

New York City Health and Hospitals Corporation

New York, NY

New York City Health and Hospitals Corporation (HHC) is the largest municipal health care system in the country with eleven acute care hospitals, four long term care facilities, six diagnostic and treatment centers, a home health agency, and more than 100 satellite outpatient facilities. HHC provides over \$420 million annually in uncompensated care and relies on Medicaid for 60 percent of its revenue. Currently, HHC is operating with an expected deficit of \$300 million for FY2002, resulting in the elimination of all cash reserves. Every additional dollar of federal revenue is vital to sustaining HHC's ability to provide care to needy patients.

Reduction of Medicaid payments will have a devastating effect on HHC in the context of an already severe local and state fiscal crisis, prompting further cost cutting measures. The need to maintain core acute care services and trauma and emergency care will force HHC to consider reducing non-critical services in outpatient and primary care settings, particularly among freestanding neighborhood clinics. If so, patients who would receive care in primary care settings will instead seek care in more expensive emergency rooms.

The impact at-a-glance:

- Closure of primary care and outpatient services
- Elimination of neighborhood clinics
- Increased demand on the emergency room
- Decreased cost efficiency

Press Contact at NYCHHC:

Dario Centorcelli

centored@nychh.org

Tel. 212-295-5889