

**Affiliation Council
advises Crouse,
University
hospitals**

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SYRACUSE — If the Berger Commission had its way, University and Crouse hospitals would be joined together under a single governing structure controlled by an entity other than the State University of New York.

It was one of many recommendations for statewide hospital restructuring put forth by the Commission on Health Care Facilities in the 21st Century, more commonly known as the Berger Commission.

However, the top officials at both facilities knew it would be difficult to satisfy the recommendation, considering Crouse is a private institution and University Hospital is a public entity.

But realizing the Berger Commission wanted the hospitals to show some evidence of a closer relationship, Crouse and University have formed an Affiliation Council to explore additional opportunities for collaboration and coordination.

The Affiliation Council was formed last fall, and has met seven times since November.

The council has 13 members, including officials from both hospitals. Former Syracuse University Chancellor Kenneth Shaw chairs the group and notes it only plays an advisory role.

“We don’t have the authority to approve anything and make it stick. We can only make recommendations,” says Shaw. He says the minutes from each meeting are sent to the State Health Department.

Besides hospital officials, the Affiliation Council also has three community representatives. They include Mary Darcy, president of Darcy & Company, Inc.; Dean Vlassis, president of Rodax Enterprises; and Harold Wannamaker, M.D.

David Smith, M.D., president of University Hospital’s parent SUNY Upstate Medical University and a council member, says University and Crouse already have an existing relationship — one he calls “robust.”

The Affiliation Council also helps the institutions recognize how they’re different, says Paul Kronenberg, M.D., president and CEO of Crouse Hospital and a council member.

“There are different structures in both organizations, and this is where I think when the Berger Commission sort of said just put them together, they were shortsighted in many ways,” says Kronenberg.

He says one example is in the way the two hospitals conduct their business.

Kronenberg says a state-run institution has a whole process for purchasing equipment, which he says is different from how the process is handled at Crouse.

He also notes that, unlike Crouse, SUNY Upstate depends on the State of New York as one of its funding sources.

Kronenberg says one area of collaboration that's been successful is the study of sleep. Crouse has a two-bed sleep lab and was looking to expand, and SUNY Upstate was looking to support its own training program.

"We were able to put the directors of these programs together and say, 'OK, expand to accommodate our needs as well' so that the Crouse program will expand from a two-bed unit to a six-bed unit in collaboration with the Upstate sleep physicians who need to have a training site," says Kronenberg.

In addition to the sleep lab, the two hospitals also received HEAL (Health-care Efficiency and Affordability Law) grant money for information technology (IT) projects, and Crouse's chief information officer is investigating what areas they might collaborate on, he adds.

After the 2008-09 state budget was passed, SUNY Upstate learned it would be receiving \$320 million for a series of academic projects. But Smith says the Affiliation Council plays no role in advising the school on the direction of those projects because they're part of school's academic mission.

It's another example of how the two institutions are different, he says.

Kronenberg says the New York State Department of Health also used its power of approval as leverage to make sure Crouse and University were making strides in dealing with an alternative to the Berger Commission recommendation.

Crouse had submitted a certificate-of-need to the department so it could move forward with a \$35 million renovation project on its surgical suites. Kronenberg says the hospital was told approvals would be delayed until something was done to satisfy the Berger recommendation.

So, he says it was in both institutions' best interest to come up with a way of dealing with efficiency, cost, and delivery of service other than through consolidation.

"Once they (health-department officials) knew we had an agreement to form it, they started to say, 'OK, we will now look at the things before us to approve, and we see you are dealing with this, and we will go through our regular process of approval,'" says Kronenberg.

He also believes the health department has sent a clear message that the Affiliation Council's opinion will be sought on future projects involving either or both hospitals, even though the group has no governing powers.

One of the primary reasons the Berger Commission was originally formed

was the concern over the number of hospital beds statewide and the amount they cost — whether they're being utilized or not. A commission report says the statewide hospital-occupancy rate decreased 18 percent between 1983 and 2004.

Both Crouse and University Hospitals are in the middle of a bed-capacity study. At the moment, Crouse has 576 licensed beds, while University has 378 licensed beds. Even though the two facilities combined have over 900 licensed beds, they're not all being used, says Kronenberg.

Robert Allen, vice president of communications and governmental affairs at Crouse, says, on average, about 720 of those beds are being used at any given time, depending on the time of year.

The Berger Commission recommended the two institutions be licensed for between 500 and 600 beds, but Kronenberg says those numbers were based on a hospital census in 2002, and a lot has changed since then.

"We know that those numbers then did not include multiple changes in the health-care delivery system which are happening between outlying communities not having certain services and more referrals into the Syracuse market and to both of our institutions," says Kronenberg.

He also says the two hospitals haven't yet determined what will be a sufficient number of beds, but Kronenberg feels the organizations would likely need between 880 and 900 beds.

Smith says the report also didn't anticipate SUNY Upstate's plan and strategy to increase enrollment by 30 percent, and he's quite confident that factor wasn't part of the discussion in 2002.

The facilities are keeping the Affiliation Council updated on the progress of the bed-capacity study and will report their findings to the state health department this summer.

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