

SWEDISH MEDICAL CENTER TO LAYOFF UNKNOWN AMOUNT



If I asked you where the Swedish Medical Center was, what would you answer? Unless you're answering in the great Seattle metropolitan area you would be wrong, because that's exactly where it is. The Seattle hospital has just made a fairly stunning announcement. Apparently, they are losing about a quarter of a million dollars each and every day. Not surprisingly this very bad news was paired with the announcement that layoffs are coming down the pike in the very near future. After all, when you are hemorrhaging that kind of cash on a daily basis you have to do something and do it quickly. A bandage won't suit in this situation; you need a tourniquet at least. The layoffs are being attributed to a lower than expected number of patients at the facility and a lower amount of patients who have insurance, or the ability to pay for their care out of pocket. These patients, who get what is known as Charity Care in many states, get services at a reduced fee and sometimes for free. The hospital must eat those cost losses. So how much of a loss is causing all of this cash drain? Believe it or not the patient value at Swedish Medical Center has only gone down by an average of about 8% but that small number was enough to cut the revenue of the facility down by a significant portion. The folks at Swedish Medical Center did not make comment on what kind of patients it lost. Patients with health insurance, those covered by Medicare and patients having elective surgery are often the biggest revenue generators for hospitals that are not regional trauma centers. Since the hospital is known for its [robotic knee surgery](#) it is possible that this area is the one with the biggest cuts, as patients choose less costly options. Kevin Brown, the CEO of Swedish Medical Center said the following to the staff in a memo which was [originally re-printed by the Seattle Times](#), "We all know this is not a sustainable situation, and we need to respond quickly and thoughtfully to correct this trend." Though the question of whether or not layoffs are a thoughtful response depends greatly on your perspective. Of course Swedish Medical Center is not a unique position. Many facilities are having to cut back on workers in order to make ends meet. Some of you may recall our earlier coverage of the cuts to the Jackson Health System in Miami but for those of you who did catch it here is [an excerpt](#) that will get you up to speed: "More bad news is coming to health care workers and this time it is the workers of the Jackson Health System. The Jackson Health System, which is located in the Miami area, is getting ready to get rid of a number of jobs. At the current moment the Chief Executive of the hospital system, Carlos Migoya, is not giving out a lot of details on the specifics. He would say that the company is looking into making cuts in each of its departments in order to find out where the cuts can be made. The hospital was quick to stress the fact that there will be no impact to patient care. They hope to have more details in about the cuts in the next two weeks. The health system is attributing the cut back of staff to a drop in the number of patients that are coming to the facilities. Most notably was the delay in care given, choosing outpatient procedures instead of staying in the hospital and shorter stays in the hospital over all. With fewer patients the facility not only has less revenue, but also as they see it, creates a need for a smaller staff. At the current moment union leaders are not issuing any official statements about the decision to make the job cuts. They may be waiting to find out how many jobs are being cut and what kinds of positions are being let go before they talk to the hospital leaders or the media."

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