



Rhode Island Health Care Association

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Testimony in Opposition to H 7042 Relating to Labor and Labor Relations — Labor Relations Act

Chairman and Members of the Committee:

My name is John Gage, President and CEO of the Rhode Island Health Care Association (RIHCA), which represents approximately 80 percent of the nursing facilities in Rhode Island. I respectfully submit testimony in opposition to H 7042.

At the outset, I want to acknowledge the importance of maintaining constructive labor relations and ensuring that employees have meaningful avenues to resolve disputes. However, H 7042 raises significant concerns for nursing facility providers and the vulnerable residents they serve.

Elimination of Longstanding Protections

Current law appropriately recognizes that while healthcare employees have the right to organize and bargain collectively, they do not have the right to strike due to the essential nature of the services they provide. Nursing facilities care for medically fragile, elderly residents who depend on consistent, uninterrupted care.

H 7042 removes this longstanding prohibition and instead establishes a binding arbitration process following mediation and factfinding. While arbitration may be a useful tool in certain contexts, eliminating the clear statutory prohibition on strikes introduces uncertainty and risk into a system that requires stability above all else.

Impact on Resident Care and Safety

Any disruption in staffing—whether through labor disputes, uncertainty in negotiations, or potential work stoppages—poses a direct threat to resident health and safety. Unlike many other industries, nursing facilities cannot suspend operations or reduce services without serious consequences.

Even the perception of potential labor instability can:

- Disrupt continuity of care
- Exacerbate existing workforce shortages
- Create anxiety among residents and families

Operational and Financial Concerns

“Setting the Pace in Nursing Home Care”

A non-profit organization of proprietary and non-proprietary long term health care facilities dedicated to improving health care of the convalescent and chronically ill of all ages. An equal opportunity employer.

- **Binding Arbitration Risks:** Mandatory arbitration may result in decisions that do not fully account for the financial realities of nursing facilities, particularly those heavily reliant on Medicaid reimbursement. This could lead to unsustainable cost increases.
- **Reduced Flexibility in Negotiations:** The shift toward arbitration may discourage good-faith bargaining and limit the ability of parties to reach mutually beneficial agreements tailored to individual facilities.
- **Increased Costs:** Arbitration proceedings can be costly and time-consuming, placing additional strain on providers already operating under narrow margins.

Legal and Policy Concerns

- **Departure from Established Public Policy:** Rhode Island has long maintained a clear policy that prohibits strikes by healthcare workers due to the essential nature of their services. H 7042 represents a significant departure from that policy without sufficient safeguards.
- **Broad Application:** The bill applies across a wide range of healthcare settings, including nursing facilities, without accounting for the unique operational and regulatory environment of long-term care.
- **Unintended Consequences:** The interplay between mediation, factfinding, and arbitration is not fully defined and may create procedural uncertainty and delays in resolving disputes.

Conclusion

Nursing facility residents are among the most vulnerable individuals in our healthcare system. Policies governing labor relations in this sector must prioritize continuity, stability, and patient safety above all else.

While we support efforts to improve dispute resolution processes, H 7042 introduces significant risks and uncertainty that could negatively impact both providers and the residents they serve.

For these reasons, we respectfully urge the Committee to oppose H 7042.

Thank you for the opportunity to provide testimony on H 7042.

Respectfully submitted,
John Gage
President & CEO
Rhode Island Health Care Association