

## PROSSER MEMORIAL HOSPITAL TO LAYOFF



The workers of Prosser Memorial Hospital, located in Prosser, WA have gotten some bad news this week. The hospital administration has decided to layoff workers in order to make ends meet. This decision, which was announced on Thursday, was made in response to the revenue forecast for the State of Washington. Since this forecast will have a direct impact on how much money the state has to give to hospitals the move may be well justified. The problems is that, at this juncture, the hospital has not given any further information about the layoffs, so it is hard to tell if they are being prudent or simply being reactionary. So, how much money is Prosser Memorial Hospital going to be out when the funds for the new year are released? Well, the state has told the hospital to expect to be down about \$2.3 million in state Medicaid funding. The Medicaid program allows the hospital to gain back some compensation for the patients who do not have insurance or the means to pay for their own care. It would not be wildly out of line to also suggest that the hospital is also expecting to get their funding cut from another source. As the federal government is trying to trim the fat from every inch that it can in order to reduce the national debt, there is really no hope that they will swoop in to make up the shortfall, and even less of one that they will not be making similar cuts to their own funding for these programs. Fred Lamb, the Executive Director at Prosser Memorial Hospital Foundation, had this to say about the cuts to the hospital staff, "We indeed had some layoffs today, we may have some more in the future. A lot of that will depend on what the governor's budget finally looks like when it's passed, as we get toward the end of the year." He was also quick to point out that while the decision was a hard one to make, it was a necessary decision in order to keep patient care at its highest level. Currently, the state is expecting that they will be taking away about \$70 million from the hospitals in the state, and while this will likely affect every facility. We do know that as a "critical access" facility, the state is going to take about 44% of the Medicaid reimbursements away from the facility. That is about 8% of the total hospital revenue for Prosser Memorial Hospital. At the current moment the hospital has not said how many jobs will need to be cut in order to stay fiscally solvent. They were also unclear about which types of jobs may be heading to the chopping block or by what date the affected employees will receive notice. It is unknown how much notice the hospital will give the affected employees before releasing them back out into an uncertain job market. We will keep you up to date as more details unfold.

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