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Merger of five Planned Parenthood affiliates to build negotiating power

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Five Planned Parenthood affiliates in the state—including Planned Parenthood of New York City—have inked a letter of intent to merge.

The deal creates an entity—Planned Parenthood of Greater New York—with an expected operating budget of \$110 million in its first year, said Laura McQuade, the current president and CEO of PPNYC, who is set to assume leadership of PPGNY.

The other merging entities are the Planned Parenthoods of Nassau County, Mid-Hudson Valley, Mohawk Hudson and the Southern Finger Lakes. The four other Planned Parenthood affiliates in the state are not participating in the merger.

PPGNY would have 28 health centers and 900 employees. And it could accommodate more than 200,000 patient visits each year.

Patient visits are likely to grow "pretty markedly over the next three years," McQuade said.

No reductions in workforce are expected.

"This is a strategic reorganization to better serve our patients and our communities; this is not a crisis merger," McQuade said. "All are healthy, strong organizations providing the full range of Planned Parenthood services."

The merger is likely to provide better negotiating power when it comes to commercial payers and the ability to partner with larger health systems, she said, adding it's expected to open many doors for sexual and reproductive health care at the statewide level.

"The merger doubles down on our commitment ... to our patients that we currently serve and those who will need us in the future, whether those are New Yorkers or from the state of Alabama," McQuade said.

The Alabama Senate this week passed a bill that essentially bans abortions in the state. That follows a bill signed into law last week by Georgia Gov. Brian Kemp that bans abortions once a fetal heartbeats is detected.

The Planned Parenthood merger is expected to receive board approval in June. The merger also is dependent upon approval in the fall from the state Department of Health and the attorney general, McQuade said.

The corporate entity PPGNY is expected to be created by November, with an official launch Jan. 1.

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