

Introduced by Presiding Officer, on request of the County Executive

**RESOLUTION NO. 280 -2014, REQUESTING LEGISLATIVE APPROVAL OF A CONTRACT WITH HUDSON RIVER HEALTHCARE, INC. (HRHCare) FOR THE OPERATION OF THE MAXINE S. POSTAL TRI-COMMUNITY HEALTH CENTER IN AMITYVILLE**

**WHEREAS**, there is an unprecedented fiscal crisis in the County of Suffolk, in part due to substantial reductions in Article 6 State Aid funding for services provided in the County's network of Health Centers; and

**WHEREAS**, the New York State Department of Health (NYSDOH) has encouraged the Suffolk County Department of Health Services (SCDHS) to exit the direct health care business for primary care; and

**WHEREAS**, on June 21, 2012 a Request for Proposals (RFP) Waiver was approved for the Department of Health Services to enter into a contractual agreement with Hudson River Healthcare, Inc. (HRHCare) for administrative, management and primary health care services at County-operated centers, including the Maxine S. Postal Tri-Community Health Center in Amityville; and

**WHEREAS**, HRHCare is a not-for-profit, New York State licensed, Federally Qualified Health Center (FQHC) delivering culturally sensitive, linguistically appropriate, full life cycle primary, preventative, behavioral, and oral healthcare, as well as Family Planning, HIV, TB, and STD services, and other enabling services to medically underserved populations throughout the Hudson Valley and Long Island areas; and

**WHEREAS**, HRHCare is the only FQHC currently operating in Suffolk County;  
and

**WHEREAS**, the proposed plan authorizes the transition of the Maxine S. Postal Tri-Community Health Center to HRHCare; and

**WHEREAS**, this transaction will maintain continuity of care to patients during the transition, and will expand services in compliance with FQHC program requirements; and

**WHEREAS**, all current County employees assigned to the Maxine S. Postal Tri-Community Health Center will be reassigned to other positions within the Department of Health Services, without any lay-offs resulting from this proposed plan; and

**WHEREAS**, Section A9-6 of the Suffolk County Code requires that, in the event a proposal or plan to provide services at the County's Health Centers is submitted to the County Executive for the purpose of providing these services through entities other than Suffolk County Government and/or the Suffolk County Department of Health Services, using employees other than employees of the County of Suffolk, then at least two (2) public hearings shall be held by the County Executive and two (2) public hearings shall be held by the County Legislature on the particular proposal or plan; and

**WHEREAS**, the back-up documentation to this Resolution includes a summary document and five (5) year fiscal impact statement as required by Section A9-6 of the Suffolk County Code, which were available for review at the required public hearings; and

**WHEREAS**, the proposed agreement requires payment to HRHCare from the County for a five (5) year period, expected to begin in 2014 totaling \$7.9 million over that period, and will result in an estimated net savings to Suffolk County over the five (5) year period of \$4.9 million dollars; and

**WHEREAS**, HRHCare will provide for the continuation of a program for outpatient diagnosis and treatment of New York State mandated public health services on behalf of the County in a separate written agreement with the County; and

**WHEREAS**, HRHCare will operate the Health Center at its current location, using the name the Maxine S. Postal Tri-Community Health Center in addition to its own name, at 1080 Sunrise Highway, Amityville, New York through a lease agreement with the County; now, therefore be it

**1<sup>st</sup>** **RESOLVED**, that in compliance with Section A9-6 of the Suffolk County Code, the County Executive and the County Legislature each held and concluded the required public hearings in the western and eastern portions of Suffolk County for consideration of the proposal/plan set forth by the Department of Health Services; and be it further

**2<sup>nd</sup>** **RESOLVED**, that in compliance with § A9-6 of the Suffolk County Code there has been presented to this Legislature:

- a.) A plan/proposal from the Department of Health Services relating to the transition of the Maxine S. Postal Tri-Community Health Center in Amityville to a FQHC to be operated by Hudson River Healthcare, Inc. documenting budgetary savings, which plan/proposal has been accompanied by a written evaluation of the cost of performing services through the County Government as compared to the cost of performing services by HRHCare as set forth in the plan/proposal and includes an evaluation and analysis of the quality of services to be provided under the plan/proposal, as compared to the quality of services being provided by the County through the Department of Health Services (**Exhibit 1**); and
- b.) Written certification by the Legislative Budget Review Office that the plan/proposal will result in a cost savings to the County in at least each of the first five years of said plan or proposal of at least 10% in each of those first five years, as measured by net County expenditures; and
- c.) Written documentation from the New York State Department of Health (**Exhibit 2**);

and be it further

**3<sup>rd</sup>** **RESOLVED**, that this Legislature hereby ratifies and approves the documentation described in paragraphs a.), b.) and c.) of the 2<sup>nd</sup> RESOLVED clause of this Resolution, and Legislative approval of this Resolution is conclusive evidence of full compliance with §A9-6 of the Suffolk County Administrative Code and shall apply to all actions and transactions occurring on or after its final adoption of this Resolution; and be it further

**4<sup>th</sup>** **RESOLVED**, that the County Executive is hereby authorized to execute an agreement with Hudson River Healthcare, Inc., in a form substantially similar to the draft attached hereto, for a term not to exceed five (5) years, subject to the approval of the County

Attorney, for the operation of a Health Center in Amityville under the Article 28 license of HRHCare, and to assist this entity in the establishment of a FQHC Health Center at this site, contingent upon State approvals necessary for SCDHS to cease operations of its existing Article 28 health center at the current Amityville site, and also contingent upon Federal and State approvals necessary for HRHCare to begin operation of an Article 28 FQHC Health Center in a seamless transition (**Exhibit 3**); and be it further

**5<sup>th</sup>** **RESOLVED**, that the financial arrangement with HRHCare shall be in the form of a Community Benefit Grant limited to a term of five (5) years, a lease agreement for a term of twelve (12) years and certain assets and inventory used in the Health Center, without further financial commitment on the part of Suffolk County or SCDHS; and be it further

**6<sup>th</sup>** **RESOLVED**, that all current County employees assigned to the Maxine S. Postal Tri-Community Health Center will be reassigned to other positions within the Department of Health Services, without any lay-offs resulting from this proposed plan; and be it further

**7<sup>th</sup>** **RESOLVED**, that assets and inventory used to carry out the function and operation of the existing Maxine S. Postal Tri-Community Health Center in Amityville as set forth in the proposed agreement presented with this Resolution as Exhibit 3 are declared surplus to the County needs; and be it further

**8<sup>th</sup>** **RESOLVED**, that the agreement presented with this Resolution as Exhibit 3 may include the transfer of designated equipment and furniture to HRHCare purchased with either County or State funds, a review by the County Attorney having determined that there are no bonding issues preventing transfer of the equipment and furniture; and be it further

**9<sup>th</sup>** **RESOLVED**, that the County Legislature hereby authorizes the County Executive, or his designee, to execute any and all related documents necessary to effectuate or otherwise give full force and effect to this transaction, the execution of which by the County Executive and/or his designee shall be conclusive evidence of the approval, the authorization and the direction thereof of this Legislature; and be it further

**10<sup>th</sup>** **RESOLVED**, that this Legislature, being the State Environment Quality Review Act (SEQRA) lead agency, hereby finds and determines that this law constitutes a Type II action pursuant to Section 617.5(c)(20) and/or (27) of Title 6 of the NEW YORK CODE OF RULES AND REGULATIONS (6 NYCRR) and within the meaning of Section 8-0109(2) of the NEW YORK ENVIRONMENTAL CONSERVATION LAW as a promulgation of regulations, rules, policies, procedures, and legislative decisions in connection with continuing agency administration, management and information collection. The Suffolk County Council on Environmental Quality (CEQ) is hereby directed to circulate any appropriate SEQRA notices of determination of non-applicability or non-significance in accordance with this law.

DATED: April 29, 2014

APPROVED BY:

/s/ Dennis M. Cohen  
Chief Deputy County Executive of Suffolk County

Date: April 30, 2014