



**Benedictine
Hospital**
Caring for the community

**Testimony to the New York State Assembly
Public Hearing**

on the report of

Commission on Health Care Facilities in the 21st Century

Hudson Valley Region

December 11, 2006
Ulster County Office Building
Kingston, NY

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Thank you Assemblyman Cahill for the opportunity to present testimony and for asking for input on the critical issues raised in the recommendations formulated by the Commission on Health Care Facilities in the 21st Century.

I am Thomas Dee, President and Chief Executive Officer of Benedictine Hospital.

Those of us involved in health care recognize the difficulty of the assignment given to the Commission: namely, trying to restructure a health care system as large and complex as that in the State of New York. The goal of developing a quality, coordinated and cost effective health care system that meets the needs of all of our citizens is something which we all agree is a high priority.

The specific recommendations from the Berger Commission Report that call for Benedictine and Kingston Hospitals to be joined under a single unified governance structure raises many questions and offers great challenges for us all. It also provides us with unprecedented opportunities. Our institution is committed toward working with Kingston Hospital, the Department of Health and the community to create a new health care delivery system, which takes into account the needs of our growing and diverse population.

We agree with the Commission's report that our state's health care system is broken and in need of fundamental repair. As has been pointed out, since 1983, 70 hospitals and 63 nursing homes have been closed. For the past eight years our hospitals, as a group, have lost money. A weakened financial condition means that we have limited ability to gain access to urgently needed resources for basic repairs and crucial investment in equipment and personnel. The ever increasing number of New Yorkers who do not have insurance places continued pressure on hospital emergency departments. As was touched upon in the Commission's report, any fundamental restructuring of the health care system needs all parties to participate in an equitable fashion. Through the latest data available, for the year 2004, the insurance industry in New York State, as a group, had the largest bottom line profit than in any other state in the country. Their profits approached \$1 billion. Likewise, the hospitals in New York State had the largest operating losses in the nation, approximating a quarter of a billion dollars. Something is fundamentally wrong with our system when the providers of care, namely the hospitals and physicians, are being squeezed out of business while the insurance companies provide unreasonably high returns in the form of profits to their share holders.

Our hospitals in Ulster County have been fighting an uphill battle for resources, personnel and technology. Due to the manner in which the hospitals in Ulster County are reimbursed as compared to the other counties in the Hudson Valley we have been short changed as much as 25% less reimbursement on every Medicare patient treated. This financial inequity has left us in a constant struggle to meet our obligations to the health care needs of our community. While hospitals around us invest in new facilities and state of the art technology, we have been forced to work within aging plants; compete for personnel and recruit specialists with fewer incentives than our neighboring institutions. A by-product of this uneven playing field is that an ever increasing percent of our population out migrate from Ulster County to go to other parts of the region for their health care needs.

We have been able to demonstrate, however, that even with these disadvantages with the proper vision and investment one can forge ahead and create new services which directly impact our community. Benedictine's Cancer Center is an example of a service that offers the latest in detection, treatment and prevention for a deadly disease. With these services available, we have seen a substantial drop in the rate of out migration for oncology care in a relatively short period of time. But the sad fact remains that we are unable to duplicate this type of initiative in other services due to the fact that our hospitals are financially strapped and lack the resources for proper new service investments.

Among the Commission's recommendations are to provide new resources to support the needed closure, consolidation and in our case the affiliation of two hospitals. Given the weakened state of both hospitals, it would be virtually impossible to meet the mandate of the Commission without the major infusion of capital necessary to integrate the institutions. By way of an example, for us to combine services such as the two hospital emergency rooms requires a multi-million dollar investment due to the reconfiguration costs necessary to meet the patient load requirements. It is imperative that the Commission recommendations not become another unfunded mandate by New York State that falls on the shoulders of cash starved institutions.

A special concern to our community is the issue of women's services. Both hospitals are committed toward the development of a plan that follows our respective missions and also meets the needs of our community. In that regard, it is important to recognize the outstanding women's services that Benedictine Hospital has been providing over the years:

- The Fern Feldman Anolick Breast Center currently treats over 13,000 women annually and is well known statewide for its level of service. Our director is one of only eleven ultra sound breast surgeons in New York State.
- The hospital's Sexual Assault Examiners program (called SANE), was the first and only program in Ulster County that operates in conjunction with the Ulster County District Attorney's office. It provides free medical care and consultation for women who have been sexually assaulted. In the past two years we have treated over 80 women who have been victims of this crime.
- Our Oncology Support programs, primarily in the area of breast and ovarian cancer care, have received national recognition as benchmark programs for hospitals to provide to their communities. In 2006, we provided service to almost 800 women with various forms of cancer. Our Cancer Support newsletter, called "Celebrate Life," goes out to 700 women every month.
- The hospital's OB and prenatal programs have been recognized for years in our community for outstanding service. This year, we will have delivered 450 babies.
- Our mental health and cardiology departments are also integral to our women's services. We treat about 2,000 women through our ER for the mental health program. About 50 per cent of those women are admitted to our inpatient unit.

In conclusion, we embrace change to the degree that it offers new opportunities to be successful in caring for our community. The one thing that will not change is Benedictine Hospital's commitment to being a Catholic, faith based hospital that supports our mission, core values, and the needs of the community. That being said, we also understand the mission of Kingston Hospital. The process of joining the two institutions will take time. We will meet the challenges as they appear and will work in earnest to overcome