

Minutes
SUNY Downstate Medical Center
Council Meeting
February 5, 2013

Council Members Present

Dr. Monica Sweeney

Chair

Dr. Phillip Abramowitz

Onyedikachukwu Momah

Douglas Pfeil

Dr. Constance Shames

Rev. Dr. Paul Smith

Rev. Elgin Watkins

Council Members Absent

Dr. Randall Bloomfield

Ms. MaryAnne Yancey

Downstate Administration in Attendance

President Dr. John F. Williams

Astra Bain-Dowell

George Caralis

Alan Dzija

Dorothy Fyfe

Dr. Ian Taylor

Ellen Watson

APPROVAL OF MINUTES

The meeting was called to order, with Dr. Monica Sweeney presiding as Council Chair. Minutes from the October 4, 2012 meeting were approved.

MEETING DISCUSSION

Members were informed that leadership of the Council was transitioning from Reverend Dr. Paul Smith to Dr. Monica Sweeney, who will hold the position of chair on an interim basis pending formal confirmation of the position through the Governor's Office.

Dr. Sweeney discussed the SUNY Association of Council Members and College Trustees (ACT) Conference, which she attended last Fall on behalf of Downstate. She noted that the Conference presentations were excellent and provided a broad overview of Council activities across SUNY's 64-campus system. Because the SUNY system is so diverse, there is no single protocol that can guide Councils; each Council's advisory role is unique to the campus it serves.

President's Report

President Williams' report focused on the challenges confronting Downstate's hospital system, which consists of locations in Central Brooklyn, Bay Ridge, and Long Island College Hospital (LICH) in Cobble Hill, along with numerous satellite sites. After a thorough review of University Hospital's operations and finances, Dr. Williams said he has taken the step of recommending closure of the LICH campus to the Board of Trustees. This decision was difficult and not made lightly. A confluence of factors that Dr. Williams described as the "perfect storm" contributed to the decision: Reductions in Medicaid and Medicare reimbursement; cutbacks in state support; intensified competition in the LICH area by Manhattan hospitals; and high infrastructure needs at a facility that had seen little investment by its previous owner.

Council members discussed the recommendation at length, asking if there were other options that could be pursued. Several members, including Reverend Smith and Reverend Watkins, questioned whether stakeholder influence could be wielded to develop additional financial support for LICH.

Dr. Williams responded that closure of LICH was the best decision that could be made based on available data. It is difficult to grow, improve, and reinvent an institution in an atmosphere of uncertainty, he said. Downstate faces significant financial challenges. The decision to close LICH came after an exhaustive review of the financial and operational options, and after extensive discussion with SUNY administrators, Downstate faculty, federal, state, and local officials, community leaders, and other stakeholders. Reverend Watkins noted that the institution faces a daunting task. He asked whether all options – taking advantage of the improving economy; leveraging research innovations to increase research funding; maximizing the Affordable Care Act to expand the patient base; using the argument of "Public Good" to sway decision makers; and/or operational improvements – had been pursued. Reverend Watkins asked if the Council could be integrally involved in the plan to save Downstate and urged that all the resources of the Council be marshaled to this purpose.

Dr. Williams said he agreed with Reverend Watkins' suggestions, but that the revenue generated by medical care at LICH is not sufficient to maintain LICH as a viable option.

Reverend Smith asked that the minutes reflect a commitment from Downstate to allow employees who want to save LICH to express their opinions. Dr. Williams responded that he fully understands that some Council members feel that they must try to save LICH, and that he supports their right and that of employees to make their voices heard. Dr. Williams said he has promoted a campus-wide campaign of “If you see something, say something,” to encourage transparency and open communication.

However, Dr. Williams said, it is his responsibility to ensure Downstate remains fiscally viable and true to its primary mission of training the next generation of healthcare professionals. At Downstate, this mission is enhanced by a commitment to urban health and to providing care to Brooklyn’s underserved communities. Dr. Williams said he cannot in good faith fight to preserve the LICH campus when doing so could put the Central Brooklyn flagship campus in jeopardy.

Dr. Sweeney noted that while Council members hope to fight to save LICH, it is much more important that Downstate’s role as Brooklyn’s academic medical center be preserved. Downstate plays such an important role in Brooklyn, she said, that it is irreplaceable: “We need to ensure that Downstate remains strong.”

Finance Report

Alan Dzija, Downstate’s Chief Financial Officer, provided a broad overview of Downstate’s sources of income and expenses. With an annual expenditure level of roughly \$800,000,000, Downstate is a large and complicated institution. It is also an institution that requires significant investment in infrastructure and operational systems, and its flagship campus in Central Brooklyn does not have the financial depth at this time to carry a second financially fragile site at LICH. He contrasted Downstate’s financial picture today to its status in 2009. Back then, Downstate had largely held its own. However, since then, serious cash flow imbalances have escalated as a result of reductions in reimbursement from insurance payers; declines in patient volume; decreased state support, and increased costs for personnel; none of which were clearly forecast at the time of the LICH acquisition. Mr. Dzija emphasized that these were not a reflection on the professionalism or commitment of the staff at LICH, but a product of the changing healthcare financial landscape.

Mr. Dzija suggested that Council members review the audit report released by the Office of the State Comptroller, which was distributed at the meeting. He said it outlined the scope of challenges that Downstate faces, as well as the actions that Downstate has taken to implement the Comptroller’s recommendations. This includes bringing on board a strong finance team to provide improved oversight and management.

Hospital Report

George Caralis, Interim Chief Executive Officer of University Hospital, told Council that the hospital is moving forward with its restructuring efforts. The foremost priority is to maintain Downstate's high quality of patient care. Steps are in process to correct systems, especially in the area of billing and other operational systems that are the basic building blocks of a strong financial structure. Progress has been made, even as the complexities of state regulations have mandated a slowed process. The hospital restructure plan includes growth through investment in promising programs and engaging physicians in the turnaround process.

Academic Report

Dr. Ian Taylor, Senior Vice President for Biomedical Research and Education and Dean of the College of Medicine, brought Council members up to date on the upcoming site visit by the Liaison Committee on Medical Education (LCME), scheduled for February 24-27, 2013.

The College of Medicine, Dr. Taylor said, has never been in better shape in its history. In preparation for the site visit, the College underwent a mock survey, which yielded very positive reviews. A dean at the School of Medicine of the University of Washington, who led the mock survey, was particularly taken by the students' Self Study. This document emphasizes the pride that the College's students have in Downstate and its strong community involvement. One student wrote that he was "a kinder and more open-minded person" for having attended medical school at Downstate.

"The composition of our student body underscores the point that Dr. Williams made," said Dean Taylor. "Downstate's College of Medicine is unique. There is no other medical school in the country that matches us for diversity."

Dr. Taylor said that one in four students in the College of Medicine are first generation American. Forty percent report that English is not their spoken language at home. The College is in the top decile of medical schools whose graduates go on to practice in underserved communities; the 96th decile for African American graduates; and the 93rd decile for faculty who are African American.

Dr. Taylor said that these results are the direct result of being located in Central Brooklyn. "We are doing what every medical school should be doing," he said. "We must not make decisions that would fundamentally alter the mission of the College. It is very important that our students train in this diverse, underserved community."

Downstate also does extremely well on other benchmarks. Downstate is 9th among medical schools in the number of graduates who become faculty in medical schools, ahead of Johns Hopkins, Cornell, Duke, and Yale, among others. Downstate students outscore the national average on Step 1 and Step 2 CK

board examinations. Applications to Downstate are at record levels, and MCAT and GPA scores of accepted students are higher than the national average.

When asked whether the hospital finance issues would impact the LCME review, Dr. Taylor noted that while the hospital issue would be a concern, it should not overshadow the College's strong outcomes. The LCME will be concerned first, that students have adequate training sites that meet its standards for quality, and second, that students' education will not be interrupted. Dr. Taylor said that we have reached out to our network of affiliated hospitals to ensure that all students who had been scheduled for clinical rotations at LICH are assigned to equivalent programs.

"I see the American Dream alive and well here every single day, and it's a privilege to see it," concluded Dr. Taylor. "Elsewhere the profession of physician is becoming a profession of the privileged. That is not true here. We must not lose sight of the importance of our mission."

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Dr. Sweeney summed up the discussion at the end of the meeting: "We are all in a battle for the same thing. Our approaches are different. But we are fighting for the same people, for healthcare, for jobs, for the community. Though we may differ in techniques, we must remember that techniques are just a tool. We are all in this together. We have to do what is best to preserve Downstate."