

March 25, 2009

Merger proposals promise efficiency and integration, but critics fear consolidation

Hospital mergers: the problem or the solution?



Linda McDonald, RN President

Of the nine hospitals that employ UNAP members in Rhode Island and Vermont, all but one lost money last year.

The Los Angeles Times recently reported that 47% of U.S. hospitals are expecting to make staff cuts and 69%

Look who's talking...

Lifespan and Care New England Announced plans to merge in July, 2007. If approved, their merger would create a 7-hospital system with 70% market share in Rhode Island. Their merger application has still not been deemed complete by State regulators.

St. Joseph and Roger Williams announced plans to merge in February, 2008. Details of their merger plans have not yet been made public.

Landmark Medical Center and.... Landmark was placed into courtsupervised receivership last June as a result of serious financial problems. Landmark is reported to be exploring merger options with Lifespan, Memorial Hospital, and Caritas Christi Health Care of Massachusetts.

South County and Westerly Hospital These hospitals have not announced merger plans, but they have been working closely on payment issues. will cancel or delay equipment purchases this year. The situation is expected to get worse as the number of surgeries continues to decline and demands for charity care increase.

In response, nearly every hospital in RI has been involved in merger discussions in the past year. In some cases, mergers are described as a matter of survival, while in other cases they are described as a way to bring "world class" health care to RI.

The UNAP is deeply concerned about the potential impact of hospital mergers on our members, our patients, our communities, and our health care system.

Ten years ago, the UNAP helped to pass the Hospital Conversion Act,

which ensures that all hospital merger proposals will be given close scrutiny by the RI Department of Health and Attorney General.

This year, the UNAP is advocating for passage of the **Hospital Merger Accountability Act**, sponsored by Representative Peter Wasylyk and Senator Mary Ellen Goodwin, which would require greater transparency, accountability and oversight of any hospital system which acquires more than 50% ownership of all hospital beds in RI.

In some cases, hospital mergers may make sense. In others not. But in all cases, the public interest must be safeguarded -- before and after a merger is approved.

Hospital CEO salaries raise eyebrows



While most hospitals in Rhode Island are losing money, and while many Rhode Islanders are losing their jobs and their health insurance, hospital CEOs are living large.

The *Providence Phoenix* recently reported that Lifespan President & CEO George Vecchione received nearly \$3 million in salary and benefits from October 1, 2006 through September. 30, 2007.

This is nearly \$1 million more than the CEO of Partners HealthCare, the largest health care system in New England.

The *Phoenix* reported that several other hospital executives in RI earned over \$1 million, and that salary increases for all CEOs in RI increased by 87% between 2000 - 2007, while the consumer price index grew by 20% during the same period.

State Senator Michael McCaffrey has introduced legislation (S-0356) that would cap hospital executive salaries at no more than 2.5 times the salary of the Governor of RI, or, approximately \$300,000/year.



Kent Hospital nurses off to a great start

The hard working nurses leading the newly-formed Union at Kent Hospital have already developed and approved a Local Constitution, elected officers and a negotiating team, prepared most of their initial bargaining proposals and begun negotiating a new first contract. The leadership expects to have a new contract in place later this spring.

UNAP, Local 5051 gears up for negotiations at

Who is the UNAP?

The UNAP represents over 5,000 nurses, therapists, technologists, support staff and others who work at:

Copley Hospital (VT) Fatima Hospital **Greater Rhode Island VNS** Health Care & Rehabilitation Services of SE Vermont Homestead Group

Kent Hospital

Landmark Medical Center Memorial Hospital

Putnam School District (CT)

Rehabilitation Hospital of RI

Retreat Healthcare (VT)

Rhode Island Hospital

RI Community Living & Support Services

RI Dept of Human Services

RI Veterans' Home

URI, CCRI, RIC Health Services

Westerly Hospital

Youth Services (VT)

Zambarano Hospital

HCRS

Local 5051's contract with HealthCare & Rehabilitation Services of Southeastern Vermont [HCRS] expires on June 30, 2009. The Local, therefore, has begun preparing for negotiations. Contract surveys will be mailed out to the membership soon. The surveys will be used to form the basis of the Local's

contract proposals. At the same time, Local leaders, including Local Chairperson Joyce Dion, continue to lobby hard in Montpelier in an effort to deal with a number of budgetary challenges at the state, and therefore, the HCRS level.

The Homestead Group settles contract

UNAP Local 5068 at The Homestead Group signed a one year contract. The local will prepare their negotiating team and membership now, in anticipation of returning to the bargaining table in several months, to negotiate a successor contract in very difficult economic times.

Northern RI UNAP fights on at Landmark/RHRI

As was reported in the last edition of The Flame, Landmark Medical Center is under the control of a Special Master who was appointed by Judge Silverstein, Superior Court Judge in Providence, to 1] stabilize the Hospital financially, 2] work to turn the Hospital around and 3] otherwise oversee the day-to-day operations of the Hospital.

The current contract between the Local 5067 and Landmark remains in effect until September 30, 2009. The Local continues to meet with the Special Master regularly to stress the importance of honoring the contract and making sure that Landmark comes out of this process as a full service hospital.

The latest communication from Landmark is that Caritas Christi, a Catholic hospital system based in Massachusetts, is considering a potential arrangement whereby Landmark would become part of the Caritas network. There are currently six hospitals in their network, four of which are unionized.

Meanwhile, Local 5067 and RHRI have agreed to extend their contract through June 30, 2009.

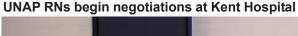
UNAP Local 5082 gears up for negotiations at Memorial Hospital of RI

The Memorial Hospital UNAP has begun gearing up for negotiations to replace their current contract which expires on August 1, 2009. The Local plans to distribute contract surveys to all members in the next few weeks. Once the surveys are returned and reviewed. the Local will begin drafting contract proposals.

If the negotiations this year are anything like they were in 2006, the Local and Hospital management are in for a ride. In 2006, the Hospital was found guilty of violating the National Labor Relations Act when it, among other things. forced members to take off their union buttons. The labor dispute that year, which was fought over a number of issues, including mandatory overtime, led to the passage of a state law that bans mandatory overtime in RI.

Westerly Hospital - Administration paying members not to work

In a long series of grievance victories, The Westerly Hospital is paying members not to work. In a number of cases, heavy handed suspensions have





The newly-elected RN bargaining team began negotiations with Kent Hospital on January 14, 2009. The new union is determined to negotiate a contract that will improve conditions for nurses and patients at Kent.

been reversed, causing payment to employees for time lost on suspension. In other cases, employees who were improperly called off have been paid for work they did not do but should have been allowed to do. And in another series of cases, employees kept out of work pending an employee health evaluation have been paid when the employee was ready and able to return to work but the employee health office couldn't be bothered seeing the employee in a timely fashion.

RI Hospital seeks givebacks from UNAP members

Despite having earned over \$300 million in profits in the past five years, RI Hospital has approached the UNAP for givebacks, including eliminating a 4% raise scheduled for this July 1. Similar takeaways have been imposed on non-union employees. As this issue went to press, the local had scheduled membership meetings to vote on the proposed givebacks.

Putnam nurses mediate new contract

The school nurses in Putnam, Connecticut, who are represented by UNAP, Local 5202, went into mediation this past winter and came out with a new contract. The new agreement expires on June 30, 2011. A compromise was reached with respect to medical insurance coverage and wages. In particular, the nurses agreed to change medical insurance but at the same time negotiated successfully for additional step increases for all nurses.

Fatima Hospital UNAP faces new challenges

On the heels of its contract battle last summer and fall, Local 5110 is facing new challenges. The new contract includes breakthrough staffing language that allows the Local to arbitrate any instance where the hospital fails to staff to the levels reported to the DOH if the hospital's judgment in that regard is unacceptable or if they fail seek volunteers to fill holes in the schedule.

St. Joseph's also recently announced their plans to affiliate with Roger Williams Medical Center. The Local will be reviewing the 27,000 page

Employees know best how to improve patient safety & satisfaction

UNAP Safety & Quality Survey

The UNAP has begun conducting surveys of members and non-members at several hospitals in Rhode Island to identify staff concerns and recommendations regarding patient and employee safety and satisfaction. Here are some preliminary results:

- > What is most likely to improve patient satisfaction scores? More time for nurses to communicate with patients and families
- > What is most likely to cause a medical error or harm to a patient? Poor communication and inadequate staffing
- > What is the biggest problem with communication? Frequently changing policies and procedures
- > What makes it hardest to do a good job? Workload, paperwork, poor communication
- > What are the biggest problems with staffing? Paperwork, high acuity, not enough ancillary staff



application that has been filed with the Department of Health and the AG to make sure that quality of care, breadth of services, and job security are not overlooked.

St. Joseph management has also recently imposed pay and benefit concessions on non-union employees. The Local has indicated that, in addition to agreements reached in negotiations, it will work with the Hospital to reduce ER wait times and length of stay, and improve patient satisfaction scores.

Brattleboro Retreat - Give me a break!

Most union contracts provide for meal periods and paid breaks including the contract at the Brattleboro Retreat. The failure of the employer to provide paid breaks to employees has precipitated a grievance that has been scheduled for arbitration. The employer's position is that one only gets breaks when they can. How about employees coming to work on time only when they can?

UNAP Local 5050 at Youth Services ratifies one year contract extension

UNAP Local 5050, which represents members at Youth Services Inc. in Brattleboro, Vermont, recently ratified a one year contract extension that runs through September 30, 2009. The extension calls for a 3% raise retroactive to October, 2008, and additional raises for other employees who were in need of a market adjustment.

Copley Hospital UNAP arbitrates job posting

In the most recent contract negotiations, the Union agreed to allow the Hospital to post a position that is divided between two units -- specifically setting forth the two units and the weekend and holiday obligation. But the hospital took this agreement a step further claiming that they may post a .3 FTE in the ED and let anyone add it to their current FTE without determining specifically where the holiday and weekend obligations fall. The issue is currently before an arbiter awaiting a decision.

State nurses adding work opportunities

The State-employed Nurses are pursuing legislation that would allow retired State nurses to return to work per diem with a higher annual earning cap. The current cap was put in place years ago and is outdated, severely limiting the number of hours retirees can work per diem. On another front, the Medicaid waiver program has generated seven new RN positions. The positions are needed to implement the new provisions of the waiver.



UNAP Children's Hospital Fund benefit featuring:

Matt Roberts

Professional Magician, Comedian & Entertainment Expert™

Tuesday, May 12
West Valley Inn • West Warwick
5:30 PM cocktails; 6:30 PM dinner

Matt's unique brand of interactive comedy magic will have you laughing and gasping in amazement.

You won't want to miss this local appearance.





MattRobertsMagic.com

Tickets for dinner (prime rib buffet) and show are only \$30.

Order now to enjoy a night out with friends and support a great cause.

Go to www.unap.org/fundraiser or call 401-831-3647.

UNAP On-Line



You can now keep up with the latest from the UNAP from the comfort of your own computer by going to the

following on-line sources:

UNAP Website

Matt has

appeared

FOX, PBS,

Show and

Henson's Muppets.

Matt's live

to 31 states and 13 countries.

performances

have taken him

nationally on

NBC's Today

alongside Jim

The UNAP website features contact news and activities throughout the UNAP, legislative and health policy developments, important links, contact information, and much more. (www.unap.org)

UNAP Chat

The UNAP blog provides thoughtprovoking articles and commentary about current issues and challenges facing health care workers. (www.unapchat.blogspot.com)

The eFlame

The UNAP is now producing an electronic version of *The Flame*, which includes additional information, recent developments, and links to interesting articles and resources. To read *The eFlame* or to subscribe, go to www.unap.org/eFlame.

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