo the takeover but financial problems remain.

On 9/6/13 the ED was reopened for low acuity medical services for adults and pediatrics. These conditions include: abdominal pain, viral & flu-like symptoms, sprains, strains & fractures, lacerations & other wounds, rashes & other skin ailments, eye injuries and sore throats, ear aches & upper respiratory infections. The ED can also accept cardiac arrest and unstable airway or choke patients (emergent unstable airway can be stabilized and then if admission is needed, transferred). LICH must maintain two non-FDNY ambulances on standby outside the ED. There have been days when the hospital went on full diversion citing lack of staff.

On 11/6/13 the hospital abruptly stopped admissions citing a shortage of medical specialists and indicating it was mustering resources from SUNY Downstate and other SUNY institutions across the state with the goal of allowing for the safe and rapid resumption of BLS ambulances. Admissions resumed shortly thereafter.

NASSAU UNIVERSITY MEDICAL CENTER, Nassau County, was cleared by a new law signed by Governor Cuomo in October, to enter into a collaborative agreement with NS-LIJ Health System. According to Crain's, the NYS DOH published its proposed Certificate of Public Advantage (COPA) regulations that set a course for establishing active state supervision of collaborative arrangements among competitors, giving them state action immunity under federal antitrust laws. The proposed rules let providers apply for a COPA that lets them collaborate on such activities as sharing patients, personnel and resources, and implementing clinical integration programs, mergers or joint ventures.

NS-LIJ HEALTH SYSTEM with 16 hospitals and numerous other facilities is one of the largest and most profitable systems in the state and is making decisions to maintain its market and financial positions. GLEN COVE HOSPITAL, Nassau County, is slated to be converted to a free standing 24 hour

Emergency Department with the rest of the facility providing out-patient ambulatory services. All in-patient services including the highly regarded Rehabilitation Unit would be discontinued or transferred to other facilities. The hospital's 265 authorized beds (7 coronary, 11 intensive care, 164 medical/surgical, 55 physical medicine & rehabilitation, 18 psychiatric and 10 traumatic brain injury) would be transferred to other hospitals in the NS-LIJ system. This is subject to change as local political pressure got a 5 page letter from the NS-LIJ president on 8/30/13 that included keeping an unspecified number of beds at Glen Cove depending on need. Newsday reported two days later that 103 beds would be moved. While the NS-LIJ president used the term "new Glen Cove Hospital" he may have been envisioning the Wikipedia generic definition of a hospital as "a health care institution providing patient treatment by specialized staff and equipment" which can be far less than what was previously serving the community.

HUNTINGTON HOSPITAL, Suffolk County, is adding 32,000 square feet to its Emergency Department in a \$45 million project at the facility.

MASSAPEQUA, Nassau County, saw its local general hospital close in 2000. The Village accepted an offer from the NS-LIJ system which is currently considering purchasing a property on which to construct a free standing Emergency Department. One reason it has not progressed further is NYS DOH's review of ambulatory care regulations. Area residents have had mixed reactions with traffic concerns being one, including ambulances using local streets. At one meeting a local doctor spoke of bringing needed advanced care capability into the community while another doctor who runs an urgent care facility said the proposed facility won't be helpful enough since it won't be attached to a full fledged hospital. He was quoted by local media saying "What you're getting is a triage station" and "What you're getting is a tactical depot to control patient flow to certain hospitals."

PLAINVIEW HOSPITAL, Nassau County, received permission from NYS DOH to close its maternity unit and convert its 15 beds to medical/surgical use. Deliveries at the hospital have fallen from about 1,500 annually in 2011 to 1,000. NS-LIJ Health System indicated concern about maintaining staff competency and patient safety as well as competing against other hospitals with single bed maternity rooms. The new KATZ WOMEN'S HOSPITAL on the main LIJ campus can handle additional deliveries.

SOUTHSIDE HOSPITAL, Suffolk County, is in the middle of a \$41 million, 31,000 square foot expansion of its Emergency Department.

ST. JOHN'S EPISCOPAL HOSPITAL, Queens County, is the lone hospital remaining in the Rockaways after the closure of Peninsula Hospital in 2011. News reports indicate it was heavily impacted by the after effects of Hurricane Sandy providing care to anybody and everybody and received no compensation for much of it. The chemical dependency unit closed and there are fears the dialysis unit will be next. Several on-site clinics have been relocated to other facilities. The desperately needed ED expansion is on hold, the patient "walk out" rate is high and there are occasional high ambulance turnaround times. News reports indicate management is being encouraged by Local 1099 SEIU to seek a partner and the NS-LIJ health System was mentioned. However, that system has not indicated any interest in taking over troubled hospitals other than Lenox Hill which it did to get a presence in the high profile Manhattan market with its ambulances serving as rolling billboards. Catholic Health Services, another hospital system on Long Island, has also been mentioned as a possible partner.

SOUTH NASSAU COMMUNITIES HOSPITAL, Nassau County, is operating in the black possibly in part due to the closing nearby south shore neighbors Long Beach Medical Center and Peninsula Hospital.

SOUTHAMPTON HOSPITAL and STONY BROOK UNIVERSITY MEDICAL CENTER, Suffolk County, are reportedly in merger talks.