

# Schumer, hospital officials help each other

August 2, 2009 by TOM BRUNE / [tom.brune@newsday.com](mailto:tom.brune@newsday.com)

WASHINGTON - If there is any doubt about the connection between an industry's health-care agenda and its campaign contributions, consider the case of New York's teaching hospitals and Sen. Charles Schumer (D-N.Y.).

In February, Schumer went to bat for a priority of the Greater New York Hospital Association and won \$190 million from the Obama stimulus package to restore Medicare reimbursements to teaching hospitals that had been cut by the Bush administration. By the end of March, Lee Perlman, the association's chief financial officer and a lobbyist, had collected and bundled \$131,700 from three dozen New York hospital officials and others to give to Schumer's campaign fund.

Perlman's work soliciting donations saved Schumer much time and effort, and the sum accounted for nearly a tenth of the \$1.4 million Schumer raised in the first quarter of this year.

## Schumer pushes issues

In an e-mail, Perlman said he and the other donors supported Schumer because he understands "issues of importance to New York's health care community, including protecting reimbursement for medical education and charity care."

Schumer spokesman Brian Fallon said the senator did not act in response to campaign contributions and any implication he did something improper bordered on the "absurd."

Schumer, he said, "would be derelict in his duties if he didn't stand up for the hospitals, which make up the largest industry in New York and employ hundreds of thousands of people at all income levels."

**How Washington works** Experts said the case shows how Washington works.

"It's clearly how the game of politics is played in Washington, D.C.," said Craig Holman of Common Cause, a nonpartisan citizens' advocacy group, which says publicly financed campaigns would end special interest money's influence in Washington. "If someone wants a legislative favor, the very best way to try to encourage a member of Congress to become your champion is to become that member's financial angel," he said.



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Holman said there was nothing illegal about the large bundled donation. He credited the new ethics act for requiring disclosure of it and Schumer for being one of the few to do it.

Gary Jacobsen of the University of California at San Diego said the contribution's size raises a question: "Did the member [of Congress] receive the contribution by people grateful for the public service he performed by making these incredibly valuable teaching hospitals sound, or was it quid pro quo?"

That's a hard question, said David Levinthal of the Center for Responsive Politics, and the answer is up to voters.

Fallon denied it was a quid pro quo. Schumer, he said, has long been an advocate for New York's hospital and health care industry, carrying on the legacy of the late Sen. Daniel Patrick Moynihan (D-N.Y.).

Schumer often works with the Greater New York Hospital Association, a powerful trade group for more than 100 hospitals. The group reported spending \$770,000 on lobbying so far this year and assigned nine of its lobbyists to win a reversal of the Bush cuts to Medicare funds for teaching hospitals.

Schumer took up the task in the Senate and battled with reluctant members of the Finance Committee to win an amendment to the stimulus bill for a one-year fix.

Hospitals were ecstatic.

Perlman said he and hospital officials raised the \$131,700 in their personal, not official, capacities for Schumer's uncontested re-election bid. "He is a true champion," Perlman said, "in ensuring that New York is treated equitably in health reform legislation."

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