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TODAY'S TOP STORIES

Genesee told to pay doctors

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Genesee Hospital has to cough up some \$3 million in deferred compensation to doctors it formerly employed, a state Supreme Court justice has ruled.

In a decision handed down late Friday afternoon, Justice Thomas Stander denied Genesee receiver Douglas Gates' petition to keep money 19 physicians working at Genesee when ViaHealth closed the hospital in 2001 had put into deferred compensation accounts. Individual doctors' accounts range from less than \$2,000 to \$1 million.

Stander is overseeing a judicial dissolution of the Genesee corporation. He appointed Gates of Gates & Adams PC receiver in the dissolution, which is proceeding separately.

The receiver is represented in both cases by Warren Rosenbaum of Shapiro, Rosenbaum, Leibschutz & Nelson LLP.

In the deferred compensation matter, Rosenbaum had argued that by setting aside aside tax-deferred amounts the doctors had given up any claim to the money as salary. He proposed to put the deferred compensation into a general fund and repay the doctors as unsecured creditors, a scheme that would probably have seen them paid only pennies on the dollar.

"We're gratified that the doctors got their money," said physicians' attorney Nelson Thomas of Dolin, Thomas & Solomon LLP. "They certainly worked for it."

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