DESTINATION UNKNOWN
LI industry leaders offer direction to what lies ahead

 CPA FIRMS GET READY FOR A BUSY 2018
» 25

VOTERS EXPECT NEWLY ELECTED TO DELIVER
» 18

GROWING LAW FIRM SHORTENS NAME AND REBRANDS » 15

From A to Z We've Got You Covered
Executive Breakfast
Golf Course 16, 2018. For more info 631-434-5600

AVZ CERTIFIED PUBLIC ACCOUNTANTS
Long Island New York
www.avz.com
DESTINATION UNKNOWN

LI industry leaders offer direction to what lies ahead

REAL ESTATE

KYLE STROBER
Executive Director, Association for a Better Long Island

Trump's tax bill aftereffects will include a LI taxpayers' demand for financial accountability from local school districts who will be forced to stop creating illegal multimillion dollar slush funds.

Long Island will enjoy another golden age for real estate development as millennials seek cool downtowns and transit oriented developments. Minola and Farmingdale are transformed. Garvies Point, Wyandanch Rising, and Ronkonkoma Hub are breaking ground. Heartland, Nassau Hub, downtown Baldwin, Hicksville, East Yaphank are next.

Ronkonkoma Hub has blueprints that include an arena/convention center that leverage nearby LIRR and MacArthur Airport as unmatched transportation assets. The region's tourism agency, Discover Long Island, will have something more than wineries and beachfront to promote.

East End townships will see a boom in affordable year-round rentals. Southampton and Southold have already made strides while newly elected Supervisors Van Scoyoc and Greth campaigned on it.

Hempstead Town's political revolution will continue as the town board forms a coalition that has Councilwoman Erin King Stover as a key player while developers try to figure out who guides zoning and economic development.

County Executive Curran will be stunned when she discovers the true extent of Nassau's indebtedness due to hidden tax certiorari judgments. It will have a profound impact on her public policy choices, her relationship with NIFA and essential services.

ANN CONROY
President, Douglas Elliman Real Estate

Long Island is a great place to live and work. Our villages and vibrant towns are becoming downtown hubs attracting buyers of all ages seeking a quality lifestyle that includes proximity to chic restaur-

See FORECAST, Page 8
their positions of power.

However, this watershed moment also demands that we find the right balance between keeping victims safe and not overreacting when normal human behavior has occurred. While businesses must have proper procedures and training in place to create a safe workplace, it's also important that they preserve the camaraderie and office culture that make their businesses so rich and enjoyable places to work. No one wants to work with a bunch of robots who don't say a word out of fear that they might offend someone. Such a workplace culture would also be damaging to women, as they could lose out on promotions, projects, or mentoring relationships that involve close contact with the opposite sex, which employees may come to view as too risky.

As we continue to expose those men who use their powerful positions as a cover to disrespect women, we must also be cognizant of the fact that this swing of the pendulum has exposed innocent men to having their careers ruined by allegations that they and something in appropriate, rather than just having been friendly with someone.

Striking the right balance must be dealt with at the workplace level, and not through the courts. The unprecedented number of harassment allegations now coming to the surface will get lost in an overloaded court system; all claims, legitimate or not, will get muddled together in a judicial system that is simply unable to handle it all.

Instead, real solutions to sexual harassment in the workplace can only come from fostering an environment of collaboration and mutual respect among all employees. That means that men need to take responsibility for self-monitoring their behavior as well as to stop ignoring (at best) or encouraging (at worst) when other men act inappropriately. We need to keep this dialogue open in 2018 for this national moment of reckoning to truly have a lasting impact.

HEALTHCARE

KEVIN QUINN
Partner, Cortelli Diamond

The healthcare forecast for 2018 is partly sunny or partly cloudy, depending on your outlook. 2017 was a tumultuous year for healthcare. Efforts to "repeal and replace" Obamacare fell apart, proposed healthcare mergers (Athena/UCAN and Aetna/Humana) never happened, Obamacare premiums increased again for 2018 and health insurers exited the Obamacare marketplace nationwide including here on Long Island, which saw Health Republic and Northwell's CareConnect disappear. President Trump declared the opioid crisis a national emergency and the price tag will be high to deal with this epidemic. So what's on the healthcare horizon for 2018? Health-care costs will continue to increase. Specialty drugs and other medical advances will continue to put upward pressure on national, employer and individual medical expenditures. The monthly premium for a typical "gold level" (80%) plan is currently about $900 and $2,500 for single and family coverage, respectively. More individuals will be covered under high deductible health plans (HDP). Employers will continue to incentivize employees to enroll in an HDP benefit option while other employers may consider an HDP as the only healthcare benefit they will offer. To remain competitive, companies will continue to offer healthcare benefits to employees, as are seeking creative ways to control costs. Companies with 100 to 500 employees that typically would purchase insurance policies with known monthly premiums are now considering self-funding their medical plans and purchasing stop-loss insurance to protect against high claim liability. Other businesses are beginning to explore F.A.C.T. (Fiscal Average Cost Tracking), a new reference-based pricing alternative to traditional healthcare models. F.A.C.T. generally sets price limits for certain medical procedures and/or limits the cost the plan will pay for hospital and outpatient facilities.

See FORECAST, Page 14
FORECAST 2018

STUART ALMER
Administrator/CDO, Garden Jewish Nursing & Rehabilitation Center
(ranked president and CEO as of Jan. 1, 2018)

There’s no doubt that 2018 will see the continuation of a healthcare system in flux, and this is especially true in the senior care industry on Long Island. Tremors over the past several years have seen the impact of regulatory change and managed care on nursing home rules and requirements continue to evolve, focusing on improved outcomes while at the same time shortening lengths of stay. Referral partners, such as hospitals and physician networks, are increasingly important to nursing care facilities, as they progressively generate more of their referrals to those providing the highest level of care and achieving the best possible outcomes at the lowest possible cost. To stay in the game, facilities need to have an unwavering focus on providing value care to more clinically complex patients, the nursing home patient of today is the hospital patient of the past. Offering comprehensive, high-level services such as on-site ancillary, ancillary care, recovery care, a full-service medical clinic and full-time staff physicians help facilities like Garden remain competitive in the current healthcare environment. In addition, the importance of community programs, such as home care and adult day care services, is on the rise, as they may increasingly be the best, cost-effective and least restrictive form of care for many. Our Long Island population is aging, and they will need more complex quality care. The senior care industry faces many challenges, and it remains to be seen how tax legislation and healthcare reform will affect it in the future. Regardless, Garden remains committed to caring for the needs of Long Island’s growing senior community.

KEVIN DAHILL
CEO, President, Suffolk Hospital Alliance of New York State

Medicare and Medicaid will remain likely targets for reimbursement cuts as Congress looks to fund the tax code overhaul that comes with a $1.5 trillion price tag. Tax reform's elimination of the individual mandate is also troublesome. Not only will this cause de-stabilization of the market, but 13 million Americans are projected to lose their insurance, according to the Congressional Budget Office. A premium rise of about 10 percent for those with insurance is also expected. The uncertainty in Washington is placing strain on New York’s budget. With less federal dollars flowing to New York State, it remains to be seen how our state will fill a budget gap. The state will look everywhere to fill that hole, including perhaps assessing businesses and even raising individual taxes. Medicaid’s fate affects everyone, not just the nearly 20 percent of New Yorkers who rely upon this program for their health coverage. Although the current administration has slowed the progression of some value-based payment programs, we expect that care delivery and payment structures will maintain their value over time. These programs have added to better coordinated and enhanced care and overall savings. The Centers for Medicare and Medicaid Services says it will announce new voluntary payment bundles soon. Such frequent policy changes are not easy for the massive healthcare industry to absorb and these changes have a daunting effect on staffing, budgeting, and short and long range strategic planning.

MICHAEL DOWLING
CEO, Northwell Health

The large healthcare mergers happening across the country, as well as the recently announced deal between CVS and Aetna, and the emergence of companies like Google, Amazon and IBM Watson, looking to stake out a piece of the healthcare field underscore the ever-evolving nature of the ways people access and pay for care and services. Rather than view this movement as a threat, Northwell is forging new partnerships and pursuing ventures that will enable us to compete more effectively in this rapidly changing environment. This era of consumerism forces everybody—to think about doing things differently. I’m a big believer that competition is good. It’s disrupting. It will give you headaches. You’ll have sleepless nights. But it’s good, because it forces you to work harder and get better. You’ve got to be more efficient, more productive and more creative. These types of disruptions are occurring in all industries, not just healthcare. To adapt, we’ll have to expand our ambulatory network. We’ll focus more on enhancing the patient experience. We’ll figure out how to do more innovative partnerships. We will enhance our efforts in the prevention arena. We’ll maximize our use of artificial intelligence and telemedicine. We’ll increase our focus on customer loyalty and be more retail focused.

DENNIS VERZI
Executive Vice President and Chief Operating Officer, Catholic Health Services

Change is the one constant in healthcare. While the path may be different, the common themes in healthcare reform remain consistent with Don Berwick’s ‘triple aim’ of healthcare delivery despite the current volatility in Washington, DC. In one word, success in this area remains paramount. In 2018 and beyond, patients will continue to direct more of their healthcare which will be crucial in shaping how healthcare will be delivered in the future. The focus for institutional, physician and allied healthcare providers remains population health with a strong emphasis on value-driven delivery of care shifting away from traditional volume-driven fee-for-service care. ‘Well care’ and prevention as opposed to ‘sick care’ will become more of a priority for healthcare providers and payers. As hospitals and health systems strive to enhance the patient experience, improve quality outcomes and treat the whole person, the movement toward outpatient/ambulatory platforms and care at home will advance along with the proportional decline in inpatient use rates. Similarly, avoiding unnecessary admissions, preventing certain readmissions, increased use of observation care, and targeting further reductions in length of stay for those who are admitted to hospitals will further reduce inpatient use rates. Also, as additional value incentive programs are offered by both commercial and governmental payers along with initiatives such as New York State DESIRP, patients will be encouraged to use more primary care and urgent care and less emergency department care. The greater emphasis on primary care will create growing need for more primary care physicians and an increased use of advanced care practitioners such as nurse practitioners and physician assistants. Competition among Long Island and New York hospitals and systems will continue to escalate, and further consolidation of the few remaining free-standing hospitals is inevitable. For more efficient access, physicians will target alignment with other healthcare systems and partner with community-based organizations. Concurrently, commercial and governmental payers will move away from fee-for-service arrangements and go to value contracting and risk arrangement through health networks, in an effort to develop lower-cost health insurance products that have a narrow network.

JOSEPH TOMAINO
Principal of Healthcare Transformation Consulting, Gans & Co.

In 2018, we will see a continuation of the trends of vertical integration of healthcare—development of services outside the four walls of the hospital into the community. We will also see continued consolidation of both hospitals and medical providers. We are seeing an emerging trend of physicians who have been consolidated into hospital systems looking for alternative arrangements, such as forming multi-provider medical groups or ambulatory surgery centers. In the coming year, we expect to see continued involvement of private equity in supporting the management services of these emerging practices and entities. Also, physicians who have resisted the trends toward value-based payment, such as pursuit of meaningful use certification, are beginning to realize that they are missing some significant economic opportunity by doing so. They are slowly beginning to embrace a rebalance of their processes to take advantage of quality incentive payments and avoid rate reductions resultant from not using an electronic health record. An additional focus in 2018 will be the impact of some of the hospital realignments over the past year. For years, there have been two major health systems on Long Island—Northwell, and Long Island Health Network (LIHN). LIHN has been a clinically integrated network which contracts with managed care on behalf of its members—the six hospitals of Catholic Health Services, Winthrop, South Nassau, Brookhaven, and Mather. Winthrop and South Nassau are realigning with NYU and Mt. Sinai respectively, and Mather with Northwell. The impact of these strategic realignments, as well as the ability of LIHN to maintain itself as a clinically integrated network and negotiate managed care contracts effectively bear watching.