

5906--A

2013-2014 Regular Sessions

I N   S E N A T E

June 21, 2013

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Introduced by Sens. MONTGOMERY, PARKER -- read twice and ordered printed, and when printed to be committed to the Committee on Rules -- committee discharged, bill amended, ordered reprinted as amended and recommitted to said committee

AN ACT to amend part Q of chapter 56 of the laws of 2013 amending the education law and other laws relating to funding to SUNY Downstate Medical Center, in relation to a sustainability plan for a hospital

THE PEOPLE OF THE STATE OF NEW YORK, REPRESENTED IN SENATE AND ASSEMBLY, DO ENACT AS FOLLOWS:

1     Section 1. Legislative intent. The legislature hereby finds and  
2 declares that a strong academic medical center which controls its own  
3 and its affiliated clinical facilities is the central organizing principle  
4 of urban health care in America in 2013. SUNY Downstate Medical  
5 Center must fully maintain its public status and be the lead institution  
6 in meeting the significant unmet health care needs in Brooklyn including  
7 providing expanded primary and ambulatory care in the neighborhoods that  
8 need it the most. All other states' experience, as well as the last  
9 seven years of experience in Brooklyn, indicates that if SUNY Downstate  
10 does not take leadership of this mission it will not get done.

11     Over the next three years, SUNY Downstate Hospital should develop up  
12 to four decentralized, freestanding primary and ambulatory care satellites.  
13 Funding for these satellites is anticipated from monetizing the  
14 net asset value of real estate acquired with the Long Island College  
15 Hospital while still operating Long Island College Hospital as a health  
16 care facility. Two thirds of the net asset value of the Long Island  
17 College Hospital real estate will be devoted to subsidy of SUNY Downstate  
18 Hospital and Long Island College Hospitals' operations during a  
19 three year transition and development period.

20     The implementation of this legislation will make SUNY Downstate Hospital  
21 sustainable and restore the state subsidy to its historic level. Its  
22 implementation is an alternative to closing LICH and laying off a mini-

EXPLANATION--Matter in *ITALICS* (underscored) is new; matter in brackets [ ] is old law to be omitted.

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1 mum of 600 health care workers in Brooklyn which has one of the highest  
2 unemployment rates in New York. It makes no sense to lay off health care  
3 workers if they can be retrained to provide the primary care that  
4 central and western Brooklyn desperately needs.

5 S 2. Part Q of chapter 56 of the laws of 2013 amending the education  
6 law and other laws relating to funding to SUNY Downstate Medical Center,  
7 is amended by adding a new section 5-a to read as follows:

8 S 5-A. THE SUSTAINABILITY PLAN ADOPTED PURSUANT TO SECTION FIVE OF  
9 THIS ACT SHALL NOT BE IMPLEMENTED UNTIL IT CONTAINS THE FOLLOWING  
10 PROVISIONS. (A) SUNY DOWNSTATE HOSPITAL WILL OPERATE UP TO FOUR DECENNI-  
11 TRALIZED, FREESTANDING PRIMARY AND AMBULATORY CARE SATELLITES IN COMMU-  
12 NITY BASED SETTINGS. THESE SATELLITES WILL BE STAFFED BY EMPLOYEES OF  
13 SUNY DOWNSTATE HOSPITAL WHO SHALL MAINTAIN THEIR CURRENT COLLECTIVE  
14 BARGAINING REPRESENTATION, OR, FOR SATELLITES LOCATED IN THE COMMUNITY  
15 SERVED BY LONG ISLAND COLLEGE HOSPITAL BY EMPLOYEES OF LONG ISLAND  
16 COLLEGE HOSPITAL WHO SHALL MAINTAIN THEIR CURRENT COLLECTIVE BARGAINING  
17 REPRESENTATION. THE FREESTANDING PRIMARY AND AMBULATORY CARE SATELLITES  
18 SHALL OPERATE AT LEAST SIXTEEN HOURS A DAY, PROVIDE A FULL RANGE OF  
19 OUT-PATIENT AND AMBULATORY SERVICES AS DETERMINED BY COMMUNITY NEED, AND  
20 COLLECTIVELY EMPLOY AT LEAST SIX HUNDRED HEALTH CARE PROFESSIONALS AND  
21 SUPPORT STAFF. THESE FREESTANDING PRIMARY AND AMBULATORY CARE SATELLITES  
22 MUST BE ESTABLISHED NO LATER THAN THREE YEARS AFTER THE ENACTMENT OF  
23 THIS SECTION.

24 (B) THE STATE SHALL MONETIZE THE NET ASSET VALUE OF REAL ESTATE  
25 ACQUIRED WITH THE LONG ISLAND COLLEGE HOSPITAL WHILE STILL OPERATING  
26 LONG ISLAND COLLEGE HOSPITAL AS A HEALTH CARE FACILITY. THE STATE DIVI-  
27 SION OF BUDGET SHALL DEVELOP A PROCESS THAT MAXIMIZES THE VALUE OF THE  
28 ASSETS OF LONG ISLAND COLLEGE HOSPITAL AND SHALL CONSIDER THE FOLLOWING:

29 (I) LEASING ALL OR SOME OF THE PROPERTY; (II) A SALE-LEASEBACK OF ALL OR  
30 SOME OF THE PROPERTY; AND (III) ESTABLISHING A REAL ESTATE INVESTMENT  
31 TRUST, WITH THE PROVISIO THAT THE REAL ASSETS CONTINUE TO BE USED, IN ANY  
32 OF THESE ARRANGEMENTS, FOR THE PROVISION OF INPATIENT AND OUTPATIENT  
33 HEALTH SERVICES. THE ASSETS OF THIS PROCESS SHALL BE USED TO RETIRE THE  
34 LIABILITIES OF LONG ISLAND COLLEGE HOSPITAL AND TO PROVIDE START-UP  
35 FUNDING FOR THE FREESTANDING PRIMARY AND AMBULATORY CARE SATELLITES  
36 ESTABLISHED PURSUANT TO SUBDIVISION (A) OF THIS SECTION. SUNY DOWNSTATE  
37 HOSPITAL IS AUTHORIZED TO APPLY FOR AND RECEIVE FUNDING FROM ANY AVAIL-  
38 ABLE STATE, LOCAL, AND/OR FEDERAL SOURCES TO ASSIST IN ESTABLISHING  
39 FREESTANDING PRIMARY AND AMBULATORY CARE SATELLITES INCLUDING, BUT NOT  
40 LIMITED TO, STATE GRANTS AVAILABLE PURSUANT TO SECTION TWENTY-EIGHT  
41 HUNDRED EIGHTEEN OF THE PUBLIC HEALTH LAW AND ACCELERATION OF PAYMENTS  
42 PURSUANT TO SECTION TWENTY-EIGHT HUNDRED SEVEN-K OF THE PUBLIC HEALTH  
43 LAW.

44 (C) SUNY DOWNSTATE COLLEGE OF MEDICINE SHALL DEVELOP A CURRICULUM FOR  
45 THE EDUCATION OF RESIDENT PHYSICIANS IN OUT-PATIENT AND AMBULATORY  
46 SERVICES THAT SHALL BE IMPLEMENTED IN THE FOUR FREESTANDING PRIMARY AND  
47 AMBULATORY CARE SATELLITES ESTABLISHED PURSUANT TO SUBDIVISION (A) OF  
48 THIS SECTION.

49 S 3. This act shall take effect immediately.