

DAILY NEWS  
**Ideas & Opinions**

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## How many N.Y. hospitals must close - and why

By STEPHEN BERGER and DAVID SANDMAN New York State's health care system is broken and needs fundamental repairs. Bankruptcies and closures of hospitals are common. Our hospitals as a group have lost money for eight years running. Our nursing homes are also precarious. Meanwhile, our counties and taxpayers struggle to pay for a Medicaid program whose cost keeps rising. We spend an enormous sum on health care, but our residents are not healthier than those in states that spend far less. Such turmoil does not serve the needs of patients, who deserve a stable, accessible and high-quality health care system. Our providers lack the financial resources needed to reinvest in the latest and best medical technologies. As many as one in three hospital beds in the state lie unoccupied on any given day; some hospitals are more than half empty. More and more care is being delivered in doctors' offices and other community settings - but we have yet to adapt to many of these changes in medicine. Excess hospital capacity jeopardizes quality of care, fuels a medical arms race and wastes money. From crisis arises opportunity. The governor and Legislature in 2004 established a nonpartisan panel, the Commission on Health Care Facilities in the 21st Century, to stabilize our state's health care system. After 18 months of study, statewide public hearings and analysis of reams of data, the commission today announces a sweeping plan of hospital mergers, consolidations, closures, conversions and downsizings.

Under the plan, which takes hold unless rejected by the governor and Legislature, 57 hospitals - one-quarter of all in the state - will be affected. Nine will close and 48 others will be reconfigured to provide more preventive and primary care services. Collectively, 4,200 beds, 7% of the state's supply, will be reduced. These actions will strengthen the providers who remain, free up hundreds of millions of dollars for reinvestment in health care and save hundreds of millions of taxpayer spending on Medicaid.

The commission had to make difficult choices. We are bound to hear protests - even loud ones. Community residents and hospital employees are understandably loyal to their hospitals. Our guiding principle was to preserve appropriate access to care, especially for low-income underserved neighborhoods.

But we must confront our problems head-on. Unless we act now, the future of our system looks bleak. More closures and bankruptcies would almost certainly occur. Even worse, the facilities that close due to market forces alone may be the ones most crucial to preserving access.

New York is doing more than just talking about reform. The state has already committed \$1 billion to support system restructuring. The federal government has promised New York an additional \$1.5 billion to redesign our health care system so long as the commission's recommendations are implemented.

Today's recommendations are just one step in what must be a broader agenda for change. We must also fix reimbursement policy, expand health insurance coverage, promote primary care, address mental health issues and invest in our health care workforce to prepare it for increasing uses of technologies. Our health care problems did not develop overnight nor will they be solved with a simple solution.

It is time to come to grips with the vast changes in medicine that demand health care in New York State adapt or die. Only by doing that can we ensure that New Yorkers' access to essential health care services is preserved and strengthened.

Berger, former New York State social services commissioner, is chairman of New York's Commission on Health Care Facilities in the 21st Century. Sandman is the health care facilities commission's executive director.

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