St. Vincent's Highlights Crunch for Hospitals Serving the Poor

by Vicky Plestis
Wednesday, July 20, 2011 12:00 AM

Photo by mementosis The current plan for St. Vincent's hospital calls for putting a freestanding emergency treatment center in the landmark O'Toole building on Seventh Avenue. Some in the community would like a full-fledged hospital there instead.

The area around 12th Street and Seventh Avenue in the heart of Greenwich Village is remarkably quite these days -- so quiet that Yetta Kurland, an activist, goes so far as to say that "it almost looks like a bomb went off."

The block was home to St. Vincent's Hospital Manhattan , which closed in April 2010 after years of financial troubles. St. Vincent's, which cared for victims of the Titanic, the AIDS epidemic and the 9/11 attacks, was New York City's last Catholic general hospital, and its absence has been felt throughout the community.

In addition, St. Vincent's was one of New York City's most prominent safety-net hospitals, serving mostly those either on Medicaid or Medicare or without insurance. It was also known as

a refuge for the homeless. It has principally been these patients, then, who have been hit the hardest by St. Vincent's closing and by the shutting of other hospitals elsewhere in the city.

Filling the Void

Regardless of income, most residents of the Lower West Side who used to go to St. Vincent's now end up either at Beth Israel or Bellevue on the East Side. Shortly after St. Vincent's closed, Timothy Lunsford, a survivor of two heart attacks and two bouts of cancer, experienced a medical emergency in which his blood pressure dropped to a dangerously low level.

In this series, Gotham Gazette will look at what government is -- and is not â€“ doing to combat poverty in the city. We will examine specific problems and the policies that address or contribute to them.

Some 1.8 million New Yorkers â€“- about one in five â€“- lives at or below the poverty level, with 10.5 percent trying to scrape by in deep poverty -- with incomes less than half the poverty level, or below $10,500 for a family of four.

Over the past five years, the poverty level has remained largely unchanged. Meanwhile, the wealthy in our city have gotten richer, leaving New York with the widest income divide of any major city in the country.

Against this backdrop, all levels of government have sought to cut spending, reducing programs for the poor and raising fees. This has tattered a social safety net that, even in the best of times, had gaps and tears.

Previously in the series:

New York's Model : On one hand, the mayor has cut city social services. On the other, he has launched private pilot projects to fight poverty â€“ to little effect. Glenn Pasanen explores the

disconnect.

"It took me 33 minutes to get from Canal Street and Varick to Beth Israel hospital," he said.

Both hospitals have had to adapt to a rapidly growing patient volume, which Lewis Goldfrank, Bellevue's chief of emergency medicine, has called "a significant disaster."

"Those 60,000 people [treated each year at St. Vincent's] now have to find another place to go, so the nearest emergency rooms are overwhelmed. â€¦ And it's not because the hospitals aren't trying, but they're unable to cope with what is a disaster," said David Kaufman, a member of St. Vincent's medical staff for 30 years and a part of the Coalition for a New Village Hospital .

With no access to local care, overcrowded emergency rooms in neighboring hospitals, the loss of a medical safety net and longer waits, the health situation in Greenwich Village is a "crisis," according to Kurland, also a member of the coalition. To remedy the problem, the coalition wants to see nothing less than a full-service hospital at the former St. Vincent's site.

Not Quite a Hospital

The plan reached by Rudin Management , a development firm, and North Shore-Long Island Jewish Health System
does not align with that vision. (Disclosure: My father is a doctor at Lenox Hill Hospital, a member of the North Shore network). Instead, it would create 300 luxury apartments and townhouses on the eastern side of the medical campus and refurnish the historic O'Toole building
into a freestanding emergency department to be operated by North Shore.

The ability of the care center to serve the 385,000 New Yorkers living in the Lower West Side remains hotly contested. According to Terry Lynam, a spokesperson for North Shore, the care center will be able to treat 90 percent of patients. "[It] would be the same kind of emergency department you would see in most hospitals with the exception that it doesn't have inpatient beds," Lynam said.

The facility would provide around-the-clock diagnosis and treatment services. It should also be open to those on Medicare or Medicaid.

However, since it would not have the resources of a full-service hospital, including operating rooms and an intensive care unit, patients suffering from heart attack, stroke or major trauma would "need to be transferred elsewhere," Lynam said. She emphasized that agreements will be in place with local ambulance providers so they do not bring these patients to the care center in the first place.

Kaufman, however, argued that these restrictions will "create a life-threatening sense of confusion for patients and ambulance drivers."

If an emergency patient does enter the care center, the amount of time it would take to transfer him or her could prove significant, according to a recent study by the Journal of the American Medical Association. It found that it takes nine out of ten transferred heart attack victims more than 30 minutes to reach their second facility, above the recommended medical guidelines. These patients consequently suffer higher mortality rates.

Despite this proviso for emergency cases, Lynam said the care center "is returning health care to the Village" and "will save lives."

But coalition members remain unconvinced. Kaufman in particular worries that the care center will be unable to manage the large number of patients who used to enter St. Vincent’s doors.

"Can their comprehensive care center â€¦ treat 61,394 people a year?" Kaufman asked at a rally on April 30. "Can it house 19,388 patients sick enough to require inpatient care, can it deliver the lifesaving, critical care that 13,572 poor souls required in the emergency room in 2009?"

Recipe for Failure

Others, though, look to the closing of St. Vincent's and see a lesson for anyone thinking about opening a new full-service hospital in the area. St. Vincent's failed after a decade of

mismanagement, including a hospital merger in 2000 and the hiring of consulting firm Speltz & Weis in 2005.

St. Vincent's failure, though, also speaks to a troublesome citywide trend for charity hospitals -- a trend that has severe implications for low-income communities. Following the tradition of the Sisters of Charity, St. Vincent's was dedicated to "compassionate care": serving the poor and disenfranchised. Like many other struggling safety-net hospitals, St. Vincent's charitable mission, ill-suited for today's high-tech, costly health care, led to its end.

Over the last ten years, the state's Medicaid reimbursements, a significant portion of St. Vincent's revenue, have been cut. Moreover, while St. Vincent's saw an increase in emergency room visits, which are costly and in many cases go unreimbursed, its inpatient volume decreased as wealthy residents left for more prestigious institutions.

In general, New York City hospitals are struggling. Over the past decade, hospitals nationwide have seen average profits of 4 percent, whereas in 2008, hospitals in New York City faced an average 6 percent loss.

Since deregulation in the 1990s, safety-net hospitals have struggled with less government support. What was once a highly regulated industry became a free-for-all, as "suddenly hospitals were put in the position of competing with each other," North Shore's Lynman said. This took a toll in New York City where hospitals are located close to one another, the most noticeable example being New York Presbyterian-Cornell Weill , Mount Sinai and Lenox Hill all on the Upper East Side. Without state regulation, this competition allows insurers to drive down reimbursement rates, fueling hospital debt.

To stay economically viable, hospitals vie for privately insured patients, setting off what has been called a medical technology "arms race" that raises the price of health care. They are far less eager to take in publically insured -- or worse yet, uninsured -- patients. In New York, reimbursements by the public insurers Medicare and Medicaid are notoriously low. This means that those on public insurance or not insured at all—the majority of St. Vincent's patients—place a financial burden on struggling institutions.

Evidence of the strain abounds. In 2009, in the wake of the H1N1, or swine flu, outbreak, Mary Immaculate and St. Johns â€“ both safety net hospitals in Queens -- closed . According to a 2009 report
from former City Comptroller William Thompson Jr., this led to "overcrowded emergency rooms, longer wait times for patients, and longer ambulance turnaround times."

Jamaica Hospital has picked up a flood of Mary Immaculate's and St. Johns' patients. Its emergency room, built to accommodate 60,000 patients annually, now sees 131,000. Emergency care is costly to provide, and in 2009 Jamaica Hospital lost $13.5 million. If Jamaica, one of the borough's most prominent safety-net hospitals, goes the way of Mary Immaculate and St. Johns, the health implications, particularly for poorer residents, could be devastating.

This is a familiar pattern. When safety net hospitals close, low-income, already underserved communities bear the brunt of the impact. Patients spill over to surrounding hospitals, overcrowding their waiting rooms and increasing their financial pressures, setting off what could become a chain of hospital failures.

In the case of St. Vincent's, Bellevue has absorbed much of the excess patient volume both because of its relative proximity and the fact that it is now the only Level One Trauma Center in lower Manhattan. Bellevue now serves an additional 2,000 people each month in its emergency room, a 25 percent increase. Beth Israel has also seen a 25 percent traffic increase with slightly higher numbers these past two months.

"What happened last year was not a tsunami that came and went, but the increase has been sustained," said Gregg Husk, chairman of the Department of Emergency Medicine at Beth Israel. Beth Israel has increased its emergency room personnel, nursing staff and physicians and recruited former St. Vincent's programs, such as the Comprehensive Cancer Center.

Beth Israel is still "tweaking" some of its health care practices to adapt to the increased patient volume, but overall, Husk said, "we were very fortunate" and "the environment is not chaotic."

Despite this, a June 2011 study on St. Vincent's closing wrote that the surge of patients to neighboring hospitals "was characterized as 'crushing' to staff morale as hours and workload

increased dramatically." The study also reported patient crowding and increased waiting room violence.

The trend toward deregulation leaves little hope low-income New Yorkers will regain their safety net care in the future. "The changing landscape of healthcare is such that no one in the New York City area is building new hospitals," said Lynam.

Counting Beds

After St. Vincent's closed, Rudin Management proposed to donate the O'Toole building and $10 million in funds for an urgent care center run by North Shore. In April 2011, a bankruptcy court judge approved the transaction.

"This is the only deal that is doable in today's environment," said John Gilbert, executive vice president and chief operating officer for Rudin Management.

Mount Sinai had been prepared to take over and run a full-service hospital in the neighborhood but suddenly withdrew in April 2010. Coalition members blame this on a lack of support from the state Department of Health which, following the recommendations of the 2006 Berger Commission, is trying to limit "the state's unacceptably high excess capacity of hospital beds."

The North Shore care center will not create any new impatient beds and so aligns with the state's goal. A new full-service hospital on the other hand would work directly against it.

The coalition argues the focus on overall number of beds is short-sighted. "They give no thought to the distribution of beds -- all they care about is shutting them down. Community needs, bed per person ratios, socio-economic issues are all irrelevant," said Kaufman at a rally in April.

Kaufman has pointed out that in the Upper East Side and East Harlem there is one bed for every 82 residents. In contrast, after St. Vincent's closing, there are now no hospital beds for the West Side's 385,000 residents.

Judy Wessler, director of the Commission on the Public's Health System , noted that hospitals in New York City have "always been mal-distributed," but with the closing of many charity hospitals in underserved communities, "it's getting worse."

"The East Side is wealthier, and that's where institutions tend to settle," she said. "Studies have [shown] over and over â€¦ that there is an absolute correlation between income and access to health care and even race â€¦ and access to care."

The coalition continues to fight the Rudin/North Shore plan. Yet, while it has galvanized support among community members, it has failed to win backing from some key politicians and other community leaders. Councilmember Christine Quinn, former Mayor Ed Koch and Greenwich-Chelsea Chamber of Commerce president Tony Juliano have all spoken out in favor of the comprehensive care center.

"Our health care needs are significantly underserved. This will go a long way to bring this service back to the community," said Juliano, warning that if the community does not support the North Shore plan "we'll be looking a year from now â€¦ at a horrible situation where a whole city block is vacant."

Since St. Vincent's declared bankruptcy in 2010, 3,500 former employees are jobless and around 40 local businesses have closed. Juliano hopes the development will "bring economic life back" to the neighborhood.

Proponents for the Rudin/North Shore plan argue that, while it may not be ideal, it represent a pragmatic solution to an admittedly bad situation.

"We recognize that, listen, you had a full-service hospital in your community for over 100 years and suddenly it's gone. We certainly understand why people are frustrated by that," said Lynam. "But the reality is that there are no other providers stepping forward. We've put forward what we think is a realistic plan that will fill that void."

For the thousands of former St. Vincent's patients â€“ particularly those without a lot of resources -- this offers little comfort. "I think it's a health crisis like a silent time bomb," said Kaufman. "It's just sitting there, brewing. It’s happening every day but it's hidden from the public eyes. â€¦ And I think it’ll get worse."