

## **Gramercy Park Block Association**

**March 19, 2008**

Dear Friend,

Many of you have been asking if we have heard anything about the future of Cabrini Medical Center. We found out that this historic Gramercy Park institution on East 19th Street is closing this week due to pressure by the state and loss of revenues. According to a spokeswoman from the state Department of Health, the 236-bed hospital was unable to make payroll. It seems Cabrini could not compete with larger hospitals that were benefiting from volume discounts, stronger bargaining position with insurers and modernized facilities. Some rival hospitals have already negotiated the use of Cabrini's facilities. Beth Israel Medical Center will use 56 beds for substance abuse treatment, and Calvary Hospital is basing a new long term care and hospice facility there. Cabrini is also in negotiation with Saint Vincent Catholic Medical Centers to lease four floors to house psychiatric beds.

Warm Regards,  
Arlene Harrison  
Gramercy Park Block Association