

Hospital ^{Purchase} merger brings 39 layoffs

By Christopher Pummer
Mercury News Staff Writer

4-10-90

The recent merger of Santa Cruz's two hospitals will cost 39 health care workers their jobs effective May 8, they learned Monday.

Dominican Hospital blamed staffing redundancies for the layoffs of department supervisors and clerical employees at its

former competitor, Community Hospital of Santa Cruz.

More layoffs could result when Dominican decides how to use the smaller 112-bed hospital, said Roger Hite, Dominican's executive vice president.

"The layoffs are no reflection on the quality of these people's skills," said Hite, who has been acting administrator of the new 'Community Campus.' "A lot of these

people will be highly sought after, if not in Santa Cruz County, then elsewhere."

Dominican officials contend the workforce reductions will pare hospital costs for northern Santa Cruz County residents.

The Federal Trade Commission is investigating complaints that the merger gives the Catholic-run hospital a monopoly that ultimately will allow Dominican to raise

prices at will.

Some staff reductions were expected when Dominican bought AMI Community Hospital for \$12 million. Since the deal was closed March 8, 22 Community Hospital employees have resigned. The resignations and layoffs combined reduce Community's full-time workforce by nearly 25 percent, to 214.