ONA
Oregon Nurses Association
Bargaining Unit Newsletter
Nov. 2, 2017

St. Charles Medical Center - Prineville (STC-P)
Nurse Newsletter

In this issue:

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ONA Oregon Nurses Association
Voice of Oregon Nurses Since 1904

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St. Charles Budget Announcement & Request for Concessions

St. Charles recently announced a cost reduction initiative for 2018. At Town Hall meetings last week CEO Joe Sluka announced a need for the system to achieve an additional $25 to $35 million in reduced expenses or increased revenue to ensure a “sustainable operating margin” in 2018. St. Charles has set a goal of achieving a 2.7% operating margin and is currently on track to achieve a 2.2% operating margin. He stated repeatedly that he is committed to transparency throughout this process.

The same day that St. Charles announced their new cost reduction initiatives, including the need to layoff approximately 30 caregivers, we received a letter from Joe Sluka asking the ONA bargaining units in Bend, Redmond and Prineville to participate in their cost reduction initiative for 2018. The specific request is that we participate in the five percent benefit premium shift effective Jan. 1, 2018 and forgo general wage increases for 2018.

These changes cannot be made without mutual agreement and ONA leaders will not agree to any changes without your input!

The ONA leadership teams at each facility are deeply concerned about layoffs regardless of the employees' status at St. Charles. Any time our healthcare team is reduced or impacted financially, there is an impact on the patient experience. When the healthcare team is negatively impacted, our community's care is negatively impacted. We would be remiss not to ask ourselves whether this is in line with the St. Charles Health System's vision: “Creating America's healthiest community, together”.

As our ONA leadership teams reflect on the request made by St. Charles we are viewing the situation as nurses. St. Charles claims that its financial situation is ill and we intend to utilize the nursing process to address the concern. The nursing process of Assessment, Diagnosis, Outcomes/Planning, Implementation and Evaluation will guide us as we proceed through this difficult time.

We are currently in the assessment phase, collecting and analyzing data regarding the financial state of St. Charles. To move into the diagnosis phase, we need to first fully understand the financial condition of the organization. We are working to analyze the data that we have access to at this time. And we are developing a request for information that we don't have but we feel is necessary and paramount for a complete assessment. As we move through the Assessment phase we will provide data and analysis to everyone through our newsletters, e-mail blasts, and Facebook pages. It is imperative that Joe Sluka and St. Charles honor their commitment to transparency.

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St. Charles Budget Announcement

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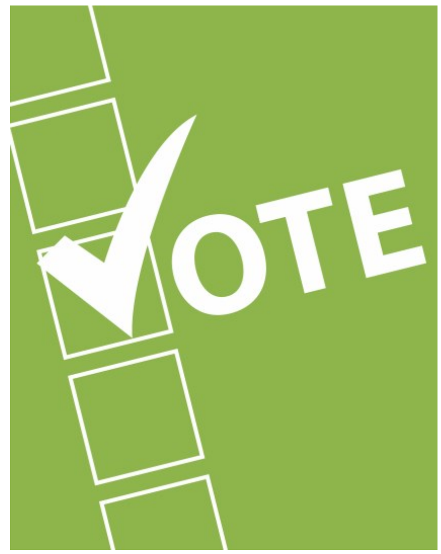
As we continue to work through the nursing process to address the request made by St. Charles, please share your thoughts and concerns with our ONA leaders. We are particularly interested in hearing what information you believe is necessary for a thorough assessment of the current state of the system's finances during this phase. Let us know by posting on our Facebook pages, talking with or emailing a member of our bargaining team, or emailing our ONA labor representative directly at Niebel@OregonRN.org.

Oregon's Provider Tax & Measure 101

Oregon lawmakers entered the 2017 legislative session with a commitment to protect coverage for Oregonians who count on Medicaid. While the total funds budgeted for health care and the demand for Medicaid are both decreasing, the state's share to fund Medicaid is increasing due to reduced federal dollars. State lawmakers and stakeholders, including ONA and the Oregon Association of Hospitals and Health System's (OAHHS), addressed the shortfall in several ways including by increasing the current Provider Tax by 0.7% for two years. The new policy builds on the existing provider tax by requiring hospitals, insurers and managed care organizations to pay minimally more in order to leverage $1.9 billion in federal matching funds.

During the session, the legislature passed a health care funding plan called the Oregon Healthcare Protections bill. This bill passed with super-majority support and with the backing of Democrats, Republicans, nurses, physicians, hospitals, insurers and community advocates to expand our current assessment on hospitals and create an assessment on some insurers. This law raises $210 to $330 million in state funds that will be matched up to $5 billion in federal funds. These funds have already been allocated to the Oregon Health Plan budget and to lower premiums for individuals who buy insurance through the private market.

The revenue from the provider tax would fund Medicaid, and create a State Reinsurance Program which protects consumers from carrying the cost of covering people with serious health conditions so Oregonians struggling to pay their premiums will still be able to afford care. According to the state Department of Business and Consumer Services, the Reinsurance Program lowers premiums for people who buy their own insurance by 6%. This budget came together after months of negotiations between healthcare stakeholders and lawmakers to ensure that Oregon continues to provide access to affordable healthcare to all children and 95% of all Oregonians. Now it is being challenged in a referendum. Signatures have been collected to place Measure 101 on the ballot in an effort to repeal the temporary increased provider tax. **Voting <u>YES</u> on Measure 101 maintains the budget passed by the legislature and affirms that Oregon will be able to maintain these programs to provide access to coverage and lower premiums for 210,000 Oregonians.**



Since the Affordable Care Act, hospitals and other members of the health care community have been able to save money and make record profits due to the drastic drop in unreimbursed care. If fewer people were covered through Medicaid, hospitals would see drastic increases in uninsured patients and unreimbursed care again. Unreimbursed care drives up hospital costs and leads to higher premiums for everyone else. **If the referendum does <u>not</u> pass, funding for the Oregon Health Plan and State Reinsurance Program will be cut by between $210 and $320 million, resulting in the loss of potentially $5 billion in federal funding, which will throw the state budget and funding for low-income children, families, and people with disabilities into crisis.** The increased provider tax to fund these healthcare programs in Oregon is the best policy that does the most good for the most people. It is the best policy for ratepayers, taxpayers, and everyone who counts on Medicaid/OHP for coverage. Making up the budget shortfall could require cuts to education, public safety, senior services, child welfare, or other essential services. The legislature would have to make difficult choices in the February session and would be cutting the budget mid-cycle.

ONA Strategic Planning Survey

Help Create a Common Vision for Our Future

Right now, ONA is beginning a multi-step process to create a strategic plan that will guide our organization over the next 3-5 years.

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This process will be member-led and member-driven, so we need your help and guidance along the way. One of the most important things you can do to help is to complete your ONA strategic planning survey as soon as possible.

Your opinions will determine which policies and programs ONA prioritizes now and in the future. With your help, we can create a plan that meets all members' needs.

Completing your survey takes less than 10 minutes.

In addition to asking you for your input, ONA has put together a dedicated Strategic Planning Committee led by members of the ONA board to help analyze your feedback, identify additional member needs and develop a responsive strategic plan.

To learn more about the ONA Strategic Planning Process and to complete the survey, visit:

www.OregonRN.org/2017ONASurvey