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Today's News Monday, May 16, 2011**Some OBs Getting a Break**

The MLMIC announcement that claims-free doctors will get 7.5% discounts on their medical malpractice premiums is getting mixed reviews from the New York Chapter of the American College of Obstetricians and Gynecologists. A MLMIC spokesman said the insurer estimates that 25% of New York's obstetricians will qualify. ACOG's executive director, Donna Montalto, however, said while "in these legally and financially challenging times a 7.5% premium reduction is a great deal, 75% of OB-GYNs will get nothing." She added that compared to the rest of the nation's doctors, New York's OB-GYNs face a higher-than-average likelihood of being sued. "A national ACOG survey indicated that 50% of OB-GYNs in New York state have been sued four or more times in their careers," she said, but not all of them actually did anything wrong. "Merely being named in a lawsuit can cause higher premiums." The group, she added, would rather see a premium reduction for all obstetricians.

New Partner for NS-LIJ

In an agreement that should clear the way for more clinical trials of psychiatric drugs, the North Shore-LIJ Health System is expanding an affiliation with Broadlawn Manor Nursing & Rehabilitative Center to include South Oaks Hospital, both located in Amityville, L.I. The agreement is with the operator of both facilities, Long Island Home. The system has been affiliated with Broadlawn since 2008. The South Oaks facility has 193 beds for psychiatric and substance abuse patients. The agreement will also mean more rapid referrals for patients who come to NS-LIJ emergency rooms or other facilities in need of inpatient behavior health care, a NS-LIJ spokeswoman said. It will also give South Oaks access to the resources and clinical expertise of the Zucker Hillside Hospital, the lead institution in the system's behavioral health services program.

ACA Means a New World for Workers

Health care workers will see dramatic changes in their daily working life in clinics, hospitals and physicians' offices when 44 of the Affordable Care Act's provisions come on line by the end of this year. That's the prediction of Dr. Lawrence Casalino, chief of the division of outcomes and effectiveness research at Weill Cornell Medical College's department of public health. Dr. Casalino is one of several scholars quoted in a Robert Wood Johnson Foundation report on the implementation of the ACA. Among the findings: There will be new job opportunities at community health centers, where by 2019 there will be 50 million people getting care, compared with 19 million today. Dr. Casalino said he had concerns that physicians may not flock to accountable care organizations because they likely will take a reduction in pay. "ACOs will place hospitals, specialists and primary care organizations in one boat, and reimbursements will have to be divided," he said in the report.

Health advocates push an insurance exchange wish list

New York state is holding public forums on the creation of health insurance exchanges this week. Some groups are hoping to shape the state's strategy with position papers of their own.

Health Care For All New York, in its recent testimony before the New York Senate's health and insurance committees, advocated for the adoption of a single, statewide exchange. The group said a single exchange would increase purchasing power and deepen the pooling of risk; a viable exchange needs 100,000 covered lives to adequately pool risk, said Elisabeth Benjamin, who testified on behalf of HCFANY.

The group also wants New York to merge the individual and small group markets. Prices in the direct-pay market are high, and premiums would fall if New York increased the legal size of its small group market to 100 employees from 50, a move that would save money for both small groups and individuals.

In terms of a structure, HCFANY said that if the exchange were an independent authority, it could have a taxing authority that would be the beneficiary of a dedicated assessment on all insurance products marketed in New York, including administrators of self-funded plans. That method would generate the broadest revenue stream for financing the exchange.

The group is against the free market-style approach urged by the Manhattan Institute, where the state would passively implement guidelines for a market-driven exchange. It instead believes the exchange should be an active purchaser, which would let it leverage its market share or actively negotiate with plans to ensure that consumers receive the best health plan for their money.

At A Glance

WHO'S NEWS: Nicole Jones, currently senior vice president and general counsel at Lincoln Financial, will succeed Carol Ann Petren as Cigna's general counsel on June 6. Ms. Jones is returning to Bloomfield, Conn.-based Cigna, where she worked from 2006 to 2010 as deputy general counsel, corporate secretary, and chief counsel of domestic health service, securities and investment law.

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