



Senator aims to mediate dispute

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U.S. Sen. Charles Schumer will attempt to mediate a contract dispute between Hudson Headwaters Health Network and BlueShield of Northeastern New York.

"I'm going to call the fourth insurance company," Schumer said, referring to BlueShield, in a telephone interview just after he visited the Indian Lake Health Center, operated by Hudson Headwaters.

Blue Shield is the only hold out among the region's four major health insurance companies that has not reached a new contract with Hudson Headwaters.

Somewhere between 4,000 and 5,000 Hudson Headwaters patients are covered by BlueShield, Hudson Headwaters Chief Executive Officer Dr. John Rugge has said.

Hudson Headwaters has demanded insurance companies increase payments to the same level federal Medicare and state Medicaid programs pay.

Capital District Physicians Health Plan, Empire Blue Cross and MVP Health Care have all reached new contracts with Hudson Headwaters.

BlueShield presented a revised proposal to Hudson Headwaters on Friday, said Karen Merkel-Liberatore, a BlueShield spokeswoman.

"We did submit a proposal this afternoon that was in line with the October 4 request from them," she said on Friday.

Rugge said later on Friday the proposal did not appear to be adequate.

"Our math says they don't understand our needs," Rugge said.

BlueShield accountants were expected to review some of the figures on Monday, and officials of the two companies expect to meet on Tuesday, Rugge said.

Schumer said he volunteered to help mediate the dispute because Hudson Headwaters is the only medical provider in a vast rural region and because Hudson Headwaters has a larger than ordinary share of patients with no health insurance.

Hudson Headwaters does not provide specialist care, which generally has a higher profit margin than basic care, Schumer said.

"They provide really excellent care, but they have real problems," he said.

Hudson Headwaters, which treats about 60,000 patients, operates 12 health centers in Warren, Saratoga, Essex and Hamilton counties.

In some communities, Hudson Headwaters is the only health center in the community.

Rugge, the chief executive officer, has undertaken a two-pronged attempt in recent months to make the operation solvent.

At the same time he has pushed for higher payments from insurance companies, Rugge has been asking the state and federal governments to address doctor shortages.

Schumer said he has proposed legislation that would double the number of slots in a program that provides

financial assistance for medical and nursing students who agree to serve for at least five years in communities that are isolated or have a high rate of poverty.

Schumer said he also will seek federal funding to

establish an Adirondack Health Institute, as Ruge has proposed.

The exact framework of the program has not yet been determined, but it would focus on ways health centers and hospitals in the region could increase efficiency with concepts such as a shared billing system or shared staff recruitment efforts, Ruge said.

Schumer said Indian Lake was the last of three stops on a trip to the region on Friday.

Earlier in the day he met with business leaders in Lake Placid and then toured the new Adirondack Museum of Natural History in Tupper Lake.

Among other topics discussed in the telephone interview, Schumer said he expects that by making a few revisions, Congress will be able to pass a children's health insurance

bill that either President

Bush will sign or there will be enough votes to override his veto.

Schumer dodged a question about his opinion of Gov. Eliot Spitzer's plan to allow illegal immigrants to be issued driver's licenses in New York.

"I haven't addressed that issue directly. I haven't studied it," he said.

Schumer said the number of illegal immigrants working in the country could be reduced by 90 percent with a system using a Social Security card with a bio-metric image implanted.

Schumer, speaking en route between Weavertown and Floyd D. Bennett-Warren County

Airport, experienced first-hand the limited availability of cellular phone service in rural areas.

The senator lost service and had to call back about a half-dozen times before getting a reliable signal.

"It's one of the reasons I like to visit the counties so often," he said, referring to how his visits enable him to understand challenges residents face.