

**ECONOMIC DEVELOPMENT**  
  
**HIGHER EDUCATION**  
  
and  
  
**ENERGY COMMITTEE**  
  
of the  
  
**SUFFOLK COUNTY LEGISLATURE**  
  
Minutes

A regular meeting of the Economic Development, Higher Education & Energy Committee of the Suffolk County Legislature was held in the Rose Y. Caracappa Legislative Auditorium of the William H. Rogers Legislature Building, Veterans Memorial Highway, Smithtown, New York, on Wednesday, June 18, 2008.

**MEMBERS PRESENT:**

Legislator Wayne Horsley - Chairman  
Legislator Steve Stern - Vice-Chair  
Legislator Cameron Alden  
Legislator Lou D'Amaro  
Legislator John Kennedy

**ALSO IN ATTENDANCE:**

George Nolan - Counsel to the Legislature  
Joe Schroeder - Budget Review Office  
Joe Muncey - Budget Review Office  
Barbara LoMoriello - Chief Deputy Clerk of the Legislature  
Ben Zwirn - Deputy County Executive  
Carolyn Fahey - Economic Development  
Charles Stein - Suffolk Community College  
George Gatta - Suffolk Community College  
Debra Alloncius - AME  
Charles Bove - Senior VP and COA - Good Samaritan Hospital  
Christine Hendricks - Good Samaritan Hospital  
All other interested parties

**MINUTES TAKEN BY:**

Donna Catalano - Court Stenographer

**MINUTES TRANSCRIBED BY:**

Denise Weaver - Legislative Aide

(\*THE MEETING WAS CALLED TO ORDER AT 2:17 P.M.\*)

**CHAIRMAN HORSLEY:**

Good afternoon everybody and welcome to the Economic Development, Higher Education and Energy Committee. May we all stand for the Pledge of Allegiance.

**SALUTATION**

And may we stand for a moment of silence for all of those men and women who are protecting our freedoms both home and abroad.

**MOMENT OF SILENCE**

**CHAIRMAN HORSLEY:**

Thank you very much. Please be seated. Good afternoon everybody and again, welcome. We have a very short agenda and I don't even think they're controversial, but you never know. So what we'll do is we'll go to the agenda first. Do I have any cards? Oh, I do have a card, I'm sorry. Debra Alloncius. Is that from --

**MS. ALLONCIUS:**

Are you sure? That was last --

**CHAIRMAN HORSLEY:**

Oh, it's a false card. You mean you don't have a question?

**MS. ALLONCIUS:**

It's just to get your heart racing.

**CHAIRMAN HORSLEY:**

You don't have anything for us.

**MS. ALLONCIUS:**

Just to get his heart racing a little. But you have a good protagonist sitting here, but no, nothing this morning.

**CHAIRMAN HORSLEY:**

Well, I have your card for last meeting. Okay. My apology, I don't have any cards. Is that correct? Excellent. Okay. We'll move to the introductory resolutions.

**INTRODUCTORY RESOLUTIONS**

**1482, Authorizing use of property at Gabreski Airport by the Kiwanis Club of Greater Westhampton. (Co. Exec. Levy)** That doesn't sound too controversial. I'll make a motion, seconded by Legislator Alden. All those in favor? Opposed? So moved. **Approved (VOTE: 5-0)**

**1568, Appointing Elizabeth Custodio as a member of the Suffolk County Industrial Development Agency (IDA) (Viloria-Fisher)** I understand that Elizabeth is here. There you are. Want to come up and say hello? Have a seat.

**CHAIRMAN HORSLEY:**

Good afternoon.

**MS. CUSTODIO:**

Good afternoon.

**CHAIRMAN HORSLEY:**

And it's good seeing you again.

**MS. CUSTODIO:**

Pleasure.

**CHAIRMAN HORSLEY:**

Tell me -- why don't you tell a little bit about yourself and maybe that's the best way to start.

**MS. CUSTODIO:**

All right. I've been on Long Island since about '80. Coming out from New York, from the Bronx. And so I've raised three children here who have done quite well, which is a good thing these days --

**CHAIRMAN HORSLEY:**

Absolutely.

**MS. CUSTODIO:**

-- thriving in Long Island. And I work for HSBC Bank currently and I work in the community, I'm a community business development officer so I do get involved in a lot of what's going on in Long Island. And so here I am. I've been in banking for over -- I was doing the numbers, over 36 years. So it does interest me as to what's going on.

**CHAIRMAN HORSLEY:**

Very good. All right. We'll just throw out easy one, how are you going to cure the subprime loan problem in the United States? I'm just kidding. All right. Elizabeth, I understand that -- your history at the bank and certainly your resumé was a very good resumé. But let me ask you, do you know anything about IDA's, how they function? And what do you feel that you could add to the IDA itself?

**MS. CUSTODIO:**

Well, certainly, you know, as I said working in the communities, being really a resident of Long Island, you know, it concerns me when I hear that companies go elsewhere. Companies decide to leave and, of course, you know, the issues with the high cost of everything on Long Island. Through the IDA I think that there's a lot of possibilities there for companies to do well here and excel and help the community, especially in those that, you know, are Empire Zones and do need that lift.

**CHAIRMAN HORSLEY:**

Got it. Thank you very much. Are there any other further questions? Mr. Kennedy.

**LEG. KENNEDY:**

Thank you. Good afternoon. Thank you for coming out and thank you for agreeing to serve, I guess, on what I consider and I think we consider here a very important board. You may or may not have seen recently that you mentioned Empire Zone, this committee has had a matter before it for the last five months and ultimately was just favorably resolved for a project right here in the Hauppauge Industrial Park. That actually is in my Legislative district and we've had a number of issues go through there.

But as you may know the Empire Zone designation and the IDA operation are somewhat intertwined. And in the case of Backtolac there was about \$12 million worth of tax relief that's being provided at a variety of different levels, utility rates, subsidies, sales tax abatement, property tax reductions, many different forms of reduction.

And for whatever reason the applicant elected to retain a construction manager and the construction manager was decidedly a non-union construction manager. They appeared not to be inclined to go

ahead and entertain prevailing wage for the 30,000 square foot project that is underway now and as a matter of fact, the original lettings specifically were designed to exclude union based outfits, operating engineers were excluded, the ironworkers were excluded, laborers were excluded.

And I think there's an important balance that we see when it comes to trying to facilitate business, assist business and promote business with also trying to maintain a level playing field for all contractors out there. I don't think it's our role to steer any job any place, but by the same token I think it's critical that where applicants are embracing our programs that are designed to provide some help to them that at the same time they approach any project with an open mind. So what can you tell me about that?

**MS. CUSTODIO:**

From what you're saying, you're saying that -- now was this over 5 million or under?

**LEG. KENNEDY:**

The project itself, I believe, collectively was over 5 million, I believe it was a \$10 million construction project. The IDA component was actually just a straight leaseback. There was no IDA loan originated.

**MS. CUSTODIO:**

Okay.

**LEG. KENNEDY:**

And as a matter of fact, the initial query as I understand the fact that there might of been a requirement prevailing wage was enough to have the applicant withdraw and then to go ahead and switch to a straight leaseback. Even with a straight lease, as you know, there are significant tax abatements --

**MS. CUSTODIO:**

Yes.

**LEG. KENNEDY:**

-- that the applicant achieves. So I'm curious as to what your posture is or what your thinking is on that?

**MS. CUSTODIO:**

Well, certainly you do have certain guidelines in place and being a banker I do go by guidelines that are set in place currently. As far as evening the playing fields, I mean, if the idea of having this type of funding available is to reduce costs overall, I think you have to take into consideration all of the costs and certainly wages is one of them. You certainly don't want anyone to be underpaid for their labor, but then by the same token there is the process of putting up bids and seeing what the cost of these wages would be and to see who would accept whatever would be the appropriate cost of doing that project. If you start to bring in the fact of the wages at a higher level than the project would be able to sustain, that's, you know, makes it very difficult certainly for companies who want to place themselves in that position.

So I think that it has to be taken into consideration over all of the costs of having these jobs done. Certainly, you know, I do, you know, feel for the union side of it, they are there to do a job and make sure that their employees are protected in receiving what they need to receive, but it depends on the project.

And -- I know, I just feel that if this is going to be something that's affordable it has to be affordable. And they have to work the numbers and see how it works in order to accept that. Otherwise, they're not going -- as you said, they're not going to be willing to accept the loan.

**LEG. KENNEDY:**

Well, there's a variety of dynamics that go on. Let me ask you about the \$5 million threshold. Do you have any thoughts about that being lowered, being raised? Do you think it's pertinent?

**MS. CUSTODIO:**

It's interesting, you know, I think that it has to be looked at. Certainly, you know, is it strictly construction, do you take land costs into consideration as well? You know, what is it that is involved totally in the total cost of the 5 million or more? And I think that it should be looked at, you know, certainly, you know, things should be reviewed, you know, with current -- the current environment and market and situations that arise.

**LEG. KENNEDY:**

So you would be receptive then to at least consideration. And I can't answer you, I don't know whether or not all land cost is actually included when that \$5 million threshold kicks in for prevailing wage and approved apprenticeship language. However, I do think that it's important -- and again as I said, I don't want to speak on behalf of the committee, but I think none of us ultimately wants to drive an ultimate decision on a part of an applicant, however, I think all of us agree that there should be an open playing field.

Also, I'm going to yield to my colleagues, there is a more fundamental question we have about the actual applicability or appropriateness, I think, of the Empire Zone, but I don't want to monopolize the dialogue.

**CHAIRMAN HORSLEY:**

Yeah, and thank you very much, Legislator Kennedy. And certainly as Elizabeth mentions that she'd be following the rules and as the bank would -- as a banker that if the rules say it's over \$5 million you have to have prevailing wage, then she would -- you would -- I would assume then that you would be in agreement that then there should be a prevailing wage situation.

**MS. CUSTODIO:**

Exactly.

**LEG. KENNEDY:**

Mr. Chair, with all due respect, it is the IDA board that sets that rule. So she would be one of the voting members that would embrace any kind of change in that.

**CHAIRMAN HORSLEY:**

Right.

**LEG. KENNEDY:**

Okay.

**CHAIRMAN HORSLEY:**

Very true. Legislator Alden.

**LEG. ALDEN:**

Hi. Thanks for coming down.

**MS. CUSTODIO:**

Thank you.

**LEG. ALDEN:**

First question would be, do you have the time to devote to this?

**MS. CUSTODIO:**

I believe so. You meet once a month?

**LEG. ALDEN:**

No, we meet more than that, but the IDA probably meets, you know, right around there.

**MS. CUSTODIO:**

I had that discussion and yes, if it's something that I'm going to be a part of, I do have time to do it.

**LEG. ALDEN:**

Good. And do you view your role as strictly looking at applications for tax credits, loans, or do you look at a broader role to entice people to come to Suffolk County, entice certain type of appropriate development in Suffolk County?

**MS. CUSTODIO:**

Oh, absolutely. There has to be a broader role than just looking at, you know, the numbers. The numbers certainly have to make sense, but I mean, it takes a lot more than just that to entice companies to come to Long Island.

**LEG. ALDEN:**

Do you have the national or international connections that would open up doors, so to speak, to talk to companies about relocating to Long Island?

**MS. CUSTODIO:**

I may. I do -- I have met persons in -- throughout the nation. I did cover our national footprint for a while, but I'm back on Long Island now so that gives me the time to do this.

**LEG. ALDEN:**

That's good. And not specifics, but is there a type of industry that we should be looking at that would be appropriate for Long Island? Because Long Island, you know, I guess through our history we were recreational, we were farming way back when and then we got the military industrial complex, the Grumman's, and the Fairchild's and things like that so there was a lot of military contracting and subcontracting. What in your mind would be appropriate for Long Island now?

**MS. CUSTODIO:**

Well, certainly, you know, technology is something that's growing leaps and bounds. There is no reason why we shouldn't entice some of the technological companies to come to Long Island and that would absolutely help with the students that are leaving Long Island. Students that are in those fields that are being enticed by companies elsewhere, along with the lower cost of living in some areas, although these days I question that, you know, it's all comparable in a way. But when you don't have, you know, companies at the level of what the students are gravitating to in their studies, there's no place for them to go, why should they stay here, they're going to go elsewhere. Certainly, you know, in the field of technology, which is huge and every day just growing.

**LEG. ALDEN:**

Good. I agree with you and to attract the technology you're going to need good golf courses and beaches and parks. Thank you.

**CHAIRMAN HORSLEY:**

Thank you very much, Legislator Alden. Are there any further questions from my fellow Legislators? Is there anything else you'd like to add at this point in time?

**MS. CUSTODIO:**

No, I look forward to serving if I am so, you know, allowed to. And certainly being a part of drawing that new blood to Long Island would be terrific, I mean, that's something that we really need to focus on. It breaks my heart to hear about the people just leaving because there's just nothing here for them and, which is absolutely not true. Long Island has so much to offer, but, you know, if we increase those opportunities, certainly they'll be more reason for people to stay and to come.

**CHAIRMAN HORSLEY:**

There you go. Presiding Officer Lindsay.

**P.O. LINDSAY:**

Elizabeth, I just simply want to thank you for being willing to serve.

**MS. CUSTODIO:**

Thank you, thank you.

**P.O. LINDSAY:**

If it wasn't for volunteers like yourselves from our communities, government would have a hard time operating so I really do thank you.

**MS. CUSTODIO:**

Well, thank you, sir. It's a pleasure.

**CHAIRMAN HORSLEY:**

And this committee certainly works with the Industrial Development Agency on every level so we -- this is in my mind one of the more important boards in Suffolk County because it has the ability to do so much and I also welcome you. I'll make a motion to approve Elizabeth Custodio --

**LEG. D'AMARO:**

Second.

**CHAIRMAN HORSLEY:**

-- for membership of the IDA Board. Second by Legislator D'Amaro.

**LEG. ALDEN:**

On the motion.

**CHAIRMAN HORSLEY:**

On the motion.

**LEG. ALDEN:**

Just a little background on this, do we have somebody that can answer some questions on the former member that Elizabeth is proposed to replace?

**CHAIRMAN HORSLEY:**

Pat Edwards, is that -- is that who -- you don't know. I think it's Pat.

**MS. CUSTODIO:**

I believe so.

**P.O. LINDSAY:**

I can. I can -- why is she stepping down?

**LEG. ALDEN:**

Yeah.

**P.O. LINDSAY:**

Yeah, because she moved to Nassau County.

**LEG. ALDEN:**

Okay. So she tendered a resignation?

**P.O. LINDSAY:**

Yes, I believe as soon as we have a replacement for her.

**LEG. ALDEN:**

Then she's going to step down.

**P.O. LINDSAY:**

She's going to tender her resignation.

**LEG. ALDEN:**

And was her attendance, you know, good, bad, fair?

**P.O. LINDSAY:**

No, I think she was a very good member of the IDA, it's just that she moved her residence.

**LEG. ALDEN:**

Okay. So the bar's been set pretty high. Right?

**CHAIRMAN HORSLEY:**

Oh yeah, she was very credible, very outspoken, very good member of the board. I go to the IDA meetings and she was always there.

**LEG. ALDEN:**

Good.

**CHAIRMAN HORSLEY:**

Yep. Okay. So we have a motion as well as a second on the motion. All those in favor? Opposed? So moved. **Approved (VOTE: 5-0)** Congratulations you are now moving to the next step, which goes in front of the full Legislature. Because you came here today, you do not have to be here for the Tuesday vote.

**MS. CUSTODIO:**

Okay.

**CHAIRMAN HORSLEY:**

And we wish you well.

**MS. CUSTODIO:**

Thank you, thank you.

**CHAIRMAN HORSLEY:**

Thank you for being here, Elizabeth.

**MS. CUSTODIO:**

Thank you.

**CHAIRMAN HORSLEY:**

And good luck. All right. It is now my pleasure -- oh, I do, I have one more. I'm sorry. Thank you for Lou, my pleasure to call the next IR's as Legislator D'Amaro says.

**1575, Amending Resolution No. 911-2007, setting fees for Francis S. Gabreski Airport to include fees for promotional events. (Co. Exec. Levy)**

**LEG. D'AMARO:**

Motion.

**CHAIRMAN HORSLEY:**

Motion by Legislator D'Amaro.

**LEG. STERN:**

Second.

**CHAIRMAN HORSLEY:**

Second by Legislator Stern. All those in favor? Opposed? So moved. **Approved (VOTE: 5-0)**

Now it's my great pleasure to introduce Mr. Bove and I can't remember -- I'm getting old -- and Chris Hendricks, right. Mr. Bove and Ms. Hendricks represents Good Samaritan Hospital. And if you could see from the paperwork in front of you, Good Sam as referred to in the Babylon, West Islip, Islip area is a -- has over 8,840 direct and indirect employees with a total impact of over three quarters of a billion dollars. This is certainly an economic engine for our community and there's been so much talk about the roles of hospitals and how they can relate to Suffolk County that I thought it would be a good time to talk to a hospital and see what they're about and how they affect our communities both on an economic development level, but also socially and where there may be synergies between Suffolk County and the hospitals. Mr. Bove, welcome.

**MR. BOVE:**

Thank you, Legislator Horsley. As mentioned, my name's Charlie Bove, I'm the Chief Administrative Officer of Good Samaritan Hospital Medical Center. I've been at Good Samaritan for 20 years now. And while I'll be leading the presentation, I asked Chris Hendricks in her role as Vice-President of Public and External Affairs for Good Samaritan to join me to help supplement the discussion and then to be my side depending on how easy or hard you folks are with questions on me. She certainly is a valuable resource to Good Samaritan and all that she does in the community and perhaps can chime in there as well.

First I'd like to thank you for inviting us here. I believe this is our first opportunity to be before this group and to share with you how Good Samaritan not only affects what happens locally in the community, but also how it outreaches and has ripple effects throughout the local community and our catchment area and beyond.

But just as a matter of quick background, Good Samaritan is part of Catholic Health Services of Long Island, which spans both Nassau and Suffolk Counties. We are one of the three Suffolk County hospitals in Catholic Health Services, the other two being St. Catherine of Siena in Smithtown and St. Charles out in Port Jefferson.

The report that you have before you is a report that HANYS, the Health Care Association of New York State helps us prepare on an annual basis, this is dated February 2008 and however it reflects the most currently available data to the extent possible, which dates back to 2006. So a lot of the information I'm going to be referring to is 2006 data, but I will supplement that to the extent that I have more up-to-date data with regard to Good Samaritan.

As Legislator Horsley mentioned, you know, hospitals provide a valuable service to their community and all that they do. Sometimes they're a specialty hospital, sometimes they're a tertiary hospital, sometimes they're a community hospital, but we all are in the business of taking care of patients in one way or the other. We are mini cities, we have high-tech equipment, and we have folks that provide food and shelter and clothing and linens to our patients. So in and of ourselves we are small cities.

I will share with you on the first page, the box to the right, shows that we either have or affect some 5,800 employees. I will share with you today, as of 2008, we have 4,400 of those 5,800 employees back then, back for that 2006 number. I will share with you in some more detail in the next couple of pages that \$795 million figure, which affects payrolls, supply purchases and capital spending, and

then the \$36 million figure on the taxes that we pay or that others pay in the community.

As I said, the fact is that while Good Samaritan spends a lot of money to take care of what we do at the hospital for our patients and I should say back us up a second here, we go as Good Samaritan's organization from the western portions of Nassau County if you will -- Suffolk County, with Wyandanch with our Martin Luther King Jr. Health Center that opened in 1968 will be celebrating its 40th anniversary, out east to Sayville with our 100 bed nursing home and certainly from one end of the County to the other with our home health agency.

The ripple effects that the Good Samaritan Hospital organization has in providing its care are tremendous and are very important to the stability and health of the community. It's in that regard that I'll share with you on page two that the \$795 million figure is comprised of some \$510 million in salaries. Now for the employees back then, the 4,000 Good Sam employees, 250 of that \$510 million was the payroll for Good Samaritan. So in essence another \$260 million are generated by the work that Good Sam does for all their organizations who provide goods of services for us.

On the purchasing side, 112 million of the \$238 million spent in the community are in goods and services for Good Sam. I will share with you to bring it home a little closer, perhaps to some of your districts, while we certainly support those employers both large and small, some of the major employers that comprise that extra \$126 million that we spend are the food distributors of J. Kings, Best Care {Aids} suppliers, Suffolk Laundry, Flexible Business Systems, Commander Electric, the large companies go on and on and on.

On the capital spending side, Good Sam back in 2006 spent \$22 million. Our budget is in the neighborhood of about \$425 million a year, but if you add up the 250 the 112 and the 22 you only come up with about 380 million. The shortfall there is comprised of things that are not included in here such as, benefits for the employees and other sorts of expenses such as insurance and what have you that won't fit into one of these neat little categories.

If you look onto page three, the impact of Good Sam on state and local tax collections, the employees of Good Sam and their jobs supported some \$21 million in state and local taxes and then again the employees of Good Sam that support other employees in our communities paid another seven -- almost \$8 million in local taxes and \$7 million in state sales taxes.

I will share with you that this ripple affect that is categories in each of these areas is a phenomena that's captured by the U.S. Department of Commerce Bureau of Economic Analysis in their ripple affect specific to Nassau and Suffolk Counties and multipliers that they use when you look at those various categories of payroll, supply, capital spending and taxes. They use a multiplier to come up with those additional dollars.

Outside the walls of Good Sam, some of the other economic benefits I will share with you under the category of medical and nursing education, Good Sam has a very active teaching program in many regards. We have a affiliation with the New York College of Osteopathic Medicine locally here on Long Island where we are tonight actually going to graduate approximately 50 interns and residents. More than half of which who are going to stay in the local communities, both at Good Sam, one gentlemen is going to join the staff up at St. Catherine's and a number of folks are going to stay in the residency programs at Good Sam.

Certainly on the nursing side, we have affiliation with lots and lots of organizations including Suffolk Community College and I'll speak to that in more detail, but each and every department has lots of students that we support.

On the construction side, there's lots and lots of things that Good Sam does to keep up with the times to try and grow our programs to keep up with community demand, not the least of which we're currently going to open a new rehab site in West Islip. We supported the downtown Bay Shore Revitalization Program by leasing some 30,000 square feet in downtown Bay Shore and

putting a couple hundred employees for our presurgical testing, our back office business area and our home health agency in downtown Bay Shore to help with that revitalization.

Spend lots of money in equipment, I could tell you we opened up a PET scan at West Islip about a year-and-a-half ago. That type of technology you're looking at close to \$2 million for a piece of machinery by itself let alone the construction and other things that go into running that sort of program.

We are thankfully the beneficiary of several grants coming from all areas, the County, the state, local private foundations and others. It helps support a lot of what we do at Good Samaritan. Some of the more heartwarming things there, you'll see the Pet Peeves Pet Therapy Program, that becomes important for our elderly population and our pediatric population who get a smile on their face and I've seen it happen myself when a dog or other animal is brought in during the course of their stay to give them a little something different to do.

And certainly the SANE Program, very important, the Sexual Assault Nurse Examiners Program. With Good Sam being one of the busiest and largest facilities on Long Island I will tell you that we are the busiest emergency department on Long Island, some 90,000 plus visits are the more current numbers. We unfortunately have a fair share of women who find themselves in unfortunate situations and thanks to the grants that support the SANE Program with the County nurses to help with those unfortunate events it's a very important thing that we offer to the community.

Going to next page, Good Sam is a good neighbor. As I mentioned before we have a special relationship with Suffolk County and the community college in Sayville where we support the facility there and the teachers and in turn Good Sam is the beneficiary of some 30 graduates from the Nursing Program. That was a very creative way that Good Sam worked with the County to come up with a way of dealing with the nursing shortage, very successful, Good Sam.

We love partnerships. We have a partnership with the Long Island Mentoring Partnership, and we have a partnership locally with the West Islip School District for events with the students, the employees of tomorrow to get them interested, involved with health careers and help guide them in areas that they might be interested in.

I don't think I have to speak all that much on the Martin Luther King Jr. Health Center, something that's been important to us as a facility since they opened in 1968. Lots and lots of good work goes on there and that facility helps provide care for the surrounding community and certainly has a very positive impact on our emergency department that would not be able to take the brunt of a situation where those sorts of services if they ever become not available in the community would ever happen.

Lots of accolades, which I'd like to take credit for on behalf of Good Samaritan, but it certainly the employees and what they do day in and day out that make us joint commission accredited, one of New York safest hospitals as designated by health grades with five star ratings. We're a magnet designated hospital, there's only some 250 of the 5,500 hospitals across the country that have achieved that designation. Lots of -- lots of other accolades.

We love to participate in disaster preparedness. I will tell you that we have a couple of things listed here and certainly we participated recently in the County-wide drill for the coastal evacuation to make sure that especially in Good Samaritan, just down the road is the Great South Bay that we stand prepared to see how we can move -- mobilize our patients as quickly as possible to get them to a safe environment if God forbid we ever get hit with a storm or other natural disaster that would require us to do so.

Page full -- continuing page full of honors here. Some of our statistics, once again back in '06 some 29,000 inpatient visits, 3,000 births. Back then we had 85,000 ER visits. I will tell you last year we closed out with 90,000 a hundred or so and we're tracking to break that record again this year.

Our Outreach Program, once again speaking about some of the things that go beyond the normal course of business for a hospital, reaching out back in the early 90's to -- as a Catholic organization to the parishes, looking to identify those people who would perhaps not otherwise take advantage of a complete history and physical exam and follow-up care provided by members of the Good Samaritan medical staff. Been a very successful situation. I will tell you there's a very heartwarming story of a person, now it's a little dated, it's back in 2005 who came through our Parish Outreach Program, someone without any funds to get medical care, they were identified as part of that program to have a cardiac issue, one of our cardiologists, our chief of cardiology back then saw this patient, did a free cardiac catheterization both for free for himself and free from the hospital's perspective. Patient was identified with significant coronary disease and the patient was shipped immediately to St. Francis Hospital where they got a free open heart surgery. And that's how that program works. That perhaps is taking it to the highest level, but there's lots and lots of pathology identified through that program. Each and every week when they operate and people stand prepared to help those folks get the care that they need.

Along those lines, Catholic Health Services and Good Samaritan has initiated a Healthy Sunday's Program, where we go into parishes, as a matter of fact, this Sunday we're going to our Lady of Miraculous Medal, right around the corner from MLK where we're going to be doing one of our healthy Sunday's, it's a cholesterol and glucose screening complemented by a lecture on heart disease, risk factors and prevention and helping identify patients with issues. And then once again, providing for follow-up. In this particular case, given it's right around the corner from MLK, we will certainly make available the resources of MLK for those patients that are identified who need to have follow-up.

I should also mention while we're talking about caring for the needy that in 2007, Good Samaritan provided some \$17 million in charity care and an additional 30 plus million in bad debts. So close to \$50 million in uncompensated care. There's been discussions over the course of the last couple of years on how that's identified, I will share with you that we've very diligent in our efforts to quantify charity care versus bad debt and that we feel confident in our numbers. And once again, the number for charity care on its own was 17 million last year.

We provide lots and lots of community lectures and other events through Chris Hendricks' office and her staff supporting lots of things; blood drives and health fairs and walk-a-thons for other purposes. We're very proud to participate in things such as Cancer Survivors Day and other sorts of events that which involve both the staff of Good Samaritan and those from surrounding communities.

In closing, I guess I just would like to read the conclusion because I don't think it could be better said other than what's written here, hospitals are critical to New York's quality of life and to keeping communities healthy and vibrant. Good Samaritan Hospital is a major contributor to both the local and state economies and to keeping families healthy and secure by providing needed health care services. The data contained in this report provides strong evidence that the economic benefit of our hospital on the local and state economies is significant.

To continue to attract jobs and to maintain families in New York State it is critical that the state have high quality health care providers and services. We urge our Legislators, members of Congress and community leaders to recognize that our hospital is instrumental in supporting the state and local economy and that steps need to be taken to continue to invest in our state's health care system.

So I'm not sure we're I came in in the 15 minute mark.

**CHAIRMAN HORSLEY:**

Well, you did great.

**MR. BOVE:**

I had a lot to cover there and I spoke kind of quickly, but I'd be more than happy to answer any

questions or embellish in any of the areas or to ask Chris to do so.

**CHAIRMAN HORSLEY:**

Very good. Well, thank you very much Mr. Bove and I can see why you are in the position you are in, you're certainly an advocate and I enjoyed listening to you. I got a couple of quick questions and then I'm sure Legislator Alden will as well and Legislator Stern. The -- start with MLK, and it's -- and the Wyandanch community who I used to represent, I don't any longer and they're a community of need. They -- I know oftentimes that -- and I hear it through people that because they don't have health care that they will use the local fire department for -- because there is no -- they don't feel that they could get proper health care that they'll go to your emergency room as a means of getting routine medical care. How does the hospital deal with this issue, I mean, and is there anyway that the department, the fire departments and others can work with you to better that situation? I'm not even sure what the situation is, but I know I hear about it all the time.

**MR. BOVE:**

Sure, well certainly we want to make sure that the precious resources available at a hospital, whether it's Good Sam or any other hospital, are appropriately utilized by the members of the community. Because I will tell you in the absence of doing so and I would love to suggest that the 90,000 plus visits at Good Sam are all true emergencies, but I think I would kidding myself --

**CHAIRMAN HORSLEY:**

Yeah.

**MR. BOVE:**

-- and you folks if I would say that that is accurate. What that does is, once again on the ripple affect side as an analogy, by having patients sitting in the emergency department that show up with less urgent perhaps more common ailments in the ridiculous situation, you know, a sore throat a stuffy nose, those sorts of things, I can't say a headache because god forbid someone might be having a headache and actually it's a precursor to a stroke or something of that nature.

But with those sorts of ailments that are perhaps better taken care of at a community health center, that's a very important thing for the emergency system. Because I will tell you that it's not all that uncommon that some emergency departments in Suffolk County find themselves having to go on diversion because they simply can't handle the volume coming in. Most of us have gone to systems called Fast Track or Urgy Centers where within our emergency department we have a separate little area station by a nurse practitioner or a PA or perhaps another emergency department physician where they take care of those little bumps and bruises and minor ailments and they don't get into the midst of the big issues in the main ER. But having a resource such as a health center having the doctors offices open as much as they possibly can and the private community are all things that are very, very necessary and very helpful to controlling that potential wave of patients who would otherwise come to Good Sam.

Now we certainly see, you know, health centers and doctors offices, you know, are not open 24/7, we certainly see for various reasons a wave of patients and I don't think it's uncommon to Good Sam that come in in the after hours. Now whether it's because resources aren't available, whether they it's because they had to go to work and now they feel they have the time to come to the ER and wait for a couple of hours to be seen, what have you, you look at our graphs at Good Samaritan, we start really humming at about three, four o'clock and really crank till about ten, eleven o'clock, twelve o'clock at night and then the lull comes, that's when people, you know, will rush through the system they're getting seen, their test results are coming back, they're getting their disposition whether they're discharged or they're transferred up to the floor, you know, from midnight to seven, eight, nine, ten o'clock in the morning there's a lull and then it starts all over again on a daily basis. But those sorts of community resources are very valuable to the extent they stand prepared to care for patients who don't necessarily need the hi-tech care of an emergency department.

**CHAIRMAN HORSLEY:**

I'm not sure I know --

**MR. BOVE:**

Did I answer your question?

**CHAIRMAN HORSLEY:**

Yeah, I think so.

**MR. BOVE:**

Okay.

**CHAIRMAN HORSLEY:**

I'm not even sure I know the answer to it, you know, because I know that they -- the departments, the fire departments and others who've, you know, talked about the resources at the emergency room and how they're impacted by the smaller problems.

**MR. BOVE:**

I would say it's a struggle for them because and I go down the ER quite often looking to see what's going on and see what -- if there's anything I could do and I see them lined up sometimes, waiting to bring patients in and they want to get back and rightly so to the fire department or to home, if they're a volunteer person.

**CHAIRMAN HORSLEY:**

Right.

**MR. BOVE:**

And the last thing they want to do is spend, you know, an hour in the ED waiting for us to get to that patient when, you know, every cubicle is doubled and there's no more room at the inn, per say.

I will tell you interestingly enough I go quite often because we have a robust cardiology program, we just started as one of only seven hospitals in New York State, seven community hospitals in New York State, we just started an Elective Angioplasty Program that was endorsed by the Department of Health and the Cardiac Advisory Committee. I'm hearing while we're talking about the fire department and ambulances of a system that's beginning to take hold that came out of Boston, they're piloting in New York City where much like this -- hospitals are designated as stroke centers now, which Good Sam is, they're calling facilities STEMI Centers, ST elevation MI's, STEMI. It's basically, it's a heart attack center. And they are beginning -- the crews in New York City are beginning to pilot, bypassing hospitals that do not meet STEMI Center criticize, that do not have certain personnel 24/7 or certain capabilities 24/7 to make sure that the patient gets to a facility while bypassing another that gets to a facility that has the full capabilities to make sure that if there's a way to save this person, there's not stopping in an interim fashion where those perhaps valuable minutes or seconds might cause the difference between a viability of life or not.

Whether that comes out to Long Island and the rest of New York State, I don't think, but I'll tell you the Cardiac Advisory Committee working with the Department of Health is currently looking at that. But once again, that's kind of at the very highest levels when you're talking about heart attacks as opposed to the patient who just doesn't feel well and wants to be brought to a hospital.

**CHAIRMAN HORSLEY:**

Right. The MLK operation itself, you said 90,000 people go through their doors every year.

**MR. BOVE:**

MLK, excuse me if I said that, I misspoke, I'm sorry. MLK see some 40 to 50,000 patients through its doors on an annual basis.

**CHAIRMAN HORSLEY:**

Forty to 50, okay. And I understand at some point we're going to be building a new building there. There's going to be movement. I hear that throughout the town. What is it from Good Sam's respective?

**MR. BOVE:**

We would love -- we've been advocating -- we would love to see a new, bigger footprint. We are working very closely with the County Health Department, I tell you they been wonderful, to see what if anything we could do to increase productivity and throughput through the system. Over the last several months we've had monthly meetings with them to talk about trying to see how we can open up more appointments, get patients through the system quicker and easier and we're making some progress in that regard.

I will share with you that some of the County health centers albeit few of them, have a concept of pods and I believe if I remember correctly I was invited about a month or more ago to the County for a discussion about a system that Brookhaven's Health Center has put in place that has really done a great thing for increasing efficiency and productivity by creating pods where you have a physician, you have him or her supported by a nurse and you have them, I think, in two or three rooms, much like in the private practice model where you have the ability to get one patient setup and intake by a nurse. You have the doctor in another room doing what he or she is doing and there's a constant movement of patients rather than being stuck with one doctor in one room, which is not very productive. And that's the situation that we find ourself in at MLK. We have grown over the years. The footprint we've tried to -- we've expanded it as you may recall to help, that was kind of a, you know, an interim measure, but to the extent that a new facility could be possible both from the esthetic point of view and from the productivity point of view if that could happen, that would be wonderful.

**CHAIRMAN HORSLEY:**

Okay. Thank you very much. Just quickly, you know, and I'm sure there's no secrets in the business, the County of Suffolk has been looking at it's Foley Nursing Home and we're looking at the management of the Foley Center, is that something, I know you talked about partnerships and the like, is that something that Good Sam would have any interest in or in looking at?

**MR. BOVE:**

That's a bigger question than Good Sam.

**CHAIRMAN HORSLEY:**

I knew it would be, but I'm just throwing it out.

**MR. BOVE:**

Yeah, that's certainly something that we could look at, you know, from potentially from the Catholic Health Services perspective because, you know, all the services both acute and non-acute fall under the auspices of Catholic Health Services. That's a discussion that could potentially happen with the folks at corporate if you wish to pursue that.

**CHAIRMAN HORSLEY:**

At corporate, not at the hospital level itself.

**MR. BOVE:**

Yes, yes.

**CHAIRMAN HORSLEY:**

Are there such -- I know you do have Consolation in the back of, which is the hospital's.

**MR. BOVE:**

Actually technically that's a sister organization --

**CHAIRMAN HORSLEY:**

Oh, it is. Okay.

**MR. BOVE:**

-- to Good Sam, Our Lady of Consolation is an entity of Catholic Health Services, but an entity of its own as Good Sam is of its own under Catholic Health Services.

There is a gentlemen much like, Bill Allison, who's our President and CEO of Good Sam, he serves in the role as President and CEO of Good Sam, St. Charles and St. Catherine. He also serves in the role as Executive Vice-President for Acute Care Services for CHS for Suffolk County. There is a gentlemen, Dennis {Ferzey} who serves in the role as Executive Vice-President for CHS for continuing care services within which nursing homes are part of. So that would be a discussion that both he and others at CHS would need to be involved with.

**CHAIRMAN HORSLEY:**

And the role of Consolation to the hospital, I mean, there must be synergies between the care and -- with the doctor. There must be.

**MR. BOVE:**

There certainly is. You know, they happen to be positioned right next door.

**CHAIRMAN HORSLEY:**

Right.

**MR. BOVE:**

And that serves them well and that serves us well. From a discharge point of view, you know, our role as an acute care hospital is to take care of patients in their acute care phase and to move them on through the system to care for additional patients when appropriate. To get those 90,000 patients through the ER, you know, sometimes we have 20, 30 patients waiting down the emergency department for placement because maybe we have a patient requiring psychiatric placement up in one of the medical surgical beds, we're not a psychiatric facility. So we have to stabilize that patient, many times we have to admit them because there's no room at the inn at some of the other facilities. And now that's taken a precious bed from a patient, not that we're not taking care of the psychiatric patient, but there's other places better suited to take care of that psychiatric patient with their needs that Good Sam is now keeping a patient down the ER, where we could have had that bed available.

But on the synergies, there certainly are, we can take advantage of discharging patients very close to Consolation and when those patients need admission to facility they're very close to our emergency department if there's an emergency or to be directly admitted to Good Sam. So there are a lot of synergies from that perspective.

**CHAIRMAN HORSLEY:**

And -- I think I understand. Legislator Alden.

**LEG. ALDEN:**

Hi. Thanks for coming down. How is our relationship with the nursing program working out?

**MR. BOVE:**

Excellent, Legislator. It's really wonderful. As a matter of fact, I haven't heard otherwise, I should say, I guess I'd love to have the benefit of Pat Hogan confirming that, but I haven't heard anything other than excellent things coming out of that program and we are very pleased to have a group of graduates coming out. And we have lots of room at the inn to accommodate them at Good Samaritan in just about every area that they want to participate in.

**LEG. ALDEN:**

If you could look at that and, you know, at some other point through the Chair, tell us if we should think about expanding that program or keeping it at the current levels, but that would be very interesting to see if the need is even greater than what the program is that we put in place.

**MR. BOVE:**

I would say off the top of my head, yes please. I would say off top of my head that it certainly is, but I would love to defer to Chris if she has further info.

**MS. HENDRICKS:**

We had already expanded, the first year when we opened the program with the County we had 30 graduates. All 30 graduates were immediately placed and we were anxious for more. The other sister hospitals of ours, St. Catherines and St. Charles asked to participate as well and send in people. So we've already slightly expanded it, but if we could have more than 30 that would be even better because there is an interest of all of our hospitals.

**LEG. ALDEN:**

And one of the reasons why I bring that up now is we're just going to start going through the cycle for Suffolk Community College for their Operating Budget so it would be a good discussion point. If you think that the need is there, we should bring it up then, I guess.

**MS. HENDRICKS:**

Right. And Pat Hogan can give us the details. As Charlie said, she's the CNO for Good Sam.

**LEG. ALDEN:**

Okay. The name of the --

**MR. BOVE:**

I will tell -- Legislator just one more point, I will tell you, you know, I believe off the top of my head the -- while many of us including ourselves have looked at the need and potential to use the international nurses as a resource, they cost, as I understand, it's somewhere between 15 and \$20,000 a piece to the organization to recruit with all the fees associated with bringing them on board. Certainly doing it local, having the benefit of folks within our community, once again, for the economic impact and working with people within our own communities, I think that would be a wonderful thing, if there's an opportunity to work in a bigger picture.

**LEG. ALDEN:**

Good. And this question just, you know, is it Bishop Sherman -- is it still the Bishop Sherman Nursing -- not nursing --

**MR. BOVE:**

Up at St. Catherines?

**LEG. ALDEN:**

Yes.

**MR. BOVE:**

I believe when we took that over from the Episcopal Health System and changed it to the Catholic Health Services, I believe it's called the St. Catherine Siena Nursing Home, it was renamed.

**LEG. ALDEN:**

Okay. And now a question for MLK, all hospitals have gone to more efficient billing and, you know, I guess accounting for services so they get reimbursed. Do you meet periodically or on a regular basis with Suffolk County to make sure that at MLK we're doing everything we can for efficiencies in billing and to make sure we get reimbursed for all the services that we provide.

**MR. BOVE:**

I will share with you the answer to that question would of been no, up until about as I said, maybe six months or so ago. And the answer to that question still may be no because our focus of the meetings has been predominately, perhaps not exclusively, but predominately on throughput and efficiency and in productivity to get as many patients seen as in a timely fashion as possible, rather than having the patient wait in the waiting room and other areas and have an experience at the health center for two or three hours, to have them process through the system in a more reasonable time frame.

So I want to say while I haven't made all the meetings, I've made a couple of them, but not all of them, the meetings I attended were revolving around how we can get patients more productively through the system. Good Samaritan and the other organizations as I understand it, have very little if anything to do with the billing. That's all done behind the scenes. Now certainly, the Good Sam employees who sit at the front desk, are in charge of, you know, registering the patient and that sort of stuff. But once we do that, all the behind the scenes billing and collections and what have you, Good Sam and the other facilities to the best of my knowledge do not have any part of that.

**LEG. ALDEN:**

No but, your expertise if it can be tapped by our Health Department for efficiencies and current billing techniques and things of that nature, I think that that should be explored.

**MR. BOVE:**

Sure.

**LEG. ALDEN:**

Good.

**MR. BOVE:**

I would be more than happy to, you know, have those discussions. But right now as I understand it, that's not been the focus of the discussions.

**LEG. ALDEN:**

Okay. Good, thank you.

**MR. BOVE:**

Sure.

**CHAIRMAN HORSLEY:**

Going back to Consolation the nursing homes, you mentioned how much room is there in the inn. Is -- have you found that the nursing home business that you've -- enough patients, I mean, how do you -- do you overfill? Or how does that work? I mean, what are -- are there any vacancies in Consolation?

**MR. BOVE:**

No.

**CHAIRMAN HORSLEY:**

That's what I thought. Okay.

**MR. BOVE:**

The nursing homes as an industry as well as the hospitals that have the ability to offer inpatient psychiatric rehab are all full locally that I'm aware of. As a matter of fact, I sometimes find myself getting phone calls from members of the community knowing that my role at Good Sam and the relationship with Our Lady of Consolation and other facilities saying; could you do me a favor, I have a loved one, a friend what have you that wants to get into Consolation and I find myself calling down there and if there's, you know, something holding it up or something that we could do. But the

nursing homes and the psychiatric facilities are all full. And I know that because those sorts of things are the things that hold up Good Sam.

Not exclusively, once again, you have your patient who is discharged at nine o'clock in the morning, whose loved one can't pick them up until five o'clock in the afternoon because they need to get off from work first. So here you have a patient in the bed who's been discharged, you know, we've been toying with discharge units and what have you, we are very, very space challenged as most facilities are and I'd like to suggest that we don't have another inch to create a discharge unit to put a handful of patients in so they sit up in their bed for hours waiting for someone to come pick them up.

But more often than not, it's the transfer out of the facility to a nursing home or a psychiatric facility that is causing an occupancy issue for us at Good Sam.

The world of nursing homes, Legislator, has changed over the years to involve a little more of the subacute world. Most facilities, unless you get into the acute facilities, like St. Charles up in Port Jefferson has an acute rehab facility, there's a lot of patients who fall in between the acute and rehab and the acute hospital and it's the patient who has a hip replacement or a knee replacement, spends a couple of days, four or five days in a hospital and then needs a course of care in a subacute facility for additional physical therapy and rehab before they're eligible, not eligible, before they're able to go home safely. And a lot of nursing homes including Good Sam and Our Lady of Consolation and I believe St. Catherine of Siena have a subacute business nowadays, which is a portion of the business. At good Sam's nursing home we have a hundred beds. We typically have of those 100 beds some 20 or so in the subacute phase and the other 80 are the typical nursing home type patient for long-term placement. The subacute placement is a week, two weeks, that sort of thing.

**CHAIRMAN HORSLEY:**

Now if you had more room for subacute, would that -- would you need it? I mean, is there something that -- is that a growth type of business?

**MR. BOVE:**

Subacute is a fairly growing business. I can't say that it's a pressing need. If I had to say a pressing need right now in my opinion, it's the psychiatric placement of patients. The subacute world there seems to be some available resources out there. But when we lost some of the valuable resources in the County for the discharge of psychiatric patients, that has put a burden on us at Good Sam as a non-939 hospital, which is the psychiatric inpatient hospital.

**CHAIRMAN HORSLEY:**

In psychiatric attendees, that are people that -- that they go to Consolation, what sort of conversion do you have to make to create a psychiatric ward for them to keep them away from other patients? How difficult a situation is that?

**MR. BOVE:**

Well what we typically do, I should say they don't come from Consolation, typically there's a patient who comes to the emergency department with a -- if we admit them, an acute illness or injury that also has a psychiatric condition. Our responsibility as an emergency department is to stabilize the patient and find the best appropriate place for that patient to get care.

Now we call the CPEP Program though Stony Brook and see if there's any beds available in the system, more often than not there aren't. And now it's our responsibility to take care of that patient until we can safely transfer them to a place once a bed becomes available. We typically move them to one of our medical surgical units depending on the nature of the acute illness and we provide many times one to one observation. In the 939 world, those units are specially locked and have all sorts of other sorts of safeguards for them. But we do not have those because our patient population typically has been five patients or less of the 437 patients at Good Sam. I should share

with you, however, that since the closing of Brunswick Hospital in Amityville, that shot our numbers from the 85,000 over the 90,000 that helped do that, but that also has presented some additional patients to us presenting with mental conditions. And we are finding ourselves nowadays with greater than five patients being cared for at Good Sam. But we provide all the appropriate safeguards for them beyond the physical things that are necessary in a unit dedicated for psychiatric purposes at Good Samaritan.

**CHAIRMAN HORSLEY:**

Do you see that as a long-range problem as far as caring for these patients?

**MR. BOVE:**

At Good Sam, yes. I can't speak to those facilities, we are, I believe, either the only or one of two facilities in Suffolk County that do not have that inpatient psychiatric component to it and it's essentially because our facility has grown so over the years it exploded with medical surgical and other hi-tech needs that we did not have the bed availability for either rehab, we do not do acute rehab, and we do not have the inpatient site beds, we do not have burn, we don't have some of those high hi-tech issues, but we some other hi-tech issues as I said, we have some hi-tech cardiology what have you, but not those other specialty services.

**CHAIRMAN HORSLEY:**

Okay. Thank you very much. Anything else? Good. Mr. Stern, you're good? Okay. I think that's -- that about wraps this up so to speak.

**MR. BOVE:**

Once again, I thank you and the members of the committee for this opportunity. It's always a pleasure to be here and certainly -- certainly being able to share with you the good work that Good Sam does and how we affect the community. I'm sure many other hospitals including perhaps our sister hospitals might appreciate an opportunity if it ever comes up to speak to you as well and talk to you about how the healthcare industry on Long Island has a much bigger affect on the viability of the community here in Suffolk.

**CHAIRMAN HORSLEY:**

Oh, I think -- there are many of us that -- all they got to do is look at the numbers and that is clear.

**MR. BOVE:**

Okay.

**CHAIRMAN HORSLEY:**

And do appreciate you being down here. You've helped us a lot more than you may have realized.

**MR. BOVE:**

Okay. Thank you.

**CHAIRMAN HORSLEY:**

Good. Thank you very much. Meeting adjourned. Got a motion there, Cameron? Second by Stern. All in favor?

(\*THE MEETING WAS ADJOURNED AT 3:18 P.M.\*)

**{ } DENOTES BEING SPELLED PHONETICALLY**