



Hospital cites finances in plan to cut staff

By Andrew Oxford

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The board of directors at Holy Cross Hospital has approved a strategic plan that will include layoffs over the course of the next year, according to an announcement Tuesday (Sept. 3). Specific cuts will not be proposed until a meeting with local representatives of the National Union of Hospital and Health Care Employees Monday (Sept. 9).

Administrators suggested the cuts were necessary due to the financial needs of the hospital. "This particular update to the strategic plan was really to look at the changes in health care, politics and reimbursement issues which have gotten more troublesome in the past few months," marketing and public relations manager Maria Meadowcroft stated in an email to *The Taos News*.

It was not clear what shortfall the hospital may face amid the implementation of the Affordable Care Act and other changes to the health care industry, Meadowcroft said. The board sought to keep ahead of whatever challenges new policies may bring, she added.

"There are so many uncertainties," Meadowcroft told *The Taos News* Wednesday (Sept. 4), citing concerns about the impact of federal budget sequestration and new formulas for Medicare reimbursement rates.

The announcement left staff uncertain not only of where cuts would fall but how those who are spared may be impacted.

"It would mean closing departments. We are not sure where else cuts could come from," Martha Jaramillo, a nurse and union official who has worked at Holy Cross for nine years, told *The Taos News* Tuesday. Another nurse and union official described the move as particularly stressful after staff had agreed to compromise with administrators in recent contract negotiations. "We did give a lot in past negotiations because we want this hospital to work," said Francis Trujillo, a nurse in the intensive care unit. She added that staff agreed to abandon annual salary adjustments and several shift differentials in its most recent contract — a compromise Trujillo said cost some employees between \$4,000 and \$8,000 annually.

The nurse suggested that if the hospital now faces a particularly dire financial situation, it should be administrators who compromise.

"When they were in the black, they feathered their nest. And now they take from the staff," Trujillo said, referring to the more than \$550,000 the hospital's three top executives were paid in 2012.

Union officials added they felt snubbed after a board meeting Aug. 28 at which they presented a petition signed by more than 250 local residents opposed to cutting direct care positions at the facility.

The union proposed to keep at least three nurses on the emergency room's overnight shift, maintain a ratio of five patients to each nurse in the surgical unit, keep a doctor at the hospital at all times and restore round-the-clock security. At the meeting, Trujillo portrayed those proposals as a matter of safety for patients and employees.

"We feel we have a great staff. We also have a very young nursing staff. We need to make sure they have all the resources they need," Trujillo said. "There is no substitute for experience."

Chairman Ron Burnham told the staff and union leaders at the meeting the board had not finalized layoffs. He also said he could not discuss the strategic plan until it was approved by the body.

"We have got a big hole in the bottom of the boat," Burnham said. "There are a lot of options. Nothing has been settled."

When asked if the board had considered selling the hospital, Burnham replied he could not rule out the option.

The chairman then declined a request from staff and union representatives to meet for a further discussion of the strategic plan as well as concerns about potential cuts.

"Your quest is premature because we are still engaged in the strategic planning process," Burnham said.

The rejection prompted some staff to characterize the board's planning process as exclusionary.

"We were not involved in the strategic planning process at all," Trujillo said.

Administrators countered the board considered a wide array of public input during the strategic planning process.

"Throughout the last few months we have held internal as well as external surveys and focus groups that we have used feedback from," Meadowcroft wrote in an email. "We've also looked at data and comments from our patient satisfaction surveys and [Hospital Consumer Assessment of Healthcare Providers and Systems] scores."

Fonda Osborn, president of the union representing Holy Cross employees, suggested that administrators should have engaged the community earlier if the hospital's financial situation is so dire.

"What is particularly puzzling to us is why the board has not held meetings with officials and the public about this important issue," Osborn stated in a press release Tuesday.

In a letter to county commissioners Wednesday (Sept. 4), the union also called for a meeting with local elected officials and the general public before the end of the week "so that our entire community has access to what is going on in the decision making process for the future of their hospital."

