

# Tuesday may be BMC's D-Day

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Bayonne Medical Center may learn Tuesday whether it will stay open or be shuttered.

That decision will likely fall to U.S. Bankruptcy Court Judge Morris Stern, who is being pressured by the hospital's secured creditors to cut off BMC's credit line and compel it to sell off its assets so they can get their money. Stern has hinted he can't put them off much longer and the case comes up for review at 11 a.m. Tuesday in Newark.

BMC, meanwhile, is pulling out all stops to make sure that doesn't happen.

On Monday, BMC agents and Bayonne Mayor Joseph V. Doria Jr., who is also a state senator, will go to Trenton to huddle with state Health & Senior Services Commissioner Dr. Fred Jacobs, BMC Board Chairwoman Ruth Dugan said.

Also, a busload of BMC advocates will deliver petitions to Gov. Jon Corzine demanding that the state intervene to keep the hospital in operation.

Bayonne Medical Center owes \$74 million — \$24 million to "trade creditors" who have provided supplies and services to the hospital — and \$50 million to commercial lenders, said Daniel A. Kane, interim administrator at BMC.

Assemblyman Louis Manzo, D-Jersey City, wrote to Gov. Jon Corzine and Jacobs on Wednesday, advising that the bankruptcy judge needed to hear some type of state commitment to BMC — either by getting the state Health Care Financing Authority to approve the hospital's application for more than \$80 million to refinance debt, create a reserve account and pay for physical improvements; or provide an emergency appropriation of \$50 million.

Assuming that the governor would help keep the hospital open, Dugan said that BMC would be prepared to negotiate a payment plan with its secured creditors and implement a reorganization plan, drafted by BMC consultants, recommending a stripped-down facility of 150 beds (down from the current 278), set up more specialty clinical services, such as orthopedics and neurosurgery, and

allow doctors to contract for office space at the hospital.

Dugan said that BMC would still look to keep the same number of employees, by reassigning them to other, similar jobs.

"Our consultants have told us that if we fully reorganize and implement the appropriate programs, we should be able to save between \$12.5 million and \$25 million over an 18-month period," Dugan said.

BMC has also been entertaining offers from prospective purchasers of the hospital.

One proposal, by the Tennessee-based GP Medical Ventures, which was backed by a group of BMC doctors who would be allowed to buy a stake in the hospital, was reportedly scrapped because the debtor hospital declined to pay for a feasibility study.

Another proposal, by International Sleep Network, a health care management group, which also promotes more direct involvement by doctors, is reportedly still under consideration, sources said.