

Today's News Thursday, March 13, 2014

## Assembly Calls for Basic Health Program

The Assembly budget released yesterday calls for New York to create a basic health program for residents earning between 133% and 200% of the poverty level. The program, targeted at low-income patients who earn too much for Medicaid, would have low or no premiums and few out-of-pocket costs. It would also be affordable, taking 95% of the federal subsidies normally available for a plan purchased on the exchange. Separately, the budget also allocates \$37 million to pharmacies to compensate for lower Medicaid reimbursement rates, and \$21.5 million for nursing homes. The budget also calls for health care facilities to establish protocols for safe patient handling in lieu of manually lifting patients. The Assembly budget rejected the governor's proposal to allow private-equity investment pilot projects.

## Remote Control Nurses

Technology startup PulseBeat, a member of the Manhattan-based Blueprint Health accelerator, wants to harness wearable technology. The company aggregates health information from fitness apps such as Fitbit into a single location through which caretakers (and concerned relatives) can remotely monitor aging patients. The technology directly competes with in-person caretakers such as home health aides. But PulseBeat is pitching itself as a partner that can save health systems money by automating repetitive tasks. "In a lot of home health care services, they'll still send out a nurse with a manual book, have the patient step on a scale—it's very time consuming and it costs \$80,000 a year per patient," said Dr. Omar Metwally, one of PulseBeat's founders. The company recently entered its first distribution partnership with the Visiting Nurse Service of Orange County, Calif., and hopes to expand in New York.

## The Doctor Takes Bitcoin

The virtual currency Bitcoin is steadily wooing both New York state regulators—who said this week they're open to Bitcoin exchanges—and the medical community. In December, Dr. Gregory Levitin, based in Manhattan, became the first doctor in the state to take Bitcoin as payment. It's edgy branding, but also a convenience for patients traveling internationally, who make up about 10% of Dr. Levitin's practice. "I see it as an equalizer for someone who's traveling and doesn't want to exchange currency in every location," said Dr. Levitin. Only one patient—a tech writer—has so far used the Bitcoin option. Dr. Levitin expects to draw more patients in time. "Once it becomes comfortably known that Bitcoin is a form of payment, it just becomes a matter of time until people use Bitcoin to pay for services," he said.

## Reporters

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## Merger plan means 'negative' outlook for WMC

Given Westchester Medical Center's proposed deal to take over St. Francis Hospital in Poughkeepsie, N.Y., Moody's confirmed the A3 rating on Westchester County Health Care Corp.'s \$429 million in bonds, but revised the outlook to "negative." Taking over a bankrupt hospital outside its service area boundaries poses "significant operational, financial and cultural risks" as St. Francis tries to boost patient volume and revenue and cut its "very large financial losses," noted Moody's.

While WMC is taking a risky move, the hospital itself is in fine shape. The ratings agency praised its "continued financial and operational stability over the last several years" and said it would evaluate the rating and outlook in mid-2014.

Some of the issues of concern are the new parent's ability to grow volume and cut operating losses at St. Francis, as well as a possible capital project on WMC's campus. Funding from the Medicaid waiver is also a big unknown factor.

WMC had an operating cash flow margin of 7.6% in 2013, compared with 7.1% in 2012. Unrestricted cash and investments last year were \$204 million, with 85 days of cash on hand, up from \$191 million and 82 days of cash on hand a year earlier. The hospital has an occupancy rate of nearly 80% and a 2.38 Medicare case mix index, but 33% of gross revenue is from Medicaid.

## At A Glance

**WHO'S NEWS:** Dr. Anthony Shih became executive vice president earlier this month at the New York Academy of Medicine. Most recently, he was executive vice president for programs at the Commonwealth Fund.



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