



This Week in New York

Covering New York State and City Government

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October 14, 2011 Edition



In the News – New York State



Hitting the Ground Running: MRT Medical Malpractice Reform Work Group Formed and Ready For Prime Time

New York's Medicaid Reform Team (MRT) wasted no time in getting the Medical Malpractice Reform Work Group to the table, as the newly appointed group will hold its first meeting on Monday, October 17th.

The much anticipated work group is co-chaired by newly appointed MRT member Joseph Belluck (Belluck & Fox, LLP) and Ken Raske (Greater New York Hospital Association (GNYHA)). It is charged with developing recommendations to continue reforms to New York's medical malpractice system for inclusion in a report to be submitted to the Governor by December 31st. The MRT report will be considered in relation to the 2012-2013 Executive Budget.

Monday's meeting will run from 11:30 a.m. to 4:30 p.m. at the NYS Department of Health Metropolitan Area Regional Office, 90 Church Street, 4th Floor, Conference Room A/B in Manhattan. Subsequent meetings will be held on October 27th (Troy) and November 9th (NYC).

At last week's meeting of the full MRT, Mr. Raske noted that as a result of the 2011-2012 budget actions (in relation to OBGYN/impaired infants) some insurance companies have lowered premiums by as much as 20%. However, he did not think the improvement has been sufficient and that additional measures will need to be taken to get the premiums down to a "more manageable level."

The enacted 2011-12 budget (Phase I of the MRT's charge) established the New York State Medical Indemnity Fund to provide payment of future medical expenses to eligible children. The Fund will be administered by the Department of Financial Services and eligibility is defined "as a neurological impairment related to a birth injury as a result of medical malpractice or alleged medical malpractice for which the child has either settled or been awarded a jury award."

The Fund will be capitalized in the first year with \$30 million of Health Care Reform Act (HCRA) funds. Annually, the Department of Financial Services will be required to have an actuarial determination completed to determine adequacy of funding (Current liabilities are less than 80% of current assets) for the future year. GNYHA estimates that a Fund of this nature would reduce costs to hospitals by 20% or \$320 million.

Other provisions of the 2011-2012 Budget included:

- Creating the Hospital Quality Initiative that establishes a workgroup of stakeholders chosen by the Commissioner and the Department to undertake collaborative efforts to encourage cultures of patient safety and improvement in outcomes. The workgroup will begin with a focus on obstetrical services.
- Imposing a “hospital quality” assessment for general hospitals that provide obstetrical services equal to 1.6% of that revenue.
- Directing courts to hold settlement conferences related to medical malpractice.

The MRT has set up a conference call number (1-866-394-2346) for individuals interested in reviewing the meeting. The conference code is 6090164374.

Members of the workgroup include:

- Edward J. Amsler, Medical Liability Mutual Insurance Company.
- John Bonina Jr., Bonina and Bonina, PC.
- Arthur Fougner, Medical Society of the State of New York.
- Matthew Gaier, Kramer, Dillof, Livingston & Moore.
- Joel Glass, FOJP Service Corporation.
- Lee Goldman, Columbia University College of Physicians & Surgeons.
- Fred Hyde, Columbia University Mailman School of Public Health.
- Hon. Douglas E McKeon, Supreme Court, Bronx County.
- Christopher Meyer, Consumers Union.
- Nicholas Papain, Sullivan, Papain, Block, McGrath & Cannavo, PC.



Consolidation, Consolidation, Consolidation

Governor Directs OGS to Optimize Real Estate Utilization

New York's Office of General Services (OGS) has been charged with reducing the vacancy rate in state-owned and leased property in the Capital Region and New York City from 25 percent to about 10 percent, as part of Governor Andrew Cuomo's state operation cost-cutting initiative.

Albany's Corning Tower

According to OGS Commissioner RoAnn Destito, plans are currently under review for a centralized real estate office that will coordinate management to "drive efficiency, ensure proper financial stewardship, and improve customer service." This includes a major "restacking" initiative to fill vacated state-owned office space in the Albany metropolitan region. The project will be conducted in 3 phases over the next 18 months and is projected to save \$9 million in FY 2012-2013 and eliminate 3,000 empty desks.

"This is a waste of taxpayer dollars," Commissioner Destito said of the unused space. The first office space to be "re-stacked" is Corning Tower in the Empire State Plaza, which primarily houses OGS and Department of Health offices.

According to the Governor, New York State's real estate portfolio has been poorly managed, leading to vacancy rates greater than 25%, poor construction and building management, and misplaced investments in aging facilities. Upon taking office, Governor Cuomo ordered an extensive analysis to ensure government-paid-for space is fully-utilized. Efforts are now underway to move agencies in leased locations into state-owned buildings as leases expire.

Governor Cuomo's administration is continuing to review consolidation options for state-owned space in New York City.

In the News – New York City

New York City School Layoff Balance Sheet

ASSETS

- ✓ \$28.5 M NYC Savings -
Wages & Benefits

LIABILITIES

- ✓ 672 NYC Residents Out of Work
- ✓ 350 NYC Schools Lose School Aides, Parent and Community Coordinators, Health Aides, and Family Workers
- ✓ \$7 M NYC Cost - Unemployment
- ✓ \$4 M NYC Cost – Food Stamps

EQUITY

???? -- **The Subject of Heated Debate**

Quotes of the Week

These workers are vital to schools and students. I am outraged about this, because to me it feels like our children are pawns in a political game.

City Council Education Chair Robert Jackson

I'm not in a popularity contest...and in that context, there are some decisions people are not going to be happy with.

It was also made clear in our remarks and our joint press release that the budget deal still included 1,000 layoffs in non-uniform, non-pedagogical titles.

City Education Chancellor Dennis Walcott

I'm putting you on notice. What's happening here is not right, that these people, in these tough economic times, are being laid off. That's not right.

City Council Finance Chair Domenic Recchia

I also reject the theme that somehow we could not have averted these layoffs.

Brooklyn Council Member Letitia James

I hold you [Chancellor Walcott] and DOE responsible for allowing these layoffs to proceed to this point. I urge you to reconsider and find alternative means to balance the budget and preserve a quality education for our children.

Public Advocate Bill deBlasio

Their careers, their families and the education of the children of New York City became collateral damage in a calculated, political maneuver by Mayor Michael Bloomberg.

Lillian Roberts, DC 37 President

We are going to continue this fight until they're all brought back.

Santos Crespo, President DC 37's Local 372

NYC Development Hub to Accelerate Construction Approval Process

NYC Department of Buildings this week launched NYC Development Hub, a “state-of-the-art” plan review center to accelerate the approval process for construction projects throughout the City and speed up job creation. The Hub will be located at the Department’s offices at 80 Centre Street.

Licensed architects and engineers can submit digital construction plans to the Department of Buildings at the Development Hub and resolve any issues with City officials in a virtual environment. Representatives from six other City agencies involved in the project approval process -- the Fire Department, the Department of Environmental Protection, the Landmarks Preservation Commission, the Department of Transportation, City Planning and Department of Parks and Recreation – are creating their own mini-hubs to participate in video conferences while reviewing plans in a digital form.

Digital construction plans for any new building or major alteration must be electronically submitted to the Development Hub. According to the Buildings Department, after digital plans are filed, they will be uploaded to a secure website where plan examiners, applicants and agency representatives can review them together, identify problem areas and mark them up. Objections can be discussed by telephone, email and/or video conference, and applicants can submit the revised plans electronically.

To encourage industry participation at the Development Hub, letters were mailed to 450 licensed professionals whose projects have been disapproved multiple times due to various objections by Buildings plan examiners. However, any property owner or licensed professional with outstanding construction objections can request to have their plans reviewed at the Development Hub. All new construction plans proposing solar panel installations and green roofs for tax abatements will be reviewed and approved at the Development Hub.

According to DOB, in 2010, Buildings plan examiners reviewed 457,000 construction plans submitted by architects and engineers licensed by New York State. During the project approval process, plan examiners typically raise objections when the plans fail to comply with the New York City Construction Codes and the Zoning Resolution, and it is the responsibility of the industry professional to resolve those objections and submit revised plans. Objections can range from safety-related requirements, such as the width of a stairwell and the number of exits, to missing required documents, such as a permit from the Landmarks Preservation Commission that allows the renovation of a landmarked building.

In Brief

NYS Procurement Under Review

Governor Andrew Cuomo this week announced changes to the State government procurement process that focus on implementing best practices and identifying opportunities for savings. The new procurement process, strategic sourcing, will leverage the State's buying power and balance the needs of achieving savings with the administration's goals of encouraging small businesses and MWBEs.

In June, Director of State Operations Howard Glaser and Budget Director Robert Megna asked all state agencies to suspend individual contract renewals and purchases in 15 categories, including food, IT services, software, and office supplies, and instead use the strategic sourcing method for procurement. According to the Governor, strategic sourcing uses a structured, market-based process to gather data and use the State's buying power to secure the best value in purchasing. The initial purchases under strategic sourcing are targeted to save \$100 million in FY 2012-13, and could produce almost \$600 million in cumulative savings over 5 years.

Mayor's Council on Technology and Innovation

NYC Mayor Michael Bloomberg this week announced the formation of the Mayor's Council on Technology and Innovation. The Council, to be chaired by Deputy Mayor Robert K. Steel, is made up of venture capitalists and entrepreneurs to explore ways the Bloomberg administration can foster growth in the local technology community.

The new council includes David Tisch, managing director of TechStars NYC; Susan Lyne, chairman of Gilt Groupe; John Borthwick, CEO and founder of Betaworks; Mitch Jacobs, CEO and founder of On Deck Capital; Perry Chen, CEO and founder of Kickstarter; Barry Silbert, founder and CEO of SecondMarket; Jonah Goodhart, co-CEO and founder of Moat; Hilary Mason, chief scientist with bit.ly; Ntiedo Etuk, co-founder and CEO of DimensionU; and Susan Crawford, professor at the Benjamin N. Cardozo School of Law at Yeshiva University.

Regional Funding Applications Due October 31st

Notice of Availability of State and Federal Funds & Credits New York State Consolidated Funding Application

Through the New York State Consolidated Funding Application (CFA), a single application for multiple sources of state funding, New York State is soliciting grant applications for funding to advance the priorities of the Regional Economic Development Councils (REDC). Funding will be available for the following projects:

- Affordable Housing
- Community and Waterfront Revitalization
- Direct Assistance to Businesses
- Energy and Environmental Improvements
- Low-Cost Financing
- Municipal/Public Infrastructure
- Parks, Historic Preservation and Heritage Areas
- Sustainability Planning Assistance
- Transportation Infrastructure
- Workforce Development

Application materials are available online at <http://nyworks.ny.gov>.

The funding applications will be accepted through the CFA until 4:00 pm on Monday, October 31, 2011.

Coming Up

New York City

Monday, October 17th

Committee on Finance, 250 Broadway - Committee Rm, 16th Fl., 10 a.m.

Int 0644-2011 In relation to the establishment of the Westchester Square business improvement district.

T2011-3791 Resolution approving the new designation and changes in the designation of certain organizations to receive funding in the Expense Budget.

Committee on Education, 250 Broadway - Committee Rm, 14th Fl., 10 a.m.

Int 0155-2010 In relation to requiring the chancellor of the city school district to submit to the council an annual report concerning school capacity and utilization.

Committee on Rules, Privileges and Elections, 250 Broadway, 16th Fl., 10:30 a.m.

M 0646-2011 Communication from the Mayor - Dr. Susan Klitzman regarding her reappointment to the Board of Health.

M 0647-2011 Communication from the Mayor - Dr. Sixto Caro regarding his reappointment to the Board of Health.

M 0648-2011 Communication from the Mayor - Elizabeth Knauer regarding her appointment to the Environmental Control Board.

T2011-3796 Communication from the Mayor - Paula Berry regarding her appointment to the Waterfront Management Advisory Board.

T2011-3797 Communication from the Mayor - Eric Goldstein regarding her appointment to the Waterfront Management Advisory Board.

T2011-3798 Communication from the Mayor - Michael Northrop her appointment to the Waterfront Management Advisory Board.

T2011-3799 Communication from the Mayor - Henry Wan regarding her appointment to the Waterfront Management Advisory Board.

City Council Stated Meeting, Emigrant Savings Bank - 49-51 Chambers Street, 1:30 p.m.

Tuesday, October 18th

Committee on General Welfare Jointly with the Committee on Education and the Committee on Youth Services, Emigrant Savings Bank - 49-51 Chambers Street, 1 p.m.

T2011-2732 Oversight - Coordination between DHS, DOE and DYCD to Ensure Homeless Children and Youth are Properly Educated.

Committee on Veterans, Jericho Project's Fordham Village Veterans Community, 355 East 194th Street Bronx, N.Y. 10458, 2 p.m.

Tour: Jericho Project's Fordham Village Veterans Community

Wednesday, October 19th

Committee on Immigration, 250 Broadway - Committee Rm, 14th Fl., 10 a.m.

Committee on Public Safety & the Committee on Women's Issues, Emigrant Savings Bank - 49-51 Chambers Street, 10 a.m.

T2011-3774 Oversight: Combating Sex Trafficking in NYC: Examining Law Enforcement Efforts-Prevention and Prosecution.

Committee on Lower Manhattan Redevelopment, 250 Broadway, 16th Fl., 1 p.m.

Committee on Fire and Criminal Justice Services, 250 Broadway, 14th Fl, 1 p.m.

Committee on Economic Development, 250 Broadway, 16th Fl., 1 p.m.

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