

Brooklyn hospitals dismantled as Wall Street waits in the wings

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Access to health care for residents of New York City's largest borough is at a crossroads with the impending closure of two Brooklyn hospitals. Long Island College Hospital (LICH) in Downtown Brooklyn is on the verge of shutting down completely. The other, Interfaith Medical Center, may face the same fate as early as this week.

In addition, four other hospitals are at risk of closing or substantially shrinking by year's end. This attack on health care is proceeding with the full support of the Democratic governor of New York, Andrew Cuomo, in an effort to transform the hospital system, opening it up for large investors to rake in huge profits.

At LICH, fewer than a dozen patients remain, as legal battles continue, with a judge last week upholding a temporary restraining order preventing final shutdown at least until a hearing Wednesday. The restraining order has not stopped hospital officials from transferring patients, diverting ambulances, removing equipment and blocking new admissions. Pink slips have begun going out to LICH's 2,200 employees. Armed security guards patrol the grounds, stopping and frisking medical staff as they leave the premises.

Officials from SUNY Downstate Medical Center, which took over administration of LICH after a merger in 2011, claim the facility is losing \$15 million every month. In justifying the closure, SUNY Downstate has argued the hospital is underutilized. However the supposed underutilization has been a conscious policy ever since the merger in 2011. Prior to that, LICH's operating rooms and intensive care units were at capacity, and the active hospital beds were filled at a rate above 90 percent.

By closing the hospital, SUNY Downstate hopes to generate a cash infusion from the sale of the Downtown Brooklyn properties. The LICH buildings, with views of the Manhattan skyline and the Statue of Liberty, have an estimated value of at least \$500 million, perhaps much

higher.

SUNY Downstate itself is in deep financial crisis, losing \$12 million a month, according to its communications director. One of three public hospitals in Brooklyn (the others are private non-profits), it has seen its state funding cut by a third since 2008.

This month, the New York State Department of Health approved a plan, submitted by SUNY Downstate, to close LICH. It also rejected a restructuring plan from Interfaith Medical Center, demanding in its place a closure plan.

Interfaith, which filed for bankruptcy last December, provided Cuomo's Health Department with the closure plan, as requested, last Friday. Staff at Interfaith told the WSWWS that they were notified that the hospital has only enough operating funds to last through the end of July. Approximately 1,500 employees would be affected by the closure.

Interfaith is located in the central Brooklyn neighborhood of Bedford-Stuyvesant, serving one of the poorest sections in the city. Official poverty rates are well above 30 percent in the surrounding area. Approximately two thirds of the 250,000 patients admitted to Interfaith annually rely on Medicare or Medicaid. This population suffers from disproportionately high rates of infant mortality, HIV/AIDS and diabetes.

Closing the hospital would leave hundreds of thousands of residents without a local hospital, vulnerable to long ambulance rides in emergencies and without access to primary care. Bedford-Stuyvesant and Crown Heights, the neighborhoods in Interfaith's service area, are already classified as medically underserved by the US Department of Health and Human Services, meaning too few primary care providers, high infant mortality, high poverty and/or high percentage of elderly population.

The closures will also add to overcrowding at Brooklyn's remaining hospitals. With the diversion of ambulances from LICH, extremely long wait times are

already a reality. The *New York Daily News* reported that shortly after the diversions began patients waited up to 36 hours for a bed at Brooklyn Hospital Center. At Methodist, the other hospital handling patients normally admitted to LICH, waiting room times reached 10 hours.

In addition to LICH and Interfaith, four other hospitals in Brooklyn have been targeted by Governor Cuomo, who convened a work group to in 2011 to propose a restructuring of the Brooklyn hospital system. Cuomo appointed investment banker Stephen Berger to recommend changes for the six cash-strapped hospitals “not currently positioned to seize the opportunities and manage the risks associated with changes under way at the state and federal levels.”

Among the changes underway, the cuts to Medicare and Medicaid reimbursement for hospitals have been particularly devastating, especially in Brooklyn hospitals that treat a large percentage of poor and elderly. Interfaith’s chairman attributed a 40 percent decline in inpatient revenue to Medicaid reimbursement cuts. Changes in Obama’s Affordable Care Act are exacerbating the problem, docking Medicare reimbursement for hospitals based on readmission rates and other performance measures.

Under these austerity conditions, Governor Cuomo is leading the charge to open the hospital system in New York up to private investors. “Innovative options for capital formation, including private investment, are needed to support capital and operational improvements in Brooklyn hospitals,” the work group report recommended. Cuomo pushed to include in this year’s budget a pilot project in Brooklyn for private equity investment in hospitals. The effort ultimately failed, but Berger warned in the *New York Times* that “it doesn’t mean we’re not going to find a way around it.”

By refusing to adequately fund the hospitals and provoking the present crisis, Cuomo is seeking to create the atmosphere necessary to push through the privatization plans. The crisis also offers an opportunity to implement another companion recommendation of the work group, that “the cost structure of health care facilities in Brooklyn, including labor...must be rationalized.” In other words, the wages and benefits of hospital workers must be slashed so millionaire and billionaire investors can find a profitable investment.

“They are slaughtering our Brooklyn hospitals without Cuomo doing a thing to stop it. If they do this, patients will die,” Linda O’Neil, a health professional at Interfaith, told the WSWS last week at a rally to protest

the hospital closures. “This is an attempt to privatize health care at any cost. Wall Street has no concern for people’s lives. They are literally playing Russian roulette with our patients’ lives. As far as I’m concerned, it is attempted murder. No, it is already murder.”

Christina Rosario, a medical records worker of 13 years, added, “We support those being targeted in the six hospitals at risk of being closed. There have been a lot of cuts in Medicare and Medicaid. This is the result. We are hoping this will help get some more money in Medicare but Cuomo has not paid much attention to us. The cutbacks have been over the years. We have lost a lot of hospitals, like St. Vincent’s in Manhattan and St. Mary’s in Brooklyn. The effects are huge to the communities.”

Mayoral hopeful and current public advocate Bill de Blasio, who has positioned himself farthest to the “left” of the Democratic candidates hoping to succeed Michael Bloomberg in City Hall, has been most outspoken of the candidates against the closures, at least of late. He staged a civil disobedience arrest and is involved in the legal battle to forestall the closing of LICH. Several other candidates have made noises criticizing the closures.

Their election posturing notwithstanding, none of these capitalist politicians has anything to offer to remedy the cuts imposed by at the state and federal level by their Democratic colleagues. The attack on health care in Brooklyn and the push to open it up to financial speculators mirror national and international trends that cuts across all sectors of society. Both big business parties are wholly complicit in this drive, implementing the needs of the corporate and financial elite, for whom the life-and-death matter of access to health care can be reduced to personal profit.



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