



Reporters

Barbara Benson - (718) 855-3304, bbenson@crainsnewyork.com

Gale Scott - (646) 201-9194, gscott@crainsnewyork.com

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Hoboken Sale Clears Hurdle

The Hoboken Municipal Hospital Authority approved selling Hoboken University Hospital to HUMC Holdco, a new company created by the principals in a group that owns Bayonne Medical Center. Under the \$91.7 million deal, the new owner would assume the \$52 million debt that Hoboken incurred when it took over the hospital in 2008. HUMC Holdco, which intends to run the facility as a for-profit, also pledged to invest \$20 million in renovations and enhancements. The state Department of Health must approve the transaction.

Binding Arbitration Case Closely Watched

In an effort to curb medical malpractice, New Jersey law allows obstetricians to ask patients to sign an agreement that any med-mal claims that arise will be submitted to binding arbitration. In the first case to challenge the legality of such contracts, a woman who signed the agreement is seeking a jury trial for the "wrongful birth" of her child, who has Down syndrome. The plaintiff argued that she didn't realize what she was signing or that in doing so she was also giving up the right of her husband and child to claim damages. A lower court found the document was binding, but an appellate court disagreed. Lawyers have asked the state Supreme Court to hear the case. The outcome will be significant for insurers, lawyers and doctors, said Eric Poe, a lawyer for New Jersey Physicians United Reciprocal Exchange. "The trial court ruling didn't really address the question of whether the agreements can be enforced," he said.

Soda Tax, California-Style

New York didn't pass a measure to tax sugary beverages, but California lawmakers are tackling the issue. "From New York's experience, we learned [a campaign] is possible," said Harold Goldstein, executive director of the California Center for Public Health Advocacy, which last week released a study that discusses how \$1.7 billion, the total revenues estimated to be generated by the state's proposed soda tax bill, would be allocated to counties. "We liked all those great ads New York did about how much sugar is in what people drink," said Mr. Goldstein, who predicted that New York will revisit the issue. It took his group 12 years to get soda and junk food out of the state's schools, he said. But "polling shows 56% of the public" like the idea of a soda tax.

Idea exchange on insurance exchange

The Cuomo administration last week collected suggestions on structuring New York state's health insurance exchange. While state officials tapped ideas from a roomful of some 100 invited "stakeholders," they gave no indication of which direction they were leaning in on key issues.

The exchange is supposed to provide affordable, comprehensive coverage options, access to federal subsidies, and a consumer-oriented format that attracts small businesses and is easy to navigate. But how to reach those goals? At this meeting, the state addressed the basics, including governance, structure and benefits design.

Attendees weighed in on whether the exchange should be a private nonprofit entity, government agency or independent authority; a single statewide exchange or several. Should there be one combined exchange for individuals and small businesses, or a separate one for each?

They discussed the option of merging the individual and small-group markets. What size employer should participate in the exchange, ones with up to 50 employees or up to 100? Should large groups be asked to participate?

Some of the most vocal groups at the meeting represented consumers, including Health Care for All New York, AARP, the Medicare Rights Center, and groups representing the disabled and immigrants. The state medical society, the Association of Health Underwriters and nonprofit public health plan providers were present, as was the business community: the Small Business Majority, Chamber Alliance of New York State, Business Council of NYS and CenterState Corp. for Economic Opportunity.

The most controversial discussions centered on the merging of the individual and small group markets, whether to adapt an active purchaser model and the governance structure.

The state has a lot of work to accomplish on the exchange. "The budget and [Medicaid Reform Team] had consumed a great deal of energy and time in the early months of the administration, and I was very pleased to see them restart the conversation on the exchange," said David Sandman, senior vice president at the New York State Health Foundation.

At a Glance

ST. VINCENT'S: In an interesting op-ed piece, North Shore-LIJ's Mike Dowling sets the record straight on his system's proposed comprehensive care center in Greenwich Village. It's at <http://www.thevillager.com>

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