



*Representing the advocacy interests
of hospitals and health systems on Long Island and the Hudson Valley*

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FOR IMMEDIATE RELEASE

Hospitals Ask State for Answers about Health Republic Outstanding Claims

Industry group estimates that hospitals on Long Island and in the Hudson Valley are owed \$100 million plus

(Hauppauge, NY . . . December 10, 2015) The Suburban Hospital Alliance of New York State, the advocacy association that represents 51 hospitals located throughout Long Island and the Hudson Valley, estimates that its member hospitals are owed \$100 million and counting in unpaid Health Republic Insurance claims. A letter sent by the group this week to the New York State Department of Health's Deputy Secretary for Health and Human Services asks about the state's plans to recoup money owed to hospitals and its reform plans to guard against any future health plan collapses.

Long Island and the counties in the Hudson Valley region were among the hardest hit by the collapse of Health Republic. Nearly 70 percent of the now defunct insurer's members reside in the nine counties north and east of New York City. Health Republic was ordered closed by the New York State Department of Financial Services in early November and November 30, 2015 was the last day the insurers' members were covered.

The letter questions the state's review process that determined Health Republic's financial stability and asks for clarification on the insurers' real-time financial condition, including more transparency related to the restructuring process being led by the firm Alvarez and Marsal.

'Healthcare providers contracted in good faith to provide services to Health Republic's members, based on the assumption that the plan's financial stability had been appropriately vetted,' said Kevin Dahill, president/CEO of the Suburban Hospital Alliance. 'We appreciate the steps the state has taken to mitigate the harm felt by consumers, but hospitals are also one of the injured parties.'

The hospital industry is asking the state to act swiftly to provide financial relief and more guidance on how to handle transitions to new plans for patients in ongoing treatment in the month of December. Many of the alternate plans to which consumers were either auto-enrolled or self-selected offer lower reimbursement rates than Health Republic.

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