S T A T E O F N E W Y O R K

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2015-2016 Regular Sessions

I N A S S E M B L Y

March 24, 2015

Introduced by M. of A. PERRY, LENTOL, BRENNAN, MOSLEY, COLTON, ROBINSON, CYMBROWITZ, ABBATE, BROOK-KRASNY -- Multi-Sponsored by -- M. of A. WEINSTEIN -- read once and referred to the Committee on Ways and Means

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:

Section 1. Legislative intent. The legislature hereby finds and declares that a strong academic medical center which controls its own and its affiliated clinical facilities is the central organizing principle of urban health care in America in 2015. SUNY Downstate Medical Center must fully maintain its public status and be the lead institution in meeting the significant unmet health care needs in Brooklyn including providing expanded primary and ambulatory care in the neighborhoods that need it the most. All other states' experience, as well as the last seven years of experience in Brooklyn, indicates that if SUNY Downstate does not take leadership of this mission it will not get done.

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

The implementation of this legislation will make SUNY Downstate Hospital sustainable and restore the state subsidy to its historic level. Its implementation is an alternative to closing LICH and laying off a minimum of 600 health care workers in Brooklyn which has one of the highest

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

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unemployment rates in New York. It makes no sense to lay off health care workers if they can be retrained to provide the primary care that central and western Brooklyn desperately needs.

S 2. 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, is amended by adding a new section 5-a to read as follows:

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

(B) THE STATE SHALL MONETIZE THE NET ASSET VALUE OF REAL ESTATE ACQUIRED WITH THE LONG ISLAND COLLEGE HOSPITAL WHILE STILL OPERATING LONG ISLAND COLLEGE HOSPITAL AS A HEALTH CARE FACILITY. THE STATE DIVISION OF BUDGET SHALL DEVELOP A PROCESS THAT MAXIMIZES THE VALUE OF THE ASSETS OF LONG ISLAND COLLEGE HOSPITAL AND SHALL CONSIDER THE FOLLOWING: (I) LEASING ALL OR SOME OF THE PROPERTY; (II) A SALE-LEASEBACK OF ALL OR SOME OF THE PROPERTY; AND (III) ESTABLISHING A REAL ESTATE INVESTMENT TRUST, WITH THE PROVISO THAT THE REAL ASSETS CONTINUE TO BE USED, IN ANY OF THESE ARRANGEMENTS, FOR THE PROVISION OF INPATIENT AND OUTPATIENT HEALTH SERVICES. THE ASSETS OF THIS PROCESS SHALL BE USED TO RETIRE THE LIABILITIES OF LONG ISLAND COLLEGE HOSPITAL AND TO PROVIDE START-UP FUNDING FOR THE FREESTANDING PRIMARY AND AMBULATORY CARE SATELLITES ESTABLISHED PURSUANT TO SUBDIVISION (A) OF THIS SECTION. SUNY DOWNSTATE HOSPITAL IS AUTHORIZED TO APPLY FOR AND RECEIVE FUNDING FROM ANY AVAILABLE STATE, LOCAL, AND/OR FEDERAL SOURCES TO ASSIST IN ESTABLISHING FREESTANDING PRIMARY AND AMBULATORY CARE SATELLITES INCLUDING, BUT NOT LIMITED TO, STATE GRANTS AVAILABLE PURSUANT TO SECTION 2818 OF THE PUBLIC HEALTH LAW AND ACCELERATION OF PAYMENTS PURSUANT TO SECTION 2807-K OF THE PUBLIC HEALTH LAW.

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

S 3. This act shall take effect immediately.