



My name is Gary Terrinoni, President & CEO of The Brooklyn Hospital Center. Thank you for the opportunity to provide this testimony.

Let me start by asking a question. What business can survive if its prices are controlled, and do not cover the cost of its goods and services?

The answer is no business can survive unless supported by other sources of revenue. That is the situation you will find for safety-net hospitals in New York State.

During my career in the healthcare sector, I have had the privilege of working in institutions outside of New York. In states like Maryland, commercial insurance is cross-subsidized for all hospitals. As a result, the challenge of treating the most vulnerable is shared throughout the State.

In New York, this same challenge falls on safety-net hospitals, the State government, and the taxpayers. As a result, this puts our most vulnerable population at risk. The closure of several safety-net hospitals in our community should be a sign that more needs to be done for our sector. The announcement about Downstate Medical Center, a historic component of the State University of New York in Kings County, will serve as a prime example of why we need to fully fund safety-net hospitals and our healthcare system.

To make ends meet, my hospital has looked for solutions that will keep safety-nets viable. The Brooklyn Hospital Center was instrumental in developing a Global Revenue Equity Model. Many of our ideas served as the foundation of the AHEAD Model approved by CMS this past September. If applied correctly, AHEAD has the potential to revolutionize the economics of safety-nets in New York State. Governor Kathy Hochul has demonstrated an effort to help our industry having implemented the direct-payment template providing enhanced Medicaid rates for safety-nets.

With these combined efforts, the State has within its grasp the ability to get safety-nets fully reimbursed for the services we offer. With a more equitable approach to addressing healthcare, safety-net hospitals can survive and thrive and ultimately be less financially reliable to the State.

I don't say this as a representative of a failing institution. The Brooklyn Hospital Center is the little engine that could. After a near-decade of earning ever more quality accolades from organizations such as the Lown Institute and Healthgrades, for the first time, we were recognized by U.S. News & World Report as the Best Regional Hospital.

But we can only do so much through sheer determination and talent. I know safety-net hospitals have the potential to change lives. My hospital already does: we provide jobs, and we are training the next generation of physicians, many of whom stay in the community. Most importantly, we offer quality health care and we save lives. We ask that the State do its part to give our most vulnerable populations a better healthcare system and let safety-net hospitals flourish.

