



We Make Rhode Island Happen

AFSCME Rhode Island Council 94

American Federation of State, County & Municipal Employees, AFL-CIO

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MEMO TO: House Committee on Oversight Members

MEMO FROM: J. Michael Downey, President, RI Council 94, AFSCME, AFL-CIO
 Kwame Larbi, President, Local 1350, Medical Center
 Alexis Santoro, Esq., Executive Director, RI Council 94, AFSCME, AFL-CIO
 Jim Cenerini, Legislative Affairs/Political Action Coordinator

DATE: April 1, 2021

RE: Eleanor Slater Hospital Proposed Reorganization-CON

RI Council 94, AFSCME, AFL-CIO *opposes* the proposed redesign of Eleanor Hospital. The current proposal would construct a new building at the Zambarano Campus in Burrillville, while closing the Regan and Adolph Meyer Buildings at the Cranston Campus. Only the Forensic unit, located at Benton Building, would remain open at the Cranston Campus.

Eleanor Slater Hospital acts as the provider of last resort for medically fragile patients, who require acute psychiatric care, Forensic Civil/Not Guilty by Reason of Insanity patients, and critical medical long-term care for elders requiring specialized services, such as ventilator beds.

RI Council 94, AFSCME, AFL-CIO Locals 1350, 2392, and 2883 represent over 412 employees providing direct patient care, dietary needs, housekeeping services, administrative/fiscal/clerical work, laboratory services, and facility/maintenance resources at the Pastore Medical Complex in Cranston, Rhode Island.

1. Lack of Communications/Negotiations/Unresolved Questions About Billing

To date, Council 94 has not had meaningful negotiations on the proposed reorganization of the Eleanor Slater Hospital. Despite the potential elimination of hundreds of middle-class jobs, Council 94 has not received a formal notification from the State, although required by the parties' Master Agreement. An effort/dialogue with the union about the possibility of retaining the Regan building has not occurred.

A reorganization of this magnitude requires closer scrutiny and analysis.

Council 94 is willing to negotiate potential cost-savings measures to keep the Regan Building open.

One troubling aspect of the ongoing challenges facing Eleanor Slater Hospital is the lack of clarity on why Medicaid billings have not resumed.

Council 94 represents employees who compose the Hospital's bills, provide direct patient care, and maintain the Hospital's facilities. The members have asked repeatedly, since the Centers for Medicaid and Medicaid Services (CMS) have approved the State Plan Amendment/Rate methodology, why billing has not resumed?

Echoing other questions Council 94 members have posed, we respectfully ask the Committee to inquire:

- 1) Is the facility IMD mix compliant?**
- 2) Why has a copy of the Manatt, Phillips & Phelps Legal Service guidance on the resumption of Medicaid billing be provided to the public? Could a copy of the Manat guidance be forwarded to the Committee?**
- 3) Why has a copy of the Ernst & Young Fiscal Billing Audit report not made public? Could a copy of the report be provided to the Committee?**
- 4) Why are medical admissions closed?**
- 5) Is it true that the new medical admissions standards for Eleanor Slater Hospital are so restrictive that a private acute care hospital would struggle to stay open?**
- 6) Why are psychiatric admissions closed?**
- 7) Why are patients with Severe Persistent Mental Illness being denied readmission to Eleanor Slater Hospital?**
- 8) If the reorganization plan is approved, where will discharged patients go?**
- 9) Is it true that confidential patient information was released by BHDDH Administration to a private medical provider in violation of "Confidentiality of Medical Information and Communications Act-Limitations on and permitted disclosures" RIGL § 5-37.3-4?**
- 10) Are all ventilator bed patients being told they will be discharged to community placements?**

2. Closing the Regan Building Does Not Make Sense-

The Regan building, which was built in 1976, is the second youngest facility in the Eleanor Slater Hospital Complex. Additionally, the Regan Building is centrally located in Cranston and close to interstate access which allows for frequent family visitation and rapid Emergency Service response/transport. Recent state projects/developments have attempted to maximize the use of Pastore Campus' central location. Many of the workers, who are minorities, reside in the urban ring cities/towns near the Pastore Campus.

Additionally, two recent structural problems at Zambarano have caused the closure of the kitchen and potential transfer of medical patients requiring oxygen support to the Regan Building.

Why is the administration pursuing the closure of the Regan building when it is the most modern Eleanor Slater Hospital Building?

3. Windfall for Private Consultants- Eleanor Slater Hospital's structure has been studied extensively. As noted by the Providence Journal, consultants have been paid considerable sums during the last few years. Over \$3 million dollars was provided to Applied Management Systems; \$300,000 to Manatt, Phillips & Phelps Legal Services; and \$150,000 to Ernst & Young Fiscal Billing Audit and \$300,000 to PCG Cost Allocation Plan. Additionally, up to \$1.3 million has been set aside for Alvarez & Marsal, the consultants, who have assembled the Transition and Redesign plan. Also, according to the Providence Journal *Alvarez and Marsal, through a no bid contract, have been paid \$1,540, 800 to compose the redesign plan.*

4. Alvarez and Marsal's Redesign Plan is Flawed and Incomplete-

At the request of Council 94, AFSCME's Department of Collective Bargaining and research analysis the redesign proposal. The analysis can be found attached to this testimony. In short, the plan was composed by a corporate consulting firm that advocates for health care privatization; inaccurately inflated costs; and failed to identify sufficient community placements/ allocation of resources to provide appropriate care.

5. Pastore Medical Center Workforce is Multicultural & Diverse-

Local 1350, which represents a considerable number of medical direct care staff, is Council 94's most diverse and multicultural bargaining unit throughout our state employee membership. Over 80% of the direct care employees of Local 1350, are minorities.

6. Unwise to Eliminate Middle Class Jobs- Council 94 was heartened to hear Governor McKee say that he wants to avoid Rhode Islanders losing their jobs or health insurance benefits. However, the current budget proposal indicates that over 150 FTEs will be initially cut. Council 94 maintains that eliminating hundreds of middle-class jobs, most of them of minorities, would be run counter to Governor McKee's admirable efforts to get Rhode Islanders back to work.

7. Compliance with Articles 11, 32 of the CBA and RIGL 42-148-Privatization of State Services Despite the significant impacts on service delivery and the considerable number of potential job eliminations, Council 94 has not received a formal notification from the State, although required by the parties' Master Agreement. Hundreds of dedicated employees' livelihoods/earnings have now been cast into doubt.

In closing, Council 94 respectfully urges the General Assembly to reject the current proposed reorganization plan. Additionally, we respectfully urge Governor McKee to withdraw the current plan as a budgetary proposal; carefully consider alternatives; and submit a new plan that includes a path forward for both the Regan, Benton, and Zambarano Buildings.

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