

# New York State commission demands hospital closings

Peter Daniels

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A state-appointed panel in New York issued a report two weeks ago proposing that nine hospitals and seven nursing homes be closed, eliminating 4,200 hospital beds, or about 7 percent of the statewide total, along with 3,000 nursing home beds. An additional 48 hospitals and 14 nursing homes would be merged into other institutions or downsized, in what one hospital official called the “biggest restructuring of health care ever in the United States.” About 6,400 workers are employed at the hospitals and nursing homes.

The 18-member group was set up by the state legislature over a year ago, with the high-flown name of the Commission on Health Care Facilities in the 21st Century. Its purpose was clearly to provide some political cover for elected officials of the Democratic and Republican parties, who could claim that they had not drawn up the list of health care facilities to be closed and jobs to be eliminated.

Under the legislation that created the Commission, its proposals will automatically become law on January 1, 2007, unless the governor or the state legislature acts to block the entire package, which cannot be amended in any way but must be either accepted or rejected as a whole. The federal government has said that it would provide up to \$1.5 billion in funds to meet the short-term closing costs. The entire process is supposed to be completed within 18 months.

Five hospitals in New York City, including Cabrini and St. Vincent’s Midtown in Manhattan, Westchester Square Medical Center in the Bronx, Victory Memorial in Brooklyn, and Parkway in Queens, are among those slated for closure. Two facilities in the Buffalo area in western New York State, Millard Fillmore Hospital and St. Joseph Hospital of Cheektowaga, are also to be shut down. According to the authorities, the 6,400 employees of the affected institutions should have no problem finding jobs at other hospitals, but even if that is the case, they will

lose seniority and may have to travel long distances for work.

Within a few days of the November 28 release of the commission report, the political establishment and big business spokesmen had lined up in its support. Outgoing Governor George Pataki, a Republican, was joined by incoming Democratic Governor Eliot Spitzer in hailing the results. “The commissioners did an outstanding job,” said Pataki. Spitzer added that while he might disagree with some of the closings, “If the Legislature allows these recommendations to become law, as I believe they must, my administration will have the responsibility for implementing them.”

New York’s largest union of health care workers, Local 1199 of the Service Employees International Union (SEIU), waited a week and then issued a joint statement with the Greater New York Hospital Association making it clear that it would do nothing to block the closings. The statement, while carefully written to neither openly endorse nor oppose the proposals, said the union and hospital management were “ready and willing...to ensure that we make a smooth transition to a better, higher quality, efficient health care system.”

New York’s billionaire Mayor Michael Bloomberg added his approval. “You will always find somebody to put on television who says they’re not happy with it,” said Bloomberg, arrogantly dismissing outrage from workers and patients at the hospitals scheduled to close. “But we have to address the issue that if we want good, quality medical care and we don’t want to go bankrupt paying for it, we’re going to have to have the resources that we need in the places we need them and not continue to have resources that we don’t need, where they’re not used.”

The crisis that the report claims to address is real, but Bloomberg’s argument is a distortion that covers up its source and significance. Hospitals throughout the state are

running huge deficits, with increasing numbers in bankruptcy. One third of the state's 62,000 hospital beds are empty at any given time. The state is paying billions to prop up these institutions, along with enormous costs of Medicaid for poor and uninsured New Yorkers.

The closings will not translate into better and more efficient care, however. It will be the poorest sections of the population that will have to travel longer distances for care. The social polarization that is manifested in every area of life will be worsened, as the wealthy are taken care of but the poor suffer from neglect and inferior treatment.

In the last 40 years, 66 hospitals have closed in New York City, most in poorer neighborhoods. A 52-city study conducted by Alan Sager, professor at the Boston University School of Public Health, found that poor neighborhoods are usually the first to be targeted for hospital closures. "If your hospital is located in a black or Latino neighborhood you're probably at greater risk, especially if you're not a major teaching hospital," Sager said, adding that when hospitals close, patients' health can be endangered by delays in finding new facilities for treatment.

The short-term causes of the current crisis can be traced back to the wholesale deregulation implemented by the Pataki administration in New York when it first took office 12 years ago. Hailing the virtues of the free market and competition, the Republican governor, with no opposition from the Democrats, prodded private non-profit hospitals to adopt for-profit business models. Many added cancer centers, cardiac catheterization laboratories and other expensive facilities that duplicated services nearby. In recent years, hospitals have spent millions advertising their services.

Hospitals ran up huge debts. Many kept their doors open through a combination of Medicaid payments and state subsidies. In the last three years, 15 facilities have closed and others have filed for bankruptcy.

The report of the state commission represents a partial return to state regulation, but it is aimed at rationalizing the system in the interests of the corporate elite and lessening the massive drain on the state budget, not at meeting the needs of the patients and those who care for them.

Significantly, to head the Commission on Health Care Facilities, the Governor turned to a millionaire investment banker, Stephen Berger, who is noted for his role during New York City's brush with bankruptcy more than 30 years ago. In the mid-1970s, Berger, now 67 years old,

headed the state's Emergency Financial Control Board, the agency that "saved" the city by imposing draconian cuts in social and public spending. Berger went on to structure the emergence of the Conrail railroad system from bankruptcy and was chairman of the Metropolitan Transportation Authority's Finance Committee, before using his experience and no doubt his connections to move into the "private sector," founding Odyssey Investment Partners in the 1980s.

Berger has decades of experience, in other words, in seeing that the interests of big business are defended when it comes to social services and public policy. His proposal to streamline the state's hospitals will do nothing to help the millions of uninsured. Public health advocates have pointed out that improvement and expansion of primary and preventive care is the best means of saving money while genuinely improving public health. The shortage of primary care physicians leaves patients uncared for until they wind up in hospital emergency rooms, the most wasteful and expensive means of providing health care. The state officials have no intention of addressing this problem, however. That would require a completely different approach to public health, one that would conflict with the profit interests of the insurers and pharmaceutical industry.

In local communities from New York City to Buffalo, doctors and patients protested the plans to shut hospitals, and some institutions say they will sue to halt the implementation of the proposals. Local politicians have added their complaints, but none of them have pointed out the essential problem—the for-profit medical system, which creates growing inequality, waste and a two-tier system of treatment.

Billions of dollars in spending must be targeted for new services, including preventive care, where they are really needed. This means a system of socialized medicine, as part of the fight for a socialist program that begins from human needs and not profits.



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