

**Inland Valley Daily Bulletin**

## **Pomona Valley lays off or reduces hours for hospital employees**

**Saturday, July 10, 2010**

By Monica Rodriguez, Staff Writer

**POMONA** - Pomona Valley Hospital Medical Center this week informed close to 300 of its employees they will have their work hours reduced or be laid off in part due to a drop in patients.

There will be about 180 layoffs and another roughly 100 workers will have their hours cut.

A total of 349 positions at all levels will be affected, some as early as Monday, said Kathy Roche, hospital spokeswoman. Of the 349 positions, 163 full-time equivalent positions are currently vacant.

Hospital president and chief executive officer Richard Yochum said in the 32 years he has been with the medical institution, such a drastic step had never been required.

“We tried to avoid layoffs altogether,” he said.

However, “we have no other alternative. Our (patient) volume is down,” Yochum said.

The hospital has had some layoffs in the past. Fewer than five were laid off in 2004, and in 2000 there were 64 voluntary layoffs, Roche said.

Like other industries, hospitals are being affected by the downturn in the economy, Yochum said.

In 2009 the hospital had operating revenue totaling \$416 million, a loss of more than \$3.63 million, Roche said.

Revenues for the last six months have continued to be down with the hospital losing \$1.5 million to \$2 million per month, she said.

The decline in patient volume was first noticed in the fourth quarter of last year.

Steps were taken to reduce costs including freezing management salaries, implementing a partial hiring freeze and negotiating the best possible prices with vendors.

Management thought California hospitals would receive some state and federal funding that in Pomona Valley's case could help carry it through the end of the year, but those dollars did not materialize, Yochum said.

"By the end of May, the beginning of June, it became clear there were no other alternatives," Yochum said.

The drop in patients is attributed to a number of factors - one being that families are holding off on having children.

"Our birth rate is way down," Yochum said.

In recent years the number of babies delivered at the hospital has ranged from the high 7,000s to the low 8,000s.

"Now we'll probably barely reach 6,000," he said.

Former patients have lost jobs and are unable to pay bills, while others have postponed elective surgical procedures.

The number of indigent patients coming to the hospital's emergency room seeking medical care is increasing as is the number of patients seeking charity care, Roche said. And patients are seeking medical care when they are more ill than in the past.

Add to those the problems with state and federal funding reimbursements for Medi-Cal and Medicare patients, she said.

"We'll get the payment but it's delayed or is less than what was anticipated," Roche said.

As a result of the economic downturn the hospital has also suspended plans to carry out a multi-phase expansion that was expected to cost more than \$800million.

Groundbreaking for the initial phase of the project was expected to take place late this year or early in 2011.

"We have a commitment to our community and patients but there is not a need for additional beds" at this time, Roche said.

A large part of the hospital's growth was connected to the region's growth and the boom in housing construction, and "we all know that has stopped," Yochum said.

The hospital will eliminate some programs and services such as the transitional care unit. The unit, which will close in about 30 days, currently prepares some patients before they go home or to a skilled nursing facility. It provides services such as occupational or physical therapy services that will make a patient better able to navigate the next step in his recovery, Roche said.

Those patients will now be accommodated on the hospital's medical-surgical floors or could go to medical facilities within the community that can provide such care, Roche said.

Whether additional layoff and reductions in hours will be needed is hard to say, Yochum said.

“We’re expecting this will adjust our expenses more in line with our volume of patients,” he said. “I don’t expect we’ll have to do more.”

Yochum said the hospital will continue to provide the best possible care to patients, meet required nurse-to-patient ratios and be available to serve the community’s needs.

Although it’s trying to hold down costs, the hospital continues to invest in technology that allows patients to undergo less invasive treatment and shortens their hospital stays, and that improves the quality of care.

The cuts are a concern to the nurses who are members of the Service Employees International Union local 121 RN.

“We are deeply concerned and the loss of even one nurse is devastating to us. Our main concern yesterday, today and tomorrow is patient safety. We are extremely concerned and are fighting for every job,” said Jeannie King, an intensive care nurse at the hospital who is also vice president of the local, in a statement.

San Antonio Community Hospital in Upland has also felt the effects of the economic downturn.

“Our volume is also down about 5 percent this year,” said Jaynie Boren, vice president of planning and business development at the hospital.

In March the hospital implemented a cost restructuring plan and cut out about \$1 million in expenses, Boren said.

The hospital reduced about 100 positions and laid off 17 people.

“But even that is significant to the people affected,” Boren said.

The hospital has postponed some projects but continued forward with others such as the expansion of its emergency room.