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TESTIMONY OF

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GREATER NEW YORK HOSPITAL ASSOCIATION

BEFORE THE

COMMITTEE ON HEALTH, EDUCATION, LABOR, AND PENSIONS

UNITED STATES SENATE

HEARING ON

TERROR ATTACKS: ARE WE PREPARED?

JULY 22, 2004

100 years
A CENTURY OF LEADERSHIP AND SERVICE
1904-2004

Testimony of
Susan C. Waltman
Senior Vice President and General Counsel
Before the
Committee on Health, Education, Labor, and Pensions
United States Senate
Hearing on
Terror Attacks: Are We Ready?
July 22, 2004

Mr. Chairman and Members of the Committee:

Good morning, and thank you for the opportunity to appear before you today. I am Susan C. Waltman, Senior Vice President and General Counsel of the Greater New York Hospital Association, which represents the interests of over 250 hospitals and continuing care facilities that are concentrated in the New York City region but that are also located throughout New York, New Jersey, Connecticut, and Rhode Island. All of GNYHA's members are either not-for-profit, charitable organizations or publicly-sponsored institutions. Together, they provide services that range from state-of-the art, tertiary care to the most basic primary care, given their roles as safety net providers for many of the communities they serve.

GNYHA members also serve an additional role, one that has become much more important and much more demanding since September 11, 2001: they are the front line of the public health defense and disaster response systems for one of the highest risk areas in the United States. Unquestionably, GNYHA members performed admirably on September 11 and during the subsequent anthrax attacks, a reflection of their years of preparedness planning. But those events and the subsequent and growing number of terrorist alerts and warnings have demonstrated how vulnerable we are as a society and how much more we need to do to be fully prepared.

Are We Ready?—The principal question that today's hearing asks is: are we ready for future terrorist attacks? The question must be answered in part by saying that it depends. It depends of course on how, when, and where the attacks may occur, and should an event take place, we will always, understandably, be judged with the hindsight of actual knowledge as to those three factors. But the other part of the answer is that we are very well prepared for a wide array of possible attacks and certainly better prepared today than we were three years ago or even one month ago. And, we become better prepared with each passing day because we have made it our business to learn from each and every event, alert, and piece of intelligence. Indeed, since September 11, GNYHA members have been working intensively, on their own and more importantly, in close collaboration with each other as well as with local, state, and Federal agencies, to enhance their preparedness. Through these efforts, GNYHA and its members have forged strong working relationships with each other and with key agencies at all levels of government, relationships that we believe are mutually beneficial and invaluable to our ability to protect our country and its communities.

Are We Prepared for Our Nation's Major Events?—The subsidiary question raised by today's hearing is whether we are prepared for the many major events that our country holds that

represent the essence of democracy, our freedoms, and our liberties. The answer is that we are devoting intensive efforts toward preparing for those specific events, given their significance and the large numbers of individuals who will gather there. But what is perhaps more important to know is what we do each and every day to prepare for an unplanned event, the otherwise ordinary day, such as was the case with September 11, at least up until 8:46 a.m. It is upon those efforts that we build in order to prepare for events such as the Republican and Democratic National Conventions, our nation's elections, as well as other major events.

Overview of Testimony—To answer your questions in more detail, I will review the New York City region's preparedness from a health care provider perspective before September 11, how that level of preparedness was demonstrated on September 11, and how preparedness has been enhanced significantly since then. We will then provide information on how we are building upon those efforts to prepare specifically for the Republican National Convention. The consistent message is that preparedness is a continual process that must be constantly reviewed, enhanced, and practiced.

What is also clear is that preparedness is an extraordinarily expensive process, one that is causing GNYHA members to expend scarce resources during a time of severe financial pressures without significant reimbursement in sight. We are hopeful that our hospitals' extraordinary efforts, undertaken because of both their location and their commitment to protecting their communities, will be recognized through increased funding. It is the least our country can do to ensure protection of the nation's financial center and its eight million residents, a region that has already been the target of two World Trade Center attacks and four anthrax attacks.

I. Emergency Preparedness Activities Before September 11, 2001

GNYHA and its members have long been committed to ensuring that the health care system is prepared to respond to a broad range of emergencies, disasters, and attacks that might occur in the New York City region. For years, area hospitals have worked on and improved upon their disaster plans and programs, engaged in regular drills, and constantly reviewed their readiness for many events. Indeed, it is the mission of hospitals to respond to the needs of their communities, and, in a "community" such as New York, we have recognized that any number of disasters and emergencies can occur. GNYHA has in turn supported its members' activities by providing training programs, educational materials, and workgroups for improving preparedness.

Hospitals as an Integral Part of the Region's Response System—GNYHA and its members have also worked closely with area emergency management and public health officials over the years and are considered an integral part of the region's emergency/disaster response system. In recognition of this role, GNYHA has had a desk at the New York City Office of Emergency Management's (OEM's) Emergency Operations Center (EOC) for many years, which GNYHA staffs during major area events, actual emergencies, or anticipated possible emergencies, e.g., heat emergencies. Grouped with local, state, and Federal health and environmental agencies at the EOC, GNYHA is able to address members' needs quickly as well as facilitate the region's health care response to disasters.

The health care sector's preparations for the Y2K transition also helped foster regional collaboration that was helpful to the health care system's response on September 11. During the year 1999, GNYHA brought together its members and area agencies literally every other week for the purpose of developing communication mechanisms, contingency plans, and a framework for inter-hospital/inter-agency coordination. That process proved invaluable on September 11.

II. The Health Care System's Response to the World Trade Center Disaster

The Hospital's Response—On September 11, GNYHA's members demonstrated that they were prepared for the particular disaster that we all faced that day. Area hospitals instantly activated their disaster plans, cancelled all elective procedures, freed up thousands of beds in anticipation of large numbers of casualties, reconfigured areas internally to make room for additional patients, and established triage centers on their streets. At the same time, many hospitals found themselves without functioning communication systems, while some also found themselves without electricity and were forced to rely upon emergency generators. Some also experienced drops in water pressure and steam and were forced to seek alternative means to sterilize equipment.

As the day wore on, hospitals were faced with another, perhaps more devastating phenomenon—thousands of family members were walking from hospital to hospital looking for their loved ones. Hospitals therefore established family centers to care for and counsel those individuals and ultimately requested that a patient locator hotline be established. And, throughout the ordeal, hospitals also acted as safe havens for individuals fleeing from the World Trade Center and even sent employees into neighboring buildings to make sure the elderly were safe. In short, the area's hospitals rose to all of the challenges they faced as a result of the events of September 11.

GNYHA's Response and Coordination on Behalf of Its Members—GNYHA, on behalf of its members, also played a key role on September 11. On the morning of the disaster, GNYHA was called by OEM within minutes of the initial plane crash and was requested to report to New York City's EOC. GNYHA was also in immediate contact with the New York State Department of Health, which directed hospitals to activate their disaster plans and expect mass casualties, a directive that GNYHA immediately communicated to its members by both e-mail and facsimile. Within moments of OEM's call to GNYHA, however, New York City's EOC, which was located at 7 World Trade Center, was evacuated.

Given this situation and the scope of the disaster, GNYHA established a command center at its offices to assist members and to act as a liaison to emergency managers, public health officials, and the public. Within hours, OEM established a replacement EOC at the New York City Police Academy, and GNYHA was able to continue its role of facilitating its members' response efforts from there as well. For weeks thereafter, GNYHA staffed both its desk at OEM and its command center at GNYHA's offices around the clock as the area undertook its recovery from the attacks.

Anticipating possible additional attacks, GNYHA also began to provide members with briefings on identifying and responding to biological and chemical events and to expand GNYHA's e-mail lists. Thus, by the time the first case of anthrax was reported in Florida, GNYHA was able to

immediately transmit to members health alerts prepared by the New York City Department of Health and Mental Hygiene that contained key information needed to diagnose and treat anthrax.

The Cost of Responding to the World Trade Center Disaster—The cost of responding to the World Trade Center disaster was significant for hospitals. GNYHA collected cost information from area hospitals and calculated that their total initial costs of responding (or preparing to respond) reached $140 million, a figure that included lost vehicles, such as ambulances; increased overtime, supplies, and staffing; damage to facilities; and stand-by costs associated with creating surge capacity. Hospitals also suffered additional lost revenues in excess of $100 million in the long term as a result of the events of September 11, due in part to the fact that many patients did not want to venture into the City for care. Thus, the total cost of responding—or standing ready to respond—to the events of September 11 was in excess of $240 million for New York City area hospitals alone. We are very appreciative that the Federal government, with the strong support of Senators Clinton and Schumer, subsequently provided area hospitals with $140 million to reimburse them for a significant portion of these costs, but we believe it is important to underscore the high costs associated with responding to such events from a provider perspective.

The Biggest Lesson Learned: The Need for Every Hospital to Be Prepared—I point out one fact about what happened on September 11 that has materially affected how GNYHA and its members have been preparing for future emergencies. Individuals caught in the disaster ran, they jumped on boats, and they jumped on trains and subways to escape the horror. *As a result, over 100 hospitals in the region saw more than 7,300 patients in their emergency departments for World Trade Center disaster injuries.* Although there was no evidence of a release of biological, chemical, or radiological agents in connection with the attacks, many hospitals chose to decontaminate or wash down patients to protect both patients as well as health care workers. But if there had been a contemporaneous release of some agent, every one of those over 100 hospitals would have received potentially exposed or contaminated patients.

What is the lesson to be learned from this? *Every single hospital must have some degree of capability to respond to disasters of all types.* We cannot, as a system, depend on an orderly distribution of patients to one or more regional disaster centers. It is essential that every hospital have the ability to identify and respond, at least initially, to biological, chemical, and radiological events, which in turn means that significant resources must be devoted to ensuring wide-spread readiness.

III. Post-September 11 Preparedness—Focus on Intensive Regional Collaboration

Establishment of Emergency Preparedness Coordinating Council—In recognition of the need for broad-based preparedness, GNYHA and its members have focused intensively on regional collaboration and planning since September 11. To this end, GNYHA created its Emergency Preparedness Coordinating Council in November 2001. The Council brings together representatives of GNYHA members, other provider groups, and local, state, and Federal public health, emergency management, and law enforcement agencies for the purposes of promoting collaboration and communication across the region and providing a more integrated response to any future attacks or events. Through this collaborative planning process, the Council is also

facilitating readiness through the sharing of expertise, experiences, templates, and other information.

Guiding Principles of Preparedness—As the Council has moved forward, it has subscribed to the following principles:

- **High-Risk Area**—The New York City region is a high-risk area for emergencies in general and terrorist attacks in particular. Therefore, providers must anticipate the possibility that an event could occur at any time.

- **Strong Three-Way Partnership**—Preparedness in the health care sector requires a strong, continuous three-way partnership among providers, health/public health agencies, and emergency management and public security agencies.

- **All-Hazards Approach**—Provider preparedness should be undertaken using an all-hazards approach.

- **Incident Command Systems**—Providers should implement an incident command system in order to have a common framework for communicating internally and externally during disasters.

- **Enhancing Communications**—Providers must develop effective mechanisms for communicating. This involves knowing *in advance* of a disaster with whom, how, and for what purposes to communicate during disasters. It also means developing effective and redundant means of communicating during disasters.

- **Understanding Each Others' Systems**—We must ensure that we understand each other's systems, roles, and responsibilities.

- **Planning and Drilling Together Regularly**—In order to further the foregoing goals, it is essential that we plan and drill together regularly.

- **Training and Education—**Knowledge is the key to ensuring the rapid identification, treatment, and containment of all types of terrorist agents and naturally-occurring events.

The following summarizes how we have moved to implement the foregoing principles.

- **Operating Within a High-Risk Area**—In recognition of the high-risk area in which we are located, GNYHA and its members appreciate that an event could occur at any time and at any place and that we must enhance our preparedness with all due speed and deliberation. As a result, since the Council was established in November 2001, *it has met almost weekly through either full Council meetings, workgroup meetings, or membership briefings on topics identified through the Council.* The Council has also become the framework for communicating rapidly and effectively regarding emergencies, alerts, and protocols.

- **Development of Strong Three-Way Partnership**—We have undertaken extraordinary efforts to work collaboratively and in a coordinated manner with the public health, emergency management, and public security agencies who will need our services and whose services we will need. Our preparedness and any future responses will be superior for that effort.

  From a local standpoint, we work closely with New York City's Office of Emergency Management, Department of Health and Mental Hygiene (NYCDOHMH), Fire Department, and Police Department. Because we prepare as a region, we have established similar working relationships with the public health and emergency management agencies in the counties surrounding New York City.

  On the state level, we have excellent relationships with the New York State Department of Health (NYSDOH), Office of Public Security, and Emergency Management Office, and have incorporated New Jersey's Department of Health and Senior Services and emergency management agencies in our process as well.

  On the Federal level, we are fortunate to have not only strong relationships with key Federal agencies, but truly extraordinary individuals assigned to work with us. That is the case with respect to both the Department of Health and Human Services and the Department of Homeland Security, through its Federal Emergency Management Agency (FEMA), both of which support and enhance our activities on a regular basis. Indeed, our communications with and support from both agencies are models for public-private partnerships.

- **Developing an All-Hazards Framework and Implementing Incident Command Systems**—GNYHA and its members have placed a strong emphasis on developing and implementing an all-hazards response framework on the theory that one can never anticipate precisely how or when an event might occur and indeed an event might present with multiple features. We therefore believe that planning under an all-hazards approach will make us better able to respond to multiple variations of possible attacks and natural events.

  As a result, GNYHA and its members have devoted extensive efforts toward implementing strong incident command systems, which can be activated in response to a variety of emergencies. Using the incident command approach also permits hospitals to employ a common response framework with similar roles and responsibilities across organizations. Most hospital incident command systems are modeled after the Hospital Emergency Incident Command System or HEICS, and thus, GNYHA has offered numerous training sessions on implementing HEICS. Special sessions have been offered for individuals working on the evening, night, and weekend shifts in order to ensure the availability of staff familiar with incident command principles during all hours of operation. Many of these training modules are available on the Emergency Preparedness Resource Center located on GNYHA's Web site at **www.gnyha.org/eprc** so that members can download and use them in their own institutions.

- **Enhancing and Ensuring Effective Communications**—We have placed an extraordinary emphasis on communications because the ability to communicate with one's partners during an emergency is key to an effective and rapid response. We have tackled this issue from two

perspectives. First, we have focused on the issue of ensuring that we know with whom, how, and for what purposes to communicate during a disaster. Second, we have focused on ensuring that we have rapid, effective, and redundant means to communicate during a disaster. The following outlines some of the specific systems and mechanisms put in place to address this critical component of preparedness:

- **GNYHA Emergency Contact Directory**—To improve communications during an emergency, GNYHA has developed a directory of key contact information regarding local, state, and Federal agencies. GNYHA has also created a member directory that contains extensive contact information about members' emergency operations centers, chairs of disaster committees, and other key contacts in the event of emergencies. The directory also contains basic information about each members' capabilities—for example, trauma center designation, decontamination capabilities, and the number of negative pressure isolation rooms. Members are encouraged to update their information regularly, and revised directories are made available quarterly or as needed. The directory proved to be invaluable during the August 2003 Blackout when communication systems were disrupted throughout the region.

- **Health Emergency Response Data System**—NYSDOH, working collaboratively with the Council, has developed an emergency data collection system called the Health Emergency Response Data System or HERDS. The system, which is an internet-based system located on a secure area of NYSDOH's Health Provider Network, is designed to be activated during an emergency to collect information that may be needed to assess and respond to the emergency and to enhance and protect surge capacity. Although the system is located on NYSDOH's Health Provider Network, local public health and emergency management agencies also have access to the system so that they can better respond to any emergencies affecting their region. The categories of data that can be collected include the following:

  - ✓ Bed, staffing, and supply needs and availability;

  - ✓ Event-related data, including the number of patients seen and waiting to be seen, admissions, unidentified patients, and mortalities; and

  - ✓ Information required to establish a patient locator system, if needed.

  NYSDOH also uses the system to collect weekly bed availability data from hospitals, to survey them on such information as vaccine supplies and negative pressure isolation rooms, and to communicate regarding preparations for events such as possible weather emergencies. We have also held a number of drills designed to test both the system itself and the ability of hospitals to use it successfully. Work-arounds in anticipation of possible disruptions in the system have also been established.

- **Ensuring Rapid Communications**—GNYHA provides extensive information to its members through immediate distribution via e-mail of health and security-related alerts, advisories, and directives. To ensure broad distribution of the alerts, GNYHA

sends the materials to many different types of individuals in each member institution such as chairs of disaster committees, infection control directors, directors of emergency departments, and directors of security.

- **Assessing Communications Risks and Minimizing Disruptions**—GNYHA has prepared a matrix of communication options that describes each option's functionality and limitations. In addition, GNYHA has prepared a checklist of considerations regarding possible disruptions to communication systems in order to assist members plan for and thus avoid or work around possible disruptions to their systems. Finally, the Council has discussed how to undertake effective risk assessments to identify vulnerabilities and solutions for avoiding disruptions.

- **Building in Redundancies**—Although a vulnerability assessment might minimize disruptions in communication systems, GNYHA and its members have sought to build in as many redundancies in communication systems as possible. This is evidenced by the multiple ways that members can be reached as set forth in GNYHA's emergency contact directory mentioned above. In addition, GNYHA members have established and rely on the following systems:

  - ✓ **800 Megahertz Radios**—GNYHA worked with New York City OEM to establish a health care channel on the City's 800 Megahertz radio system. This channel permits New York City health care facilities to communicate among each other and with OEM during emergencies. The City conducts roll calls on this system on a daily basis. This system was used extensively during the 2003 Blackout to communicate member needs for generators, fuel, and other supplies.

  - ✓ **Two-way Emergency Response Radios**—GNYHA has also developed a two-way radio emergency response network to enable GNYHA to communicate with its members both inside and outside of New York City.

- **GNYHA Web Site**—GNYHA provides extensive information on the issue of preparedness through its Emergency Preparedness Resource Center located on its Web site at **www.gnyha.org/eprc**. This information is updated regularly and is made available on the public area of GNYHA's Web site so that the public and providers can have access to the information day and night. In order to address the concerns of the community, the Web site includes a section with materials on preparing for and responding to disasters from a community perspective.

- **Syndromic Surveillance**—GNYHA has supported the efforts of NYCDOHMH as it has built its impressive syndromic surveillance system, which is designed to identify clusters of suspicious symptoms, such as gastrointestinal or respiratory problems, that might signal a bioterrorism event or other serious public health problem. Currently, NYCDOHMH collects daily emergency department logs from area hospitals, emergency medical services call data, certain employee absenteeism rates, and local pharmacy purchases, all toward the goal of identifying and containing possible infectious disease outbreaks or other events as quickly as possible. Should a cluster

be identified, NYCDOHMH would investigate and notify area emergency departments and infection control directors accordingly.

- **Understanding Each Other's Roles, Resources, and Responsibilities: Planning and Drilling Together Regularly**—Understanding each other's roles, resources, and responsibilities is essential to a well-coordinated response to an emergency, and thus, GNYHA and its members have worked hard to understand precisely what each hospital's and agency's capabilities, planned responses, and resources might be under a variety of scenarios. This is accomplished in great part through our collaborative planning process and the undertaking of many drills and exercises, all designed to assess the strengths and weaknesses of the response system and then to of course address any identified gaps. Some of the more notable examples of these efforts are the following:

    - **Preparing for Bioterrorism**—Since its inception, the Council has focused its discussions on a number of bioterrorism agents, spending a significant amount of time on identifying, treating, and containing smallpox in particular. In August 2002, however, a small hospital in Brooklyn experienced a "smallpox scare," which raised useful questions regarding various elements of responding to such a situation. As a result, NYCDOHMH and NYSDOH, working collaboratively with the Council, developed extensive guidelines for managing a suspect smallpox case. While the guidelines focus on smallpox, many aspects of the guidelines apply equally to managing other infectious diseases as well. The guidelines are available on GNYHA's Web site at **www.gnyha.org/eprc**.

    - **SARS Planning and Response**—The work that has been done to prepare for a possible bioterrorism attack proved to be helpful to the health care system's ability to respond quickly to the threat of Severe Acute Respiratory Syndrome or SARS in 2003. The Centers for Disease Control and Prevention (CDC) immediately transmitted health alerts to state and local health departments, which in turn immediately distributed the alerts to providers. In order to ensure broad distribution of the alerts within its members, GNYHA distributed them to its many e-mail lists. GNYHA also held briefings on SARS, which were given by NYSDOH and NYCDOHMH; held meetings of its Council to discuss the development of SARS guidelines and surge capacity plans; and created a SARS page on its Web site.

    - **Development of Threat Alert Guidelines**—To assist members work within and respond to changes in the Federal color-coded threat alert levels, GNYHA worked with its Council, NYSDOH, and NYCDOHMH to develop Threat Alert Guidelines for health care providers. The Guidelines provide a checklist of measures providers should take by alert level. Each level is divided into a number of categories of measures, which include such issues as overall emergency planning, communications, security, staffing, and supplies. The Guidelines are distributed each time a planned event or possible anticipated emergency arises.

    - **2003 Blackout Response**—The 2003 Blackout tested us all and demonstrated the gaps that we still needed to address. But it also highlighted what worked well: our

emphasis on redundant communications paid off; our collection of emergency contact information regarding members helped us reach every member; our 800 Megahertz radio system helped address emergency generator and fuel requirements; the HERDS system collected information about available beds in anticipation of the possible evacuation of a facility; and most importantly, our strong three-way partnership with the health and emergency management agencies proved invaluable. Following the Blackout, GNYHA prepared checklists outlining considerations for preparing for future disruptions in power and communications and held a debriefing session attended by members as well as local, state, and Federal agencies.

- **Undertaking Drills and Exercises**—Although we meet and work together regularly, we find that drills and exercises are an excellent way to test our systems and to identify gaps. We thus have placed a heavy emphasis on conducting table-top exercises, communication drills, and other exercises. We have picked up the pace of these drills and exercises as we unroll more components of our systems and have more to test.

- **Training and Education**—The Council has placed heavy emphasis on training and education. Thus, GNYHA has offered over 65 briefings and training sessions to its members and key agencies since September 11. The topics have included programs on various biological, chemical, and radiological events; preparing for and responding to power outages and other disruptions; undertaking evacuations; implementing incident command systems; communication systems; and facility security. Recognizing that training is a continual process, we often revisit issues already presented. Upcoming programs include:

  - Briefing on *blast injuries* that will be given by the CDC's National Center for Injury Prevention and Control on August 4.

  - Briefing on *utilizing volunteers during emergencies*, which is tentatively scheduled for August 9.

  - Briefing on *Republican National Convention planning,* which is scheduled for August 17 and which will be presented by multiple local, state, and Federal agencies.

IV. Preparing for the Republican National Convention

The foregoing outlines our preparedness for both naturally-occurring events as well as possible terrorist attacks, which we assume can occur at any time and at any place in the New York City region. However, it also provides detailed information about the planning and preparedness that has already taken place and upon which we build to prepare for major planned events, such as the upcoming Republican National Convention.

The health care sector's preparations for the RNC have followed the same collaborative process outlined above. GNYHA, on behalf of its members, has been involved in the preparations being undertaken by the local, state, and Federal governments, including participation in the table-top exercise held by the Secret Service and the New York Police Department in April 2004;

participation in numerous meetings held by NYCDOHMH regarding its preparations; and coordination with New York City OEM. GNYHA also held an initial briefing for providers on June 18 that permitted local, state, and Federal agencies, including the Secret Service, FEMA, and HHS to address their preparations. Another similar briefing is scheduled for August 17.

At the initial RNC provider briefing, NYSDOH and NYCDOHMH reviewed guidelines that outline what actions the two agencies are taking as well as actions providers should take in order to ensure the preparedness of the health care system for the RNC. The following outlines the guidelines provided:

- **Activation of New York City's Emergency Operations Center and Multi-Agency Command Center:** Both New York City's Emergency Operations Center and a Multi-Agency Command Center that will be established by the New York Police Department will be fully activated round-the-clock before, during, and after the RNC. GNYHA, NYSDOH, NYCDOHMH, and other health-related agencies will be staffing one or both of these locations in order to provide assistance and to coordinate any needed responses by the health care system. In addition, key agencies as well as GNYHA will establish their own command centers and/or operations plans for the period of the RNC.

- **Review and Activation of Hospital Disaster Plans**—Although NYSDOH has taken the position that it will not request hospitals to activate their disaster plans unless an incident occurs, both NYSDOH and NYCDOHMH advise hospitals to review their disaster plans and to ensure that staff understands the hospital's incident command system and their own individual roles and responsibilities.

- **Review of Threat Alert Guidelines**—NYSDOH and NYCDOHMH request hospitals to review the Threat Alert Guidelines developed by GNYHA, NYSDOH, and NYCDOHMH as guidance for their internal planning with a specific focus on the activities that should be undertaken for Level Orange.

- **Activation of HERDS**—NYSDOH will activate its Health Emergency Response Data System prior to the RNC. NYSDOH will request hospitals to input daily bed availability by type of bed, emergency department activity, and the roster of their contact persons for each shift throughout the RNC. NYSDOH will be ready to request and provide more information should the need arise. Hospitals are also advised to make certain that several people familiar with data entry into the system are on duty during all shifts.

- **Availability of Staff**—Key administrative staff are advised to be available on site at the hospital during the RNC. In addition, most key departments in hospitals have limited vacation and other time off. Hospitals are also advised to review staffing and to ensure their ability to call in extra staff if needed. In order to ensure the availability of staff, hospitals are advised to recommend to their employees that they have their own family emergency preparedness plans in place so that they will feel comfortable reporting to and staying at work during an emergency.
- **Communications**—The guidelines advise hospitals how NYSDOH and NYCDOHMH plan to communicate with them during the RNC and, in particular, in the event of an emergency;

that hospitals should ensure that they constantly monitor those means; and that each hospital should provide each agency with accurate contact information for the hospital. In general, communications will take place using the 800 Megahertz radios, HERDS, the Health Alert Network, e-mail and facsimile, and regular conference calls. Hospitals are also advised to review the checklist for preparing for disruptions in communications that GNYHA prepared as a result of the 2003 Blackout. Finally, hospitals are advised to post key agency contact information in their emergency departments and other areas throughout the hospital. NYSDOH will be advising health departments in counties outside of New York City to maintain daily contact with hospitals in their counties during the RNC.

- **Planning for Disruptions in Power**—Hospitals are advised to review the checklist for preparing for disruptions in power that GNYHA prepared as a result of the 2003 Blackout. In particular, hospitals are advised to test their generators, ensure a sufficient supply of fuel for the generators, and have emergency contact information for their fuel vendors.

- **Emergency Department Preparedness**—NYSDOH and NYCDOHMH have provided specific guidelines for emergency department readiness that include anticipated types of cases and symptoms (including their relative likelihood), recommended supplies, and data that should be collected by emergency department staff. Emergency department triage and medical staff are being advised to obtain information on whether patients presenting right before, during, and after the RNC with certain symptoms are RNC attendees, demonstrators, or in any way associated with RNC-related events. Unexpected clusters of illness should be reported to NYCDOHMH. Staff are also advised to drill on various protocols that might be utilized should an event occur.

- **General Infection Control Preparedness**—NYSDOH and NYCDOHMH advise hospitals to re-enforce respiratory hygiene measures among clinical and triage staff in emergency departments and other settings. They also advise that fever and rash as well as fever and respiratory symptom triage protocols should be reinforced to avoid the spread of infectious diseases.

- **Syndromic Surveillance**—NYCDOHMH will of course be monitoring its syndromic surveillance system, which, as indicated previously, collects extensive information from emergency departments, EMS, employee absenteeism data, and pharmacy sales in order to identify particular clusters of suspicious symptoms. For the purposes of the RNC, the system will be monitored with a lower threshold for responding to suspicious symptoms than under normal circumstances. NYCDOHMH advises hospitals participating in the system to be prepared to respond in the event that a "signal" is detected suggesting a potential illness cluster. In that event, NYCDOHMH will notify the infection control and emergency department contacts in the hospitals and more extensive information will be requested. Hospitals may also be requested to undertake more extensive screening, testing, chart reviews, and other activities. NYCDOHMH will also be prepared to visit hospitals to assist in making diagnoses, collect data, and monitor aspects of the event.

- **Final Alerts and Advisories**—NYSDOH and NYCDOHMH plan on sending Health Alerts to providers right before the RNC in order to reinforce the foregoing advice and any new

information. GNYHA will in turn distribute the Alerts to its broad list of hospital staff. GNYHA will also be reinforcing the multiple ways members can reach GNYHA at OEM, the MACC, and at GNYHA both during and outside regular business hours.

V. The Price of Preparedness

Quite clearly, extensive efforts are in place to be prepared for a vast array of events, both planned and unplanned, in the New York City region. The collaborative efforts that have taken place through GNYHA's Emergency Preparedness Coordinating Council are intended to enhance preparedness in the most efficient, efficacious, and expeditious way.

The Cost of Preparedness—However, the price of preparedness is still high. In late 2002, GNYHA undertook a survey of its members' actual and anticipated expenditures associated with their preparedness activities. The survey requested information about their incremental expenditures over and above what they would have spent on preparedness if the World Trade Center attack had not occurred, and excluding any costs incurred in the immediate response to the September 11 attacks. The survey requested cost information broken down into three categories:

- Expenditures undertaken during the period September 11, 2001, through December 31, 2002;
- Expenditures planned for the year 2003; and
- Expenditures that would be undertaken in 2003 if additional funds were available.

Fifty-four hospitals responded representing 51% of the institutions and 61% of the total operating expenses of the potential sample. The survey indicated that teaching hospitals had invested more heavily in preparedness than non-teaching institutions, a finding that is not surprising given that teaching hospitals are more likely to serve as regional trauma centers and burn centers, possess advanced disease surveillance and analytical laboratory capabilities, and tend to have a broader scope of services than community hospitals in general. In addition, hospitals in New York City not surprisingly spent more on average than did hospitals outside of the City, presumably because New York City hospitals place a higher priority on preparedness and have imposed a more aggressive timetable for implementation due to the higher risk of an attack in New York City.

Total Expenditures For Preparedness By Downstate Hospitals—In order to predict regional and Statewide expenditures for preparedness and based upon the observation that teaching hospitals have made greater investments in these activities, GNYHA extrapolated the survey findings using average expenditures per staffed bed according to hospitals' teaching status to all hospitals in the New York City metropolitan region as well as to all hospitals Statewide. Based on this extrapolation process, GNYHA determined that hospitals in the Downstate region alone:

- Spent $149.7 million on incremental preparedness activities between 9/11/01 and 12/31/02;

- Planned to spend an additional $183.6 million on incremental preparedness activities during 2003; and

- Identified additional needed but unbudgeted preparedness projects with projected costs totaling $788.6 million.

See Figure 1, which depicts the results of the extrapolation process and which appears in the supplement to this testimony.

Average Expenditures For Preparedness Per NYC Hospital—With respect to individual hospital expenditures for preparedness, hospitals in New York City:

- Spent on average nearly $2.5 million per hospital during the period from 9/11/01 to 12/31/02;

- Planned to spend on average an additional $2.9 million per hospital during 2003; and

- Identified additional needed but unbudgeted projects with projected costs totaling on average $12 million per hospital.

See Figure 2, which demonstrates the average expenditures per New York City hospital and which appears in the supplement to this testimony,

Although the costs identified through GNYHA's survey are significant, they do not capture the actual cost to our members in terms of the hours upon hours of administrative, clinical, and other personnel time that have been devoted to and will continue to be devoted to training, development of protocols, and reviews that will be undertaken each time a new threat alert or piece of intelligence is transmitted. In short, the price of preparedness is great and on-going, and there is no indication that providers in the New York City region will be able to stand down in terms of their level of preparedness.

Funding for Preparedness—New York State hospitals have received only relatively small amounts of funding toward their preparedness activities. While GNYHA and its members are appreciative of the bioterrorism funding that has been made available and continues to be made available through the Health Resources and Services Administration (HRSA), the amounts that filter down to individual hospitals do not begin to address the expenditures that are being made by the New York City region's hospitals.

The following details the amounts that have been made available or will be available to hospitals in New York City through the HRSA Bioterrorism program to date:

- FY2002: $40,000 per hospital;

- FY2003: $85,000 per hospital plus $4.2 million <u>total</u> for all New York City hospitals for special projects; and

- FY2004: amounts per hospital not yet determined, but total amount available is similar to FY2003.

See Figure 3, which demonstrates the cost of preparedness per New York City hospital juxtaposed with the amount of HRSA funding made available to date. Figure 3 appears in the supplement to this testimony.

The Poor Financial Condition of New York State Hospitals—The need to increase and maintain preparedness and in turn to increase expenditures for this purpose could not come at a worse time. *Hospitals in New York State suffer from the worst financial conditions of hospitals anywhere in the country and have experienced five years of bottom-line losses.* This situation is rooted in the following factors:

- New York's previously regulated all-payer rate-setting system, which squeezed any surpluses out of hospitals;

- Declining revenues resulting from private payer negotiations and their practices of delaying and denying payments;

- The mission of caring for the State's three million uninsured residents; and

- The imposition of unprecedented Medicare cuts, beginning with the Federal Balanced Budget Act of 1997, continuing with reductions in payments to teaching hospitals, and now pending are cuts in the New York City area wage index, which, if implemented, will reduce Medicare payments to area hospitals by over $100 million annually.

Clearly, the financial condition facing New York's hospitals impedes their ability to undertake the activities that are essential to both fulfilling their basic mission of providing health care and their new role as the front line of the public health defense and emergency response systems.

Securing the Necessary Resources to Ensure Public Health and Health System Preparedness—It is essential that the New York City region's hospitals obtain the resources they need to continue to enhance and maintain their preparedness for the protection of all of us. We therefore request that Congress authorize additional funding for these purposes. Our hospitals take on additional responsibilities in light of their location in the New York City region due to the region's role as the nation's financial center, its many national landmarks, and the view of the world that New York City holds a little bit of everything that is good about America. Our hospitals take on these additional responsibilities for the benefit of the country at large, and they in turn deserve to be supported in their efforts.

I thank you for the opportunity to appear before you today and am of course available to answer any questions you may have.