



[NY hospital lobby's power stretches to DC in stimulus battle](#)

The stated mission of The Greater New York Hospital Association is simple enough: to help members deliver “the finest patient care in the most cost-effective way.” But it’s more complicated than that.

While the association, which represents health care providers at the epicenter of the [pandemic](#), is a nonprofit organization, it has the balance sheet of a robust private company, pays executive salaries that top \$3 million and spent millions more to lobby in Washington for some of the nation's most profitable hospitals.

So when it came time to secure its share of the record \$3.6 trillion in federal stimulus money, the association was well positioned. It helped steer over \$11.5 billion in funding to the state, with billions more on the way soon, in a competition with other hospital groups, major corporations and thousands of small businesses.

“On the surface, the purpose (of the stimulus) is to relieve financial damage caused by COVID-19. But in reality, it’s likely to actually increase the disparity,” said Ge Bai, a Johns Hopkins University professor who studies the economics of hospitals. “It’s very political. The money coming from the federal government is a zero sum game and we have some extremely powerful, large and rich hospitals.”

The story of how the New York group leveraged its power during the pandemic shows that the Washington influence industry functions much the same way in a public health crisis as it does in normal times, where the better heeled and connected get far closer to a desired result.

Many smaller organizations say the group’s connections and resources make it hard to compete.

“We did feel that we were being a little outgunned,” said Maggie Elehwany, vice president of government affairs and policy for the National Rural Health Association, which has spent just

over \$403,000 on lobbying since January 2019, a fraction when compared to the \$3 million outlay by the Greater New York Hospital Association during the same period.

The association helped secure billions for its member hospitals inundated by the virus, particularly New York City's underfunded public health system.

But the aid will also flow to profitable hospitals that have generated millions — and in some cases billions — of dollars in revenue in recent years, records show.

What's more, some of the group's recent lobbying has been aimed at rolling back consumer protections or blocking new ones rather than securing resources for New York.

The association declined to answer questions. Brian Conway, the group's spokesman, said in a statement, "GNYHA advocates fiercely and without apology for our entire membership, including public hospitals, financially struggling safety net hospitals, and academic medical centers, and we will continue to do so."

The Trump administration has wide latitude to decide where much of the \$175 billion in emergency coronavirus funding allotted for hospitals and other health care providers will go. And New York isn't the only state seeking to influence how the money is distributed.

If it does prevail, one reason is likely to be its well tended political connections.

The association has served as a deep-pocketed donor to the interests of powerful Democratic officials in New York such as Gov. Andrew Cuomo and Sen. Chuck Schumer, while also maintaining Republican ties, including the ability to contact Jared Kushner, President Donald Trump's son-in-law and a top adviser, by phone when needed.

The organization has given more than \$8.5 million since 2016 to a super PAC aligned with Schumer, and about \$2.2 million to a similar super PAC that elects House Democrats. Its chief lobbyist, David Rich, has donated more than \$130,000 to Cuomo, a Democrat, records show.

The contributions to the two super PACs were more than double what the American Hospital Association's political action committee gave to Republicans and Democrats alike during the same period.

Raske recently touted the organization's contacts with high-ranking White House officials.

“GNYHA has been totally engaged with the Trump Administration on this issue,” Raske wrote in an April 10 statement that also mentioned he spoke directly with Kushner.

New York has since received an additional \$4.3 billion made available through a \$10 billion pot of money for coronavirus “hotspots.” And more money is coming through a \$500 billion coronavirus aid bill Trump recently signed.

Beyond seeking relief money, the association has been instrumental in fighting a consumer protection measure that would prevent hospitals from sending surprise bills to care recipients.

The group told members in an email that it “advocated strongly against” it and was “pleased that extraneous measures supported by the Trump Administration, such as surprise billing and price transparency provisions, were not included in the final legislation,” the news website ModernHealthcare reported.

It also secured legal protections in New York to reduce hospitals' liability during the pandemic

Smaller, less powerful hospital associations have not been so successful.

Timothy Moore, president of the Mississippi Hospital Association, said revenues at hospitals in his state have dropped as much as 60%.

Nearly 100 hospitals Mississippi have received \$175 million in stimulus money so far -- barely enough to cover a month's worth of expenses for many of these facilities, according to Moore.

“I’ve had large hospitals in the state of Mississippi that call me and say, ‘I had nobody in the parking lot.’ There’s not a car in the parking lot.’ Well, you can’t do that long,” Moore said.

The New York hospital association does not show signs of financial distress.

The group’s most recent tax filing revealed revenue of \$38 million in 2018 and assets valued at more than \$147 million, including five for-profit companies that took in an additional \$75 million in income. The association also paid seven executives over \$13 million. Raske, the association’s president, was paid a salary of \$3.4 million while the hospital covered first-class travel for him and his wife. Vice President Lee H. Perlman made \$3.2 million. And Rich, the lobbyist, earned over \$1.8 million. Former New York Congressman Charlie Rangel was also on the payroll, collecting \$75,000 a year as the group's only paid board director.

Roughly a month before the World Health Organization declared a pandemic, the group spun off two of its for-profit companies, which specialized in hospital consulting and supply chain management, in a deal worth over \$291 million, according to SEC filings.

In comparison, the California Hospital Association spent \$1.9 million on federal lobbying since the beginning of last year and held \$14.7 million in assets. Associations in Illinois and Texas all reported spending far less on lobbying and also held less in assets.

The organization does more than direct lobbying. They've also organized pressure campaigns that have lauded Schumer while urging people to contact their federal representatives. Recent Facebook ads ran in states where vulnerable Republicans are on the ballot, pressing for more hospital funding.

Gerard Anderson, a Johns Hopkins public health and business professor, recalls dealing with the New York association when he served at the Department of Health and Human Services under presidents Jimmy Carter and Ronald Reagan.

“They are notorious in Washington for being one of the best, strongest and most ruthless lobbying groups,” Anderson said.

[Health-related industries top Colorado lobbying spending so far, and it's only expected to intensify](#)

The total that special interests spend on lobbying Colorado lawmakers appears destined to set records, despite the potential for a shortened session amid the coronavirus pandemic.

The payments made by various corporations and interest groups to lobbyists topped \$29.6 million from July 2019 through the end of March, according to a Colorado Sun analysis of lobbyist filings. With three months left to report in the fiscal year, it's possible that spending could top [last year's record \\$36.4 million](#).

The pandemic is only amplifying the influence game at the Capitol as lawmakers prepare to return May 18 to a scrambled policy landscape and the need to rewrite the entire \$30 billion state budget. The session is expected to last three weeks and it's unclear whether lawmakers will end the term or come back later.

More than 600 lobbyists and lobbying firms reported representing more than 1,000 clients through the end of March. Lobbyists will report their April activity on May 15.

For the first half of the session, health care interests — including hospitals, insurers and pharmaceutical companies — dominated the spending. The industry accounted for 21% of the direct spending on lobbying through the end of March, the analysis showed. The \$6.3 million spent is more than double the next highest industry, K-12 and higher education at \$2.6 million.

A public option insurance measure that was withdrawn earlier this week was one of the most lobbied bills by all industries. Health-related businesses and interest groups are also lobbying heavily on a [bill to increase](#) drug-pricing transparency, a [consumer cost-sharing](#) study and a bill on [substance abuse treatment](#).

The focus on health care is not expected to change as the response to COVID-19 remains the top issue for lawmakers upon their return. In addition, much of the state's annual budget is related to health care, making the discussion about how to close a [\\$3 billion shortfall](#) crucial for the industry.

“COVID has significantly changed our legislative agenda,” said House Speaker KC Becker, a Boulder Democrat. “These are unprecedented circumstances that limited the ability and time for the legislature to meet, and limited the ability to fund anything. Attentions are directed elsewhere.”

“Health care is always the top issue”

Health associations, hospitals, health insurers, pharmaceutical companies and other related businesses are typically among the top spenders lobbying the legislature. The industry spent \$7.4 million for the 2019 session with the sums increasing each of the past five years.

“What we've seen over the past several years is that health care is always the top issue,” said Katherine Mulready, senior vice president and chief strategy officer for the Colorado Hospital Association.

In the past nine months, the group spent more than \$118,000 on lobbying, working on bills ranging from vaccination to medical providers. “As a rough approximation, about 15% of all legislation is health care legislation,” Mulready said.

The hospital association isn't the top spender among health-related groups, however. That's the Colorado Medical Society, which spent \$142,000 through March representing doctors in the state. The group is supporting measures to regulate nicotine and several measures dealing with substance abuse, among others.

Looking ahead to the session's restart, the industry is poised to be a key player as lawmakers focus on how to lower health care costs for consumers and on economic recovery measures related to the pandemic.

"We know health care affordability is going to continue to be an issue," Mulready said of the session. "But what we also know is that COVID is going to have lasting effects, and access to care is also going to be a bigger issue. Because COVID, frankly, is having a devastating impact on the entire health care sector, including hospitals."

She estimated the pandemic will have a \$3.1 billion impact on Colorado hospitals, about the same as the state's budget shortfall, and federal aid will only cover 20% to 25% of that impact.

Public option bill off the table after big lobbying spending

One of the major legislative efforts that drew lobbyists attention was a [bill](#) to create a government-mandated health insurance option for the public run through private companies. Through the end of March, House Bill 1349 was the third most lobbied measure this session, with more than 100 businesses and interest groups deploying more than 150 lobbyists and lobbying firms.

On Monday, the sponsors [announced](#) they'd withdraw the measure because response to the pandemic is the new legislative focus.

All the lobbying spending came despite the fact that the bill wasn't introduced until March 5, nine days before the legislature took a break. But the opposition began with TV ads in December that continued into March, as well as [mailers sent](#) in January.

Partnership for America's Health Care Future spent \$4.4 million on advertising opposing the public option at the same time it paid \$104,000 to Forbes Tate Partners, a Washington, D.C., lobbying firm. That firm reported that its client spent another \$107,000 on consulting and data.

The partnership is funded by insurance companies, health care providers, chambers of commerce, the Colorado Farm Bureau and others. "I've only been in the legislature for three years but this is by far the most heavily lobbied bill I've experienced," said Rep. Dylan Roberts, the Democratic bill sponsor. "The TV commercials that they were running were running two to three weeks into our (coronavirus) break."

More than half the groups or companies lobbying on the public option bill opposed it, including the Colorado Hospital Association. But the opposition wasn't limited to health-related clients. It

included business interests such as the Farm Bureau, Americans for Prosperity, the Colorado Contractors Association and the Tourism Industry of Colorado.

Only 17 clients supported the measure, including the national nonprofit Sixteen Thirty Fund, a Democratic-backed group that spent nearly \$11 million in Colorado in the 2018 election.

Through the end of March, Sixteen Thirty paid \$54,000 to Frontline Public Affairs for lobbying on the public option bill, paid family leave and a couple of other bills. The lawmakers sponsoring a bill to require businesses to provide paid sick and medical leave for workers [dropped their legislation](#) last week.

The most lobbied bill this session is not health care related

Despite the focus on health care, the most lobbied bill through March was a measure to prevent employers from firing workers who use legal substances, such as marijuana, during non-working hours. Nearly 170 businesses and interest groups employed more than 140 lobbyists with most opposing [House Bill 1089](#), which was defeated unanimously in its first committee.

The second most lobbied bill would [regulate arbitration](#) and drew more than 110 lobbyists representing more than 110 businesses and interest groups. That measure passed the Senate, but it's unclear what will happen in the House.

Only one of the top 15 lobbied bills has become law, a measure on [regulating short-term rentals](#). Four failed in committees, and four passed out of their original chamber.

The future of the lingering bills and other measures awaiting committee hearings remains in doubt. "We're not sending each other bills that the other chamber isn't going to pass," said Senate Majority Leader Steve Fenberg, a Boulder Democrat. "I do think both chambers are going to want to limit what we work on to be relatively narrow in scope."

[**Lobbying disclosure complaint filed against Ada GOP chairman**](#)

Ada County GOP Chairman Ryan Davidson, who is running for the Ada County commission, is the target of a lobbying disclosure complaint filed with the Idaho Secretary of State's office in April, alleging that he's been flouting the law.

The complaint was filed by Ada County GOP Central Committee member Edward Humphreys.

“The purpose of this complaint is to prompt the Secretary of State to open an investigation into all political organizations that have financial ties to Ryan Davidson including, but not limited to; The Liberty Lobby of Idaho, Liberty Political Consulting, and the Ada County Republican Central Committee,” Humphreys wrote in the complaint.

Humphreys alleges Davidson has breached a number of lobbying disclosure laws, including failing to report lobbying-related expenses for 2018 and for an \$11,532 legislative event at the Egyptian Theatre in 2019, as well as not registering as a lobbyist within 30 days after agreeing to work as one.

“Considering that Ryan Davidson is currently running to be on the Ada County Board of Commissioners it is my hope that the Secretary of State’s office will quickly carry out its duties as outlined in section 67-6623 of the Idaho Code and report these alleged violations to the appropriate law enforcement authority to protect citizens in Ada County,” Humphreys wrote.

Humphreys charged in the complaint that the lobbying disclosure violations were part of a long pattern of Davidson’s run-ins with the law, citing his lengthy record of misdemeanors and infractions. Most of those incidents involved either driving without privileges or failure to appear, according to Idaho court records.

In a statement sent to the Idaho Press, Davidson said he did not intend to file incorrect reports with the Secretary of State’s Office.

“If they determine that I was required to include the event in my report, I will gladly take any steps needed to remedy the issue,” Davidson wrote. The Ada County Republican Chairman explained the reason that he chose not to report the Egyptian Theatre film screening because it was an “open, public event” that was intended to gather a wide audience along with elected officials.

“We had no idea how many — if any — legislators would show up. In my mind, this was not the direct lobbying type of event I was familiar with that fell into the reportable categories enumerated on the disclosure form,” the statement said.

He also took aim at the report’s intent.

“It is clear that the complaint filed was politically motivated and timed in such a fashion to impugn my character while I am running for re-election as Ada County Republican Chairman. I am a grassroots political activist who has strived to push the party in a more principled, limited government direction,” Davidson wrote.

He called his misdemeanors “part of my activism” for those principles.

“I fought many battles in court to vindicate constitutional rights. In some of these battles I ended up being charged with simple misdemeanors, all related to failure to pay tickets that I was contesting,” Davidson wrote.

Idaho’s lobbying disclosure laws require lobbyists working with the Legislature to file monthly reports for each month the Legislature is in session along with an annual report of their expenses. Lobbyists who run afoul of those rules can face fines and potential misdemeanor charges.

In 2019, Davidson did lobbying work for Happy Hippo LLC, a kratom-distributing company. The FDA-contested herbal supplement is used as a mood booster, energy supplement and increasingly, as a means to help those fighting opioid addiction, according to the New York Times.

According to receipts and emails filed with the complaint, Davidson helped set up a March 12, 2019 lobbying event for Happy Hippo LLC at the Egyptian Theatre in Boise. However, Humphreys alleges Davidson never reported the \$11,532 spent on the event to show the kratom documentary “A Leaf of Faith.” That movie screening was intended for Idaho state legislators, the emails said. And a separate document in the complaint charges that Davidson subcontracted with another lobbyist, Kristen Jones, for \$10,000 per month during the 2019 legislative session and didn’t disclose that, either.

Davidson said he had been in touch with the Secretary of State’s Office about the complaint, and that he would hold off on making any comments.

“My preference is to wait until their investigation is complete,” Davidson said.

Deputy Secretary of State Chad Houck said his office had received and forwarded Humphreys’ complaint against Davidson to the Idaho Attorney’s General Office for review. He also noted that Davidson had complied with a request for more documentation regarding his lobbying activities and that information had also gone to the Attorney General.

“There is nothing to disclose until they finish their review,” Houck said about those documents.

Scot Graf, spokesman for the Idaho Attorney General’s Office, would not comment as to whether an investigation is underway.

“The Office of the Attorney General’s policy is to neither confirm or deny the existence of investigations,” Graf wrote in an email.

Davidson faces Davidson L. Haworth in the GOP primary for the party’s nomination for county commission seat held by Democrat Diana Lachiondo; the winner will face the Lachiondo in the November general election.