

Job Cuts Less Than Expected at Dominican Hospital

Hospital- Dominican Hospital

by Mary Bryant

The largest acute care hospital in the county announced plans for staff reductions on July 13, 1995, which Dominican Santa Cruz Hospital officials said was part of a multi-million dollar expense and reduction plan. Ten jobs were cut from the current hospital staff, which turns out to be fewer than the number predicted by hospital administrators in earlier interviews.

According to the release, "no change" will result in the number of hours of nursing care given to each patient, although the release also noted that the number of hours patients stay in hospitals is declining. Hospital directors currently expect a decline of about 8 percent

this year in the number of acute, in-patient hospital days as a result of local increases in enrollment in managed care plans. Managed care plans emphasize cost savings by delivering as much health care as possible outside of the hospital setting.

Shorter patient stays and worries about revenues not keeping pace with expenses were cited as the reasons hospital administrators took on a 12-month "productivity" review of all hospital departments to define and implement changes in hospital operations beginning in 1994. As part of the review, when jobs became vacant during the year because of an employee resignation, each job was carefully considered for consolidation into another position or for elimination. During the '94-'95 fiscal year, a total of 55 jobs

were cut from the hospital's regular staffing roster without effecting any individual employee's status, according to the hospital's release. This number did not include the 16 hospital employees who were terminated at the beginning of 1994.

Entire departments also came under review during the year-long process. As part of the total expense reduction package estimated at about \$5 million, Dominican's private childcare center for hospital employees and the hospital's in-patient specialty center for treatment of chemically addicted patients were closed.

According to Dominican managers, the hospital's Adrian Center for the treatment of people addicted to drugs and alcohol has averaged less than one patient per day for the past six months, and

much like centers throughout California, has become the victim of a drive by insurance carriers to limit the cost of treatment for chemical dependency.

Unlike other acute care providers, Dominican Hospital has been slow to close the facility that once occupied an entire floor of the hospital's Frederick Street campus. Moving the facility to the main campus did allow for continued operations until this year when the patient census fell too low to "maintain quality group interaction" for program enrollees, according to hospital managers.

While the center will close by mid-August, Dominican will continue "aftercare" services for current patients and provide meeting space for 12-step chemical dependency support groups.

About \$300,000 is expected to be saved by the closing of the childcare center. Additional cuts to costs have also been made by renegotiating service and supply contracts.

Included in the release, Dominican Hospital president

Sister Julie Hyer stated that many of the changes were made in advance of crisis and made intending to avoid crisis.

While the number of hospital closures has subsided from the early 1990s, much activity remains in the market and hesitating to make changes has cost some hospital systems the loss of significant revenues. The Good Samaritan Hospital system in San Jose, which includes Good Samaritan Hospital and San Jose Medical Center, is expected to post losses of around \$25 million from last year's operations.

Dominican Hospital spokeswoman Penny Jacobi said that the current focus on cost efficiencies will remain throughout the years ahead.

"Most hospitals are having to continually reevaluate their services, programs and staffing to respond to changes in the marketplace," Jacobi said. "It will be necessary to continually reevaluate our staffing and services to keep expenses in line with revenues." □