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CRAIN'S HEALTH pulse

A daily fax on the business of health care

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TODAY'S NEWS

DECEMBER SESSION?

The New York Legislature probably will hold a special session in December to address changes to the state's health care reform law. Nothing has been officially scheduled. Even though the Legislature may convene before December, few in Albany expect any action on HCRA before then, because Gov. Pataki has yet to propose his version of new legislation.

EMPIRE RATE HIKE

Empire Blue Cross Blue Shield will likely raise its rate for supplemental Medicare coverage by 10%, effective Nov. 1. The insurer must decide by Oct. 1 whether it will file for the rate increase, which is subject to regulatory approval. Empire may seek the increase because its pharmacy costs have risen 20% to 22% this year.

RENOVATION PROJECT

A \$52 million dollar renovation of the Workman's Circle Multicare Center in the Northeast Bronx is slated to begin construction in November 1999. The project, which is designed to bring more efficient care to the nursing home's 524 elderly and largely nonambulatory residents, will be performed in multiple phases that will allow residents to remain on-site during construction, according to Glen J. Landow of Landow and Landow, the architectural firm in charge of the project.

United Hospital Fund on Empire

When Empire announced three years ago that it planned to convert to for-profit status, the United Hospital Fund publicly stated it wanted to control the non-profit foundation that would initially own Empire's stock. UHF proposed creating a single board of directors for the fund and the foundation. Now it has backed away from that position, which had raised questions about the foundation's independence.

UHF now is proposing a multiyear operating agreement with the foundation for the five-year period when "New Empire" stock will be sold. In his testimony at Empire's conversion hearing on

Sept. 2, UHF President Jim Tallon also expressed hope that the two organizations would have an association beyond the five-year period. He proposed altering the foundation's board selection process so that three directors of the UHF could serve on the foundation's board, and three foundation board members could join the UHF board.

The UHF believes its mission and activities are similar to the mission of Empire's proposed foundation. "Ultimately, we'd get the foundation up and running at a cost substantially less than other groups because of our existing structure," says Mr. Tallon.

"We're just about finished with the working drawings," says Mr. Landow, describing construction that will widen halls and doorways, combine and reconfigure nursing units, and include a new hotel-like 50-bed subacute unit to serve short-term patients.

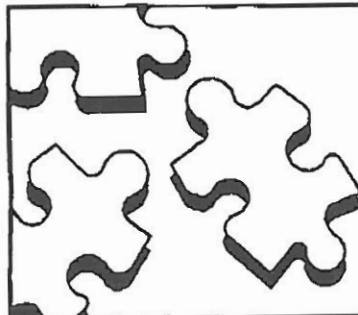
UMDNJ RALLY

Unions representing more than 7,000 workers at the University of Medicine and Dentistry of New Jersey in Newark are holding a rally tomorrow to protest an impasse in contract negotiations. The rally is being led by the Health Professionals and Allied Employees Union, whose contract expired June 30. Key issues in the

negotiations include setting patient/nursing staff ratios in occupied units and allowing unions to have input in the hospital's decisions to use outside contractors for such services as dialysis. Newark's mayor is expected to speak at the event.

AT A GLANCE

NYSNA: The 55 registered nurses at 117-bed Doctors' Hospital of Staten Island voted Sept. 2 to elect the New York State Nurses Association as their collective bargaining representative. One issue is wages: NYSNA says the hospital's R.N. wages are lower than those at Staten Island University Hospital.



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