

What's next for LICH?

Several scenarios could play out now that the state Department of Health has ordered Long Island College Hospital not to close its pediatrics or obstetrical beds. Continuum Health Partners, LICH's parent, has long hinted that if the facility had to continue providing such services, Plan B was for it to file for bankruptcy. A spokesman for Continuum said yesterday that he didn't know if Continuum had hired or even interviewed bankruptcy counsel. A prepared statement from Continuum read: "We will work with the DOH on an alternative solution to LICH's problems.

However, if we cannot find a viable solution, then unfortunately the losses could be more than the obstetrics and pediatric services."

The lawyer working with LICH medical staff on a restructuring plan, which excludes Continuum, notes that the doctors would become creditors if LICH files for Chapter 11. Creditors could also pursue Continuum's assets, says Jeffrey Ruggiero, a partner at Arnold & Porter.

A second option for Continuum is to press ahead with negotiations with SUNY Downstate. "We believe LICH should be a full-service hospital, and we are having discussions with LICH," a Downstate spokesman says. Those talks are likely to move very slowly: SUNY is a public institution, so the state would finance any deal. Continuum wants a speedy resolution to LICH's financial troubles.

Another scenario could involve Maimonides Medical Center, where Pam Brier became president when Stanley Brezenoff left the Brooklyn hospital to become chief executive of Continuum in 2003. Maimonides already runs the city's busiest maternity service, and a deal with LICH, brokered by the state, could help Maimonides expand and save LICH. Ms. Brier declined a request for comment.