





August 9, 2012

## Dear Governor Cuomo:

We write regarding the State University of New York Downstate Medical Center (Downstate) and its affiliates. We have been told that a significant restructuring of Downstate is necessary to its survival to overcome a major operating deficit, and that the institution may also cut critical services and thousands of jobs throughout Brooklyn. We ask that you restore state funding to Downstate and provide a bridge loan that will ensure the continued operations of this important institution until a successful restructuring plan is developed.

Downstate is a bedrock of our public higher education system. The SUNY system and New York's entire medical profession significantly benefit because of it. To achieve a solution, there must be a plan that is both thoughtful and realistic.

Downstate's services are vital to Brooklyn residents. The population it serves – largely Medicaid recipients and under-served neighborhoods of color – absolutely cannot afford to lose Downstate's services. Impeding Downstate's ability to serve Brooklyn communities would have a devastating impact on the borough in many ways.

Downstate's University Hospital -- a teaching hospital with one of the largest residency programs in the country -- and its affiliated medical school have a uniquely diverse student body, and make extraordinary efforts to enroll students from Brooklyn and all New York City communities. Moreover, from its inception, Downstate's existence in Brooklyn has ensured diversity in the city and state's medical communities. The physicians educated and trained at Downstate stay in New York and enrich our entire state medical system, not only by serving poor and minority districts, but also by empathizing with and understanding our residents. Cutting jobs and services at Downstate threatens that important balance.

As you know, in 2011 New York State invested \$62 million in HEAL-NY grants to support the merger of Downstate and LICH, a recognition of the institution's importance to our community and our state. Yet this year, Downstate's HEAL-NY funding has not been forthcoming, exacerbating the institution's financial challenges.

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Based on recent information, a restructuring of Downstate is necessary for its long-term sustainability; however, such restructuring must take into account the State's already-significant investment, as well as the institution's critical role in serving our residents, providing diversity in the medical field, and providing home-grown doctors for New York. Cutting services and jobs now may help Downstate's ledger in the short-term, but without a credible strategic plan and the input of stakeholders we run the risk of seriously undermining the viability of the institution in the long-term.

Downstate is the fourth largest employer in Brooklyn, with nearly 8,000 employees, the majority of whom live in the borough. There has already been a 150-person layoff at Downstate's Long Island College Hospital (LICH) campus. Additionally, over 400 Downstate employees will receive contract-mandated notice of future layoffs in the next few days, with the expectation that over one thousand jobs will be cut next year. In the absence of a solid and thoughtful restructuring plan, these job losses may turn out to be unnecessary and may cause a devastating ripple effect on our communities.

An important first step is the comprehensive audit of Downstate's finances currently being conducted by the Comptroller's office. This audit will provide us with a full financial understanding of Downstate.

We understand that further action is necessary for Downstate to be placed on solid financial footing, but that cannot happen without thoughtful long-term planning and a clear acknowledgement from the State of Downstate's importance to Brooklyn and the entire New York Metropolitan area.

We respectfully request direct participation by your office in Downstate's long-term plan. State aid to Downstate has dropped significantly in recent years; we are requesting that you restore that state funding and provide necessary bridge funding for Downstate. We would like to stress that the restoration of funding would be for the purpose of allowing the development of a long-term restructuring plan that takes into account the State's significant investment along with the critical importance of Downstate to our communities.

We look forward to working with you and your administration to develop a solution that serves both our constituents and the State. Thank you for your partnership.

Sincerely

**Brooklyn Delegation** 

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