

The New York Times

July 31, 2008

Community Hospital in Brooklyn Is Closing Maternity Ward and Selling the Space

By [ANEMONA HARTOCOLLIS](#)

A community hospital in gentrifying Brooklyn is closing down its maternity ward and plans to sell the building that houses some of its obstetrical clinics and another building across the street.

The hospital, Long Island College Hospital in Cobble Hill, delivered 2,800 babies — an average of seven or eight a day — in 2007, officials said, although the numbers are expected to decline this year after some prominent obstetricians moved to nearby New York Methodist Hospital.

Stanley Brezenoff, president of Continuum Health Partners, the parent company of Long Island College Hospital, said Wednesday that the obstetrics service was being closed and the two buildings sold in an effort to pay off tens of millions of dollars in operating and capital debt that might otherwise force it to declare bankruptcy.

Mr. Brezenoff said that delivering babies was the biggest money loser at the hospital, as at many [hospitals](#), because of low reimbursement rates and high premiums for malpractice insurance. “Our decision to take this step is not a happy one,” he said.

While the financial concerns reflect those surrounding obstetrics at hospitals nationwide, some doctors said that the closing could be shortsighted, since maternity wards often bring in patients in surrounding communities who will return when they or their children need medical care.

“I think it’s well understood that obstetrical services are a portal into the hospital,” Dr. John P. Brennan, an obstetrician who has delivered babies at Long Island College

Hospital for 19 years, said Wednesday. “In many families the women, the mom makes the health care decisions. If she’s had a baby there, when her husband needs a procedure 5 or 10 years later, he’ll often go to the same hospital. So obstetrics feeds all the other services.”

It was unclear Wednesday when the maternity ward would be closed. Mr. Brezenoff said that the plan had to be approved by the State Health Department, and that in the meantime the hospital was committed to delivering the babies of any women who came to it. Ultimately, he said, he expects other hospitals in Brooklyn to pick up the maternity patients, including Methodist in Park Slope, Brooklyn Hospital Center in Fort Greene, and Lutheran Medical Center in Sunset Park.

Mr. Brezenoff denied persistent rumors that the closing was a step toward closing the financially troubled hospital, saying that it would continue to function as a traditional community hospital focused on more profitable areas like internal medicine, surgery, [psychiatry](#) and emergency room patients.

He said that the obstetrics and gynecology service accounted for \$11 million, or about a third, of the hospital’s \$32 million in losses last year, and for 40 percent, or \$8.8 million, of its \$22 million in malpractice insurance costs.

After the news was announced at a hospital staff meeting Wednesday, Dr. Tucker Woods, chairman of emergency medicine, said stoically in an interview, “Doctors realize that some hard decisions have to be made and they want to see LICH survive long term.”

Mr. Brezenoff said the sale would help pay off \$170 million in capital debt that the hospital accumulated by investing in construction and technology even as its growth stalled. The hospital has sold three other properties during the past year, for a total of \$33.4 million.

Now for sale are a huge red-brick structure at 97 Amity Street, which was the original core hospital and houses some obstetrical outpatient services but not the labor and delivery floor, as well as the Polhemus building, a former medical school, across the street.

Dominick Stanzione, the hospital's newly appointed restructuring officer, said the buildings might become condos, but declined to estimate how much money the sale might bring.

One doctor who asked not to be named for fear of retribution said the Amity Street building seemed an odd choice for condominiums because it was cheek by jowl with several other hospital buildings, all within the same square-block area. "It would be like buying a condo in the hospital," the doctor said. "Maybe sick people would like to buy these condominiums."

The hospital has been sharply divided over the last year, with some doctors supporting Continuum, a system with a \$2 billion annual operating budget, while others accuse the company of draining Long Island College Hospital to support its more prestigious holdings in Manhattan, [Beth Israel Medical Center](#) and [St. Luke's-Roosevelt Hospital Center](#). A group of doctors has asked the State Health Department to let the hospital sever its relationship with the system.

Mr. Brezenoff denied Wednesday that there had been any transfer of money between hospitals within the Continuum system, but he said there had been decisions that certain services were better offered in one place rather than another.

Babies have been delivered at the hospital since the 19th century, according to Dr. Judy Weinstock, an obstetrician. She said Wednesday that she had been part of an obstetrical practice that was affiliated with Long Island College Hospital for 55 years, which recently moved to Methodist because of concerns about the way the hospital was being run. As an example, she cited a perinatologist who she said was recruited by Long Island College Hospital but then was offered a higher salary to take a job at St. Luke's instead.

"In the last five years, it seemed like all the money at LICH was being drained into Manhattan for Continuum and not being spent over there," Dr. Weinstock said. "We have a lot of emotional ties over there, but we kind of thought we saw the handwriting on the wall."