

Community Hospital Announces Restructure

Local News

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Posted on : March 31, 2012 at 10:36 am

ABERDEEN, Wash. - Grays Harbor Community Hospital announced a plan to restructure its workforce to better adapt to the changing environment and to be more efficient at the same time on Friday. The national economy is affecting health-care organizations across the country. With a rise in the number of patients without commercial insurance and government cuts in healthcare funding, GHCH is now facing a \$4 million budget gap as of first quarter 2012. "We do not see these conditions improving in the near future," said hospital CEO Tom Jensen. High unemployment of over 13% in Grays Harbor County means GHCH is seeing more and more patients who are not able to pay for their medical care. In 2010, GHCH had to cover a total of \$15,987,545 in write-offs due to charity care and bad debt. In 2011, \$19,676,280 was written off, which is a 23% increase from the previous year.

"To continue providing healthcare in our community, we must face this transition head on and adjust our operations," said CEO Tom Jensen. "The team at Grays Harbor Community Hospital has made significant steps to become a more efficient organization. Everyone is tightening their belts, but we have to do more. The next step is a system-wide restructure that will involve a difficult but necessary workforce reduction." As part of this plan, Grays Harbor Community Hospital board members and administrators are carefully evaluating approximately 6 percent of its workforce, which will impact nearly 50-60 people. There has also been a 10% salary cut for all administrators, managers, and salaried staff—a total of 63 team members. This restructure affects union and nonunion jobs. "These cuts will not affect patient care. We will continue to provide our customers with the highest quality care and service right here in Grays Harbor," according to Sharon Schermer, chairman of the GHCH Board of Directors. Hospital directors will be working with impacted individuals and departments to make certain they are treated fairly, respectfully, and according to GHCH policies and procedures. In those areas with union employees, GHCH will follow all applicable contract language and will work collaboratively with the union. "As the largest nonprofit healthcare provider in Coastal Washington, the community depends on us. Despite how difficult the past year has been, we are committed to providing quality care for all people, regardless of ability to pay," said Tom Jensen. "This is not an easy decision for our organization, but in this extremely challenging environment it is necessary to ensure Grays Harbor Community Hospital is able to provide quality care in our community for generations to come."