



Home > Health Pulse

February 22, 2021 05:30 AM | 11 HOURS AGO

Terminated lease, withdrawn litigation are latest salvos in Bayonne Medical Center fight

Plus:

- Manhattan biotech firm raises \$75M in stock offering
- Amida Care, independent provider association partner on payment contract
- Bristol Myers Squibb closes \$4 billion debt tender offer

SHUAN SIM

EDDIE SMALL

TWEET

SHARE

SHARE

EMAIL

REPRINTS

A management company fighting to operate Bayonne Medical Center has withdrawn a lawsuit against its competitor but said it is not backing down from the fight.

CarePoint Health, headquartered in Hoboken, dissolved in February 2020 and was liquidating its three assets: Bayonne Medical Center, Hoboken University Medical Center and Christ Hospital in Jersey City. It entered into a formal sale agreement with BMC Hospital LLC, comprising four health care investors, to operate the facility.

However, Hudson Regional Hospital, based in Secaucus, had acquired the real estate on which Bayonne Medical Center sits and also wishes to assume operations of the hospital. BMC Hospital had sued Hudson Regional in September claiming interference in its deal to buy operation rights from CarePoint.

BMC Hospital withdrew its lawsuit against Hudson Regional Feb. 8. However, Hudson Regional on Friday terminated CarePoint's lease on allegations of default and seeks to evict the former owner, alleges New Jersey's Health Department declined to advance BMC Hospital's application for ownership and says it has submitted its own application for ownership.

"As we have asserted frequently during this process, Hudson Regional stands ready to assume operations at Bayonne at a moment's notice," said Dr. Nizar Kifaieh, president and CEO of Hudson Regional Hospital.

Hudson Regional said BMC's withdrawal of the lawsuit vindicated its position. A BMC Hospital spokesman said the withdrawal does not indicate a change of its intentions to assume operations.

need is approved by the Department of Health," he said. BMC had acquired a 9.9% ownership stake in the medical center in November.

BMC Hospital's spokesman also said Hudson Regional is lying by saying its certificate-of-need application had been stalled. "There has been no ruling in that matter, and BMC fully expects the process to reach a successful conclusion," he said.

A Hudson Regional spokesman said BMC Hospital will never be able to legally operate Bayonne Medical, although it is attempting to illegally induce doctors to provide health care services even though they have no license to operate at Bayonne, presumably with CarePoint's knowledge.

BMC Hospital's spokesman in return said Hudson Regional's claim is a complete lie that likely amounts to slander. The company sent a cease-and-desist letter Sunday to Hudson Regional demanding it cease from further defamatory statements.

CarePoint Health did not respond to a request for comment. —Shuan Sim

Manhattan biotech firm raises \$75M in stock offering

Biotechnology development company Alkido Pharma has raised \$75 million through a stock offering, the company announced Friday.

Alkido closed its public offering of about 47 million common stock shares at a price of \$1.60 per share, the firm said. H.C. Wainwright was the book-running manager for the offering, and Alkido has granted the underwriter a 30-day option to buy up to roughly 7 million more common stock shares at the public offering price.

The biotech firm plans to use its proceeds from the offering for working capital and general corporate purposes. It did not respond to a request for more details about how it would use the funds.

Alkido had announced Tuesday that the size of its public offering would increase due to demand.

Alkido trades on the Nasdaq, and its stock price was \$1.64 per share as of Friday afternoon. The company is based at 1 Rockefeller Plaza in Manhattan.

The company was founded in 1967, and it focuses on small-molecule anti-cancer therapeutics. Its pipeline of therapeutics includes treatments for pancreatic cancer and two types of leukemia, and it is also developing an antiviral platform that could prevent multiple viruses from replicating, including influenza and coronavirus. —Eddie Small

Amida Care, independent provider association partner on payment contract

Amida Care, a nonprofit Medicaid special-needs health plan, on Thursday announced that it has submitted an application to the state that will enable small health centers to participate in value-based cost savings.

The Midtown-based health plan and EngageWell IPA—a group of medical providers and community-based organizations headquartered in Midtown—have submitted a level two value-based payment contract to the state Department of Health. The contract enables stakeholders to receive cost savings. It is different from a level one contract in that stakeholders are entitled to more of the savings but also are penalized if costs go up. Level two contracts also require stakeholders to address social determinants of health.

Hospitals have participated in level two contracts for a while, but this might be the first time federally qualified health centers have applied for one, said Doug Wirth, president and CEO of Amida Care.

Individual health centers are restricted by the federal government from participating in level two contracts, but EngageWell, as a collection of multiple providers, should be able to access this payment system, Wirth said. Accountable care organizations have participated in these kinds of flexible financing innovations, which have led to improved health outcomes, and it doesn't make sense to exclude health centers from participating, he said.

Amida Care and EngageWell expect the state to respond to the application in about 90 days, Wirth said.

The application focuses on HIV patients who are Amida Care members and receive their primary care at Housing Works, a federally qualified health center that addresses HIV and homelessness issues. The arrangement allows EngageWell to address nutrition and housing stability, medication management and adherence support to achieve HIV load suppression, thereby reducing the total cost of care. Amida Care also will provide data support to inform providers of performance metrics.

As there has been no track record of FQHCs in such contracts, it's not clear what magnitude of cost savings can be achieved, Wirth said. However, looking at ACOs, it is possible to expect costs lowered about 2% to 5% year over year, and these savings can be reinvested into technological innovations, staffing or programmatic enhancements, he said.

"They won't be in the millions of dollars, as hospitals might achieve, but savings in the hundreds of thousands of dollars each year is very possible, and these amounts are meaningful to FQHCs," Wirth said.

Amida Care was founded in 2003, and it serves over 8,300 patients living with HIV or experiencing homelessness in the five boroughs. Its revenue in 2018 was \$414 million. —S.S.

Bristol Myers Squibb closes \$4 billion debt tender offer

Bristol Myers Squibb, a global pharmaceutical company based in Kips Bay, on Friday announced the closing of its \$4 billion offer to purchase outstanding securities debt. About \$3 billion of the principal amount was accepted.

The company made 20 offers to purchase debts it issued as well as those of Celgene, based in Summit, N.J., which it acquired for \$74 billion in 2019. The security notes were due to be repaid in the years 2023 to 2049.

As of Dec. 31, BMS held \$50.5 billion in long-term debt and \$1.7 billion in marketable debt securities. Interest expense during 2020 increased to \$1.4 billion as Bristol Myers Squibb issued \$19 billion in debt in 2019, as well as assumed nearly \$20 billion in debt from its Celgene acquisition.

Bristol Myers Squibb's long-term and short-term credit ratings assigned by Moody's Investors Service are A2 and Prime-1, respectively, according to its annual report.

The company continues to prioritize investment for growth through business development along with debt reduction, dividend growth and share repurchase, the report said. —S.S.

AT A GLANCE

WHO'S NEWS: Dr. Monica Lyson is the new vice dean for education at Columbia University's Vagelos College of Physicians and Surgeons, the institution announced Friday. She assumes the role from Dr. Jonathan Amiel, who has

Troy Oechsner was named executive vice president of the Medical Society of the [State of New York](#), it announced Friday. Oechsner was previously partner at Los Angeles-based consulting firm Manatt, Phelps and Phillips and has worked at the state Department of Financial Services.

VISITATION RESUMES: The state Department of Health has allowed nursing home visitation to resume starting today, Gov. Andrew Cuomo announced Friday. Visitors are recommended to take a rapid Covid-19 test before entry, and the state can provide them to nursing homes at no cost. The resumption is in accordance with recent guidelines from the Centers for Disease Control and Prevention and the Centers for Medicare and Medicaid Services.

NURSING HOME REFORM: Gov. Andrew Cuomo also announced Friday that he will be implementing "sweeping nursing home reform legislation" to increase transparency and hold home operators accountable. The reforms were introduced in Friday's budget meeting, and Cuomo said he would not sign the budget without them. Measures include listing payer rates by source, a \$25,000 fine for violations—including removing a 30-day period to rectify violations—introducing minimum spending requirements for patient care and staffing, and implementing profit and management salary caps.

J&J VACCINE: Johnson & Johnson on Friday announced its Belgian subsidiary has submitted an application for an emergency-use listing of its vaccine to the World Health Organization. The listing expedites its access internationally and is a prerequisite for distribution through WHO's Covax Facility, a global initiative for pooled procurement of Covid-19 vaccines for 190 participating countries, including 92 lower-income ones.

Letter
— to the —
Editor

To send a letter to the editor, please email a message to letters@crainsnewyork.com

RECOMMENDED FOR YOU

Coalition for Behavioral Health members report losses, lack of reimbursement during pandemic

NYU Langone refocuses on growing outpatient services in 2021

Stop pointing fingers and focus on fixing gaps in care, nursing home leaders say

 Sponsored Content: Companies turn to digital to drive finance transformation

SIGN UP FOR NEWSLETTERS

Breaking News - Delivered as it happens

Daily Alert - Delivered by 3pm, M-F

Morning 10 - Delivered by 8am, M-F

EMAIL ADDRESS

- Health Pulse - Delivered by 6am, M-F
- Crain's Events Calendar
- People on the Move - Delivered Fri.
- Small-Business Toolbox - Delivered Th

I'm not a robot

reCAPTCHA
[Privacy](#) - [Terms](#)

[Comments](#)
[Community](#)
[Privacy Policy](#)
[Login](#)

[Recommend](#)
[Tweet](#)
[Share](#)
[Sort by Newest](#)

Start the discussion...

LOG IN WITH

OR SIGN UP WITH DISQUS [?](#)

Name

Be the first to comment.

[Subscribe](#)
[Add Disqus to your site](#)

[Do Not Sell My Data](#)

GET OUR NEWSLETTERS

Staying current is easy with Crain's New York news delivered straight to your inbox, free of charge

Email Address

SIGN UP

CRAIN'S STUDENT OFFER

We offer a discounted rate through Student Beans for students with a valid .edu email address. For only \$35, you can get the leading source of business news, anytime & anywhere, for an entire year.

SUBSCRIBE TODAY!

CONNECT WITH US



Crain's New York Business is the trusted voice of the New York business community—connecting businesses across the five boroughs by providing analysis and opinion on how to navigate New York's complex business and political landscape.

CRAIN'S NEW YORK BUSINESS

CONTACT US

685 Third Avenue
New York, NY 10017
(212) 210-0100

[Contact us](#)

[FAQ](#)

[Report a problem](#)

[Staff directory](#)

[Crain jobs](#)

RESOURCES

[Current Issue](#)

[AdChoices](#) 

[Newsletters](#)

[Sitemap](#)

[Reprints](#)

[Corrections and Clarifications](#)

ADVERTISE

[2021 Editorial Calendar](#)

[Media Kit](#)

LEGAL

[Terms and Conditions](#)

[Privacy Policy](#)

[Privacy Request](#)

CRAIN

Copyright © 1996-2021. Crain Communications, Inc. All Rights Reserved.

