

## AROUND 95 STAFF FACE AN IMPENDING LAYOFF IN SHORE MEMORIAL HOSPITAL



### SHORE MEMORIAL HOSPITAL

The Shore Memorial Hospital in Somers Points, New Jersey revealed its plan of eliminating over 60 hospital workers, in which 31 are non-union employees and 21 are union nurses, in line with its cost-cutting plan. The slated lay off is in addition to the layoff of 43 workers who recently accepted a buyout package offered by the hospital. If the layoffs push through, the hospital will have removed a total of about 100 workers. In early December, Ron Johnson, hospital president and CEO, announced the upcoming job cuts and the target of slashing over 90 positions from its 1,600 workers and offered two buyout packages. The first package offered lifetime full medical benefits for those employees between 58 and 61 years old, hired prior to Jan. 1, 1995 and with certain service criteria of 15 years or more. The second package would give severance pay based on years of service, along with a maximum of three months of medical coverage.

Johnson expressed his sentiments on this matter. "The people who were affected are not just employees; they are colleagues and friends of us all." Johnson explained that the recent reduction was caused by the \$20 million increase in charity care and a reduction in compensation from Medicare. "[Due to] health care reform, reduction of Medicare by half a percent, an explosion of charity care and a reduction of admissions – we had to adjust our labor force. We have more people than other hospitals, and it was time for us to make that adjustment and put staffing in line with the public benchmarks. I feel very good about our ability to deliver high-quality care and excellent customer service."

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