

The Economy is Affecting Medical Schools and Teaching Hospitals

Recent News Media Reports as of 9/4/2009

Top 20 execs at Jackson to volunteer for pay cuts

September 3, 2009, The Miami Herald

<http://www.miamiherald.com/business/story/1215073.html>

With county commissioners already expressing dismay about the number of executives earning big salaries in Miami-Dade's public hospitals, Jackson Health System said Wednesday its top 20 executives will volunteer to take a 4 to 5 percent pay cut, drop their car and executive allowances, and consider giving up five days without pay.

“Recognizing the economic challenges facing our county, state and nation, the executive team has agreed to take a voluntary pay cut, and all executives are forgoing their car and executive allowance,” Alonso wrote.

Caritas on track to be in the black

August 31, 2009, The Boston Globe

http://www.boston.com/business/healthcare/articles/2009/08/31/caritas_christi_poised_to_profit_after_cost_cuts_new_medical_services/

With economic pressures on Massachusetts hospitals starting to ease, the strongest recovery may be taking place at an organization that was one of the weakest financially: Caritas Christi Health Care.

Recession Easing for U.S. Hospitals, Study Finds

August 19, 2009, ABC News

<http://abcnews.go.com/Health/WireStory?id=8359902&page=1>

The recession appears to be easing for U.S. hospitals, although close to a third of hospitals remain in the red, according to a study published on Wednesday. The median profit margin of U.S. hospitals rose from 0.17 percent in the third quarter of 2008 to 3.1 percent in the first quarter of 2009, the analysis from Thomson Reuters found.

Hospital finances showing a rebound

August 18, 2009, The Dallas Morning News

<http://www.dallasnews.com/sharedcontent/dws/bus/stories/081909dnbushospitalfinances.3e60a0c.html>

Hospital balance sheets, once considered recession-proof, hit historic lows last year, but a financial analysis to be released today shows a rebound.

Recession fuels hospital ad blitz

August 15, 2009, Crain's Chicago Business

<http://www.chicagobusiness.com/cgi-bin/news.pl?id=35134>

Local hospitals poured record money into advertising last year amid stiff competition for a shrinking pool of patients.

Partners showing signs of recovery

August 14, 2009, The Boston Globe

http://www.boston.com/business/healthcare/articles/2009/08/14/partners_showing_signs_of_recovery/

Partners HealthCare, the state's largest health care system, yesterday reported an \$18 million deficit through the first nine months of the 2009 fiscal year, but narrowed its loss in the third quarter.

Hospitals cut off building projects

August 5, 2009, The Detroit News

<http://detnews.com/article/20090805/BIZ/908050326/1001/biz>

Metro Detroit hospitals are stalling new construction projects because of a lack of financing, and the cutbacks have slowed business for local contractors in an industry already suffering from a 30 percent unemployment rate in Michigan.

Health, clerical workers reject U. of C. contract offer

August 3, 2009, The Chicago Tribune

<http://www.chicagotribune.com/business/chi-u-of-c-med-center-contract-aug3,0,5380032.story>

The U. of C. has been hit hard by an increasing number of uninsured patients who cannot pay bills. Earlier this year, it began cutting about \$100 million from its annual budget, including more than 450 jobs.

Hospitals cut back

July 27, 2009, Portland Business Journal

<http://portland.bizjournals.com/portland/stories/2009/07/27/story2.html?b=1248667200%5E1866024>

Oregon's hospital spending boom is winding to a close. Now, spurred by economic concerns, health organizations are cutting back. Oregon Health & Science University has put on hold a planned \$375 million hospital expansion.

Health Care Jobs On Decline In Connecticut

July 24, 2009, The Hartford Courant

<http://www.courant.com/business/hc-health-job-losses.artjul24,0,5114497.story>

Connecticut posted the first significant job losses in the health care sector in more than a decade in the second quarter of this year, according to the state Department of Labor.

OHSU works to preserve quality amid deep cost cuts

July 18, 2009, The Oregonian

http://www.oregonlive.com/business/index.ssf/2009/07/ohsu_works_to_preserve_quality.html

OHSU lost a key malpractice ruling that sent insurance costs skyrocketing. Then the economy cratered, robbing millions from the university endowment, crimping profits at the school's hospital and depleting cash reserves even as the state cut its already stingy funding.

Minnesota's public hospitals say services in peril

July 14, 2009, The Star Tribune

<http://www.startribune.com/local/50730462.html>

Some of Minnesota's largest public hospitals are preparing to trim heavily used programs and services as state budget cuts and soaring costs for treating the uninsured threaten to leave them millions of dollars short.

Slump Spreads to Health Care as Michigan Loses Auto Jobs

July 13, 2009, The Wall Street Journal (subscription required)

<http://online.wsj.com/article/SB124743926415729611.html>

The sputtering Michigan economy is dragging down the state's once-strong health-care system, offering a preview of how a lingering recession could corrode Americans' hospitals, savings and health.

BMC's finances take turn for worse

July 13, 2009, The Boston Globe

http://www.boston.com/news/local/massachusetts/articles/2009/07/12/boston_medical_center_forecasts_first_loss_in_five_years/

The hospital projects that it will lose \$175 million in the fiscal year starting Oct. 1, an 18 percent operating loss that is unusually large even in Massachusetts' up-and-down hospital industry.

Health Group and Potomac Hospital to Join

July 2, 2009, The Washington Post

<http://www.washingtonpost.com/wp-dyn/content/article/2009/06/30/AR2009063004403.html>

Potomac Hospital plans to merge with Norfolk-based Sentara Healthcare to meet the demands of the community in a tough economic time, hospital officials said.

Aurora to eliminate 90 jobs

June 29, 2009, The Journal Sentinel

<http://www.jsonline.com/business/49461592.html>

Aurora Health Care plans to eliminate about 90 jobs, becoming the most recent health care system to reduce its workforce amid the economic downturn.

Hospitals Preparing Triage for Budgets; Centers Brace For Steep Cuts In State Funding

June 25, 2009, The Washington Post

<http://www.washingtonpost.com/wp-dyn/content/article/2009/06/24/AR2009062403483.html>

Washington-area hospitals, already battered by the recession, are bracing for what could be a budget crisis in coming months resulting from funding cutbacks by Virginia and Maryland.

Health suffers in recession; preventive care often cut first

June 24, 2009, USA Today

http://www.usatoday.com/news/health/2009-06-24-prevention-recession_N.htm

As the recession continues and unemployment climbs, surveys suggest many Americans are cutting costs by delaying or forgoing preventive health care.

Healing the hospitals

June 23, 2009, The Baltimore Sun

<http://www.baltimoresun.com/news/opinion/oped/bal-op.hospitals23jun23,0,1814683.story>

Hospitals are the latest casualties of the economic crisis. As their investment incomes tumble, hospitals' already stretched operating budgets are being squeezed even further.

Harvard to lay off 275

June 23, 2009, The Boston Globe

http://www.boston.com/news/local/breaking_news/2009/06/harvard_u_to_la.html

Harvard University announced this morning that it plans to lay off 275 staff members as the college grapples with budget pressures caused by a precipitous endowment decline.

Are Hospitals Due for Another Round of Layoffs?

June 8, 2009, HealthLeaders Media

http://www.healthleadersmedia.com/content/234152/topic/WS_HLM2_HR/Are-Hospitals-Due-for-Another-Round-of-Layoffs.html

For the last six months or so I've tried to keep track of hospital layoffs across the country. Nothing fancy, exhaustive, or scientific: I'd Google "hospital" and "layoffs" and "2009" and see what popped up. Unfortunately, there was no shortage of hospital layoffs news in January, February, and March.

Hospitals cutting back

June 6, 2009, The Miami Herald

<http://www.miamiherald.com/business/story/1084420.html>

Once considered recession-proof, many hospitals are suffering in these tough economic times, but some for-profit hospitals are doing surprisingly well, speakers said Friday at the annual South Florida Healthcare Summit.

University of Iowa Health Care plans layoffs

June 4, 2009, The Gazette

<http://www.gazetteonline.com/apps/pbcs.dll/article?AID=/20090602/NEWS/706029934/1006>

An unknown number of University of Iowa Hospitals and Clinics employees will be laid off, part of \$45 million in cuts to the hospital's fiscal 2010 budget. Hospital leaders reduced expenses by \$23 million this fiscal year, which ends June 30, but it wasn't enough to prevent an operating loss, perhaps about \$5 million.

University of Iowa Hospitals to cut staff with layoffs, attrition

June 3, 2009, The Des Moines Register

<http://www.desmoinesregister.com/article/20090603/NEWS02/906030358/1001/NEWS>

The University of Iowa Hospitals said Tuesday it will cut its work force through layoffs,

retirements and attrition. The hospital, a 680-bed facility with an annual budget of about \$860 million, has already trimmed its expenses by \$23 million for the fiscal year ending June 30, officials said.

University of Alabama at Birmingham medical center says it's eliminating 245 jobs

June 2, 2009, The Birmingham News

http://blog.al.com/businessnews/2009/06/university_of_alabama_at_birmi.html

UAB Hospital, UAB Highlands and the UAB Health System in Birmingham, Alabama, today announced they are eliminating 164 positions and shifting 81 workers into jobs now held under contracts for non-patient care support services.

Conn. hospital set to lay off nearly 80

June 2, 2009, Hartford Courant

<http://www.courant.com/news/local/statewire/hc-ap-ct-hospitallayoffsjun02,0,1467597.story>

Officials from a Connecticut hospital say they are planning to lay off close to 80 workers. Greenwich Hospital president Frank Corvino says the layoffs are because of fewer patients and a decrease in funding.

Research costs batter Beth Israel's budget

May 21, 2009, The Boston Globe

http://www.boston.com/business/healthcare/articles/2009/05/21/research_costs_batter_beth_israels_budget/

Beth Israel Deaconess Medical Center, which laid off about 70 workers last month and made other cuts to regain its financial footing, is now taking other steps to stem a projected \$28 million loss this year in its biomedical research operations.

Mount Sinai Medical Center Q1 loss narrows

May 20, 2009, South Florida Business Journal

<http://www.bizjournals.com/southflorida/stories/2009/05/18/daily45.html>

Mount Sinai Medical Center's loss narrowed in the first quarter, year-over-year, according to a report the Miami Beach-based nonprofit released to its bondholders. It lost \$448,000 on operating revenue of \$130.3 million in the first quarter, up from a \$1.64 million loss on operating revenue of \$128 million in the first quarter of 2008. In both quarters, the hospital received a \$2.5 million contribution from the Mount Sinai Medical Center Foundation, lessening the string.

University of Chicago to shutter women's clinic

May 19, 2009, The Chicago Tribune

<http://www.chicagotribune.com/features/health/chi-tue-uofc-clinics-0519-may19,0,4763606.story>

Medical center executives say the steep downturn in the economy has forced them to trim \$100 million from the hospital's budget to maintain their role of running a world-class hospital, research center and medical school, and the Women's Health Center on 47th Street near Woodlawn Avenue, which cares for thousands of Medicaid patients, is a money loser.

Partners posts \$151 million loss for quarter

May 14, 2009, The Boston Globe

http://www.boston.com/business/ticker/2009/05/partners_posts_1.html

Partners HealthCare narrowed its loss in the second quarter, but still reported a \$151 million deficit through the first half of its 2009 fiscal year, largely because of investment declines.

Bad economy batters Metro Detroit hospital groups, Blue Cross

May 13, 2009, The Detroit News

<http://detnews.com/article/20090513/BIZ/905130342/1001/biz>

Despite starting off strong, 2008 was a financially punishing year for many Metro Detroit health organizations. Beaumont Hospitals posted its first operating loss in decades. Blue Cross Blue Shield of Michigan saw its investments plunge into the red -- a loss of \$80 million following a gain of \$409 million in 2007. And Henry Ford ended the year with a net income of \$8.5 million, down from \$105.8 million in 2007.

Loyola University Health System to cut 440 jobs

May 12, 2009, The Chicago Tribune

<http://www.chicagotribune.com/business/chi-biz-loyola-hospital-cuts-may12,0,2069925.story>

The Loyola University Health System in west suburban Maywood Tuesday said it will cut more than 440 jobs, or about 8 percent of its work force, amid the recession and an economic downturn causing an influx of patients who cannot pay their medical bills.

Hospital Job Growth Slows

May 8, 2009, HealthLeaders Media

http://www.healthleadersmedia.com/content/232722/topic/WS_HLM2_HR/Hospital-Job-Growth-Slows.html

Hospitals only added 600 new jobs in April, according to Bureau of Labor Statistics data released today. By comparison, the hospital sector added 11,300 jobs in April 2008, and 7,300 jobs in April 2007.

Beth Israel lays off 70 employees

May 5, 2009, The Boston Globe

http://www.boston.com/business/healthcare/articles/2009/05/05/beth_israel_lays_off_70_employees/

Beth Israel Deaconess Medical Center, which earlier this year said it might lay off 600 workers because of a projected operating loss of up to \$20 million, has shed about 70 employees in a round of job cuts, a spokesman for the Boston hospital said yesterday.

Waves of suffering

May 4, 2009, The Boston Globe

http://www.boston.com/news/health/articles/2009/05/04/waves_of_suffering/

As more people forgo treatment, hospitals are suffering financially, industry specialists say. Their profits depend heavily on lucrative surgical procedures paid for by private insurers.

Hospital margins plummet

April 28, 2009, Pittsburgh Post-Gazette

<http://www.post-gazette.com/pg/09118/965962-28.stm>

While operating margins for Pennsylvania hospitals remain stable at 2.1 percent, total margins "have fallen off a cliff," said Carolyn Scanlan, president and chief executive officer for The Hospital and Healthsystem Association of Pennsylvania.

Hospital Job Growth Flat-Lines in 2009

April 27, 2009, HealthLeaders Media

http://www.healthleadersmedia.com/content/232133/topic/WS_HLM2_HR/Hospital-Job-Growth-FlatLines-in-2009.html

Hospital job growth, until recently one of the few bright spots for a nation deep in recession and high unemployment, has all but flat-lined so far this year, Bureau of Labor Statistics show.

AHA: Hospitals in Critical Condition

April 27, 2008, HealthLeaders Media

http://www.healthleadersmedia.com/content/232066/topic/WS_HLM2_FIN/AHA-Hospitals-in-Critical-Condition.html

Many of the nation's hospitals are in critical condition with most complaining of declining financial health, according to a new industry survey.

M.D. Anderson layoffs may start in a month

April 21, 2009, The Houston Chronicle

<http://www.chron.com/disp/story.mpl/metropolitan/6385402.html>

The president of the University of Texas M.D. Anderson Cancer Center said Tuesday that he's hopeful the hospital can cut its budget by 10 percent without significant layoffs, but acknowledged dismissals could start "popping up" in the next month.

Recession Is Taking Toll on Large Hospital Bottom Lines

http://www.healthleadersmedia.com/content/231714/topic/WS_HLM2_FIN/Recession-Is-Taking-Toll-on-Large-Hospital-Bottom-Lines.html

April 20, 2009, HealthLeaders Media

During the first quarter of fiscal 2009, more than half (54%) of the hospitals surveyed nationwide reported negative total margins. The greatest rate of hospitals reporting negative margins occurred among those with 500 or more beds (80%) and the lowest rate (36%) was reported among the smallest hospitals (those with less than 100 beds).

FHA: Medicaid cuts will cost hospital jobs

April 16, 2009, Jacksonville Business Journal

http://jacksonville.bizjournals.com/jacksonville/stories/2009/04/13/daily36.html?ed=2009-04-16&ana=e_du_pap

As the Florida Senate considers slashing \$90 million in Medicaid payments to Florida hospitals, a study sponsored by the **Florida Hospital Association** warned that these cuts would cause a loss of four times that much in economic impact and cost thousands of jobs.

New Orleans interim LSU hospital to cut 300 workers next year

April 16, 2009, The Times Picayune

http://www.nola.com/news/index.ssf/2009/04/new_orleans_interim_hospital_t.html

The Interim LSU Public Hospital in New Orleans is vastly overstaffed compared with its national peers and is planning to shed 300 workers next year as part of \$24 million in budget cuts being contemplated by Gov. Bobby Jindal and the Legislature, officials said Wednesday.

Recession Now Hits Jobs in Health Care

April 12, 2009, The Wall Street Journal (subscription required)

<http://online.wsj.com/article/SB123958719598112571.html>

Employment in health care, the only major industry outside the federal government still adding jobs, is succumbing to the recession.

Hope for deficit-crippled Northeastern Hospital hangs on 30-day reprieve

April 10, 2009, The Philadelphia Inquirer

http://www.philly.com/philly/hp/news_update/42789827.html

Temple announced on March 23 that Northeastern couldn't continue to operate as an inpatient hospital because of mounting losses: \$6.6 million in fiscal year 2008, and a projected \$15 million this fiscal year.

Kids at risk over \$60 million in cuts at Seattle Children's

April 8, 2009, The Seattle Post Intelligencer

http://www.seattlepi.com/local/404980_childrens09.html

Seattle Children's, the Northwest's largest pediatric hospital, stands to lose nearly \$60 million in Medicaid funding over the next two years -- possibly the largest proposed budget cut to any hospital in the state, hospital officials said Wednesday.

\$23 Million Won't Keep Trauma System Healthy

April 8, 2009, Atlanta Journal-Constitution

http://www.jems.com/news_and_articles/news/09/cuts_threaten_ga_trauma_system.html;jsessionid=F4898354691EB2DA850F95CB054CF79F

The state Legislature provided \$23 million for Georgia's trauma care hospitals, less than half the money they received last year. That worries advocates who fear the cut will endanger service at the 15 trauma hospitals.

LI hospitals scramble to close budget gaps

April 6, 2009, Newsday

<http://www.newsday.com/news/local/nassau/ny-lihosp0712625465apr06,0,806047.story>

Now that the state budget is passed, Long Island hospitals, two-thirds of which will lose a total of more than \$40 million, are scrambling to figure out how to close their budget gaps.

Fairview's net loss was \$114 million last year

April 3, 2009, Star Tribune

<http://www.startribune.com/business/42448672.html?elr=KArks:DCiU1OiP:DiiUiacyKU>

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Fairview Health Services suffered a net loss of \$114 million last year, largely because of investment losses and higher interest rates on debt, according to unaudited numbers released Friday.

Grady cuts were about 'culture' as well as costs

April 2, 2009, The Atlanta Journal-Constitution

<http://www.ajc.com/services/content/printedition/2009/04/02/grady0402.html>

When Grady Memorial Hospital announced last month that it was laying off 140 employees, CEO Michael Young said the hospital needed to save money. But a drop in government funding and an increase in uninsured patients were just two reasons for the layoffs.

Fairview plans wage freeze

April 1, 2009, The Star Tribune

<http://www.startribune.com/business/42301522.html?elr=KArksLckD8EQDUoaEyqyP4O:DW3ckUiD3aPc: Yyc:aUUr>

In another sign of the financial crunch in health care providers, Fairview Health Services said Wednesday it plans to freeze 2009 wages for all employees in hopes of saving \$24.5 million.

Emory avoids major layoffs, uses worker ideas to cut \$30M

March 31, 2009, The Atlanta Journal-Constitution

http://www.ajc.com/business/content/business/stories/2009/03/31/emory_healthcare_cutbacks.html

Emory Healthcare, like other hospital systems, has been jolted by an economic "hurricane." With widespread job losses, more patients without insurance have sought care at Emory hospitals. And in the past six months, with the stock market drop, Emory Healthcare's investments plunged by \$50 million.

Hospitals' financial deals turn into liabilities

March 28, 2009, The Baltimore Sun

<http://www.baltimoresun.com/news/health/bal-md.hospitals28mar28,0,124380.story>

On Thursday, the Maryland Hospital Association said 34 hospitals had total losses of \$466 million in the fourth quarter of 2008. Many of the losses can be traced to these deals known as interest rate swaps. Health care operations, while being squeezed, are still in the black overall. These reversals came at a time hospitals are suffering major losses from investments, people are putting off elective surgeries and others are unable to pay for treatment.

Economic downturn hits Md. hospitals hard

March 27, 2009, The Baltimore Sun

<http://www.baltimoresun.com/news/health/bal-md.hospitals27mar27,0,7665619.story>

The economic crisis is taking its toll on Maryland hospitals: A report released Thursday shows that 34 of the state's 58 hospitals lost a total of \$466 million during the fourth

quarter of 2008 and, officials said, the picture has continued to be grim in the first months of this year.

Harborview, trauma centers facing crisis

March 26, 2009, The Seattle Post Intelligencer

http://www.seattlepi.com/local/404322_trauma26.html

Doctors at Harborview Medical Center call it an "epidemic" - more young adults are dying from trauma injuries than AIDS and stroke combined. But with all the charity care and the economic recession, trauma centers around the country, including Harborview, are now suffering themselves.

The Med to layoff 86 more, total of 230 positions lost

March 26, 2009, Memphis Business Journal

<http://www.bizjournals.com/memphis/stories/2009/03/23/daily43.html?surround=lfm>

Roughly 86 more employees are planned to be cut from the Regional Medical Center at Memphis. Hospital COO Christine Pappas told The Med's board of directors today that cuts are not linked to the bad economy or to any possible future cuts to government subsidies. The cuts, she said, are part of consultant firm FTI Cambio's plan to guide the financially struggling hospital back to sustainability.

Area Hospitals Feeling Pinch in Downturn

March 26, 2009, The Washington Post

<http://www.washingtonpost.com/wp-dyn/content/article/2009/03/25/AR2009032503552.html?hpid=sec-health>

It might have a reputation as a growth industry in good times and bad, but that does not mean the health-care sector is immune to the economic troubles affecting other parts of the business world.

Northeastern Hospital will be closed

March 24, 2009, The Philadelphia Inquirer

http://www.philly.com/inquirer/business/homepage/20090324_Northeastern_Hospital_will_be_closed.html

Citing financial problems, Temple University Health System said yesterday it was closing Northeastern Hospital in the city's Port Richmond section and, with it, yet another of Philadelphia's maternity wards.

Medical College of Wisconsin will cut its budget by 5%

March 21, 2009, The Journal Sentinel

<http://www.jsonline.com/business/41608377.html>

After more than a decade of expansion, the Medical College of Wisconsin is grappling with smaller operating margins, a less profitable patient mix and excess research capacity at the school and its hospital partners. The result: The school will cut its budget by 5% for the fiscal year beginning July 1, and layoffs are possible, college spokesman Richard Katschke confirmed. The Medical College's fiscal 2009 operating budget was million \$800.

The University of Rochester Medical Center puts expansion on hold

March 20, 2009, Democrat and Chronicle

<http://www.democratandchronicle.com/article/20090320/NEWS01/903200352/1002/NEWS>

The University of Rochester Medical Center's plans for a six-story hospital expansion that was expected to alleviate overcrowding in the area's emergency rooms has been put on hold indefinitely, and construction on a 150,000-square-foot research building will wait until state funding comes through.

To stave off layoffs, Beth Israel doctors agree to give \$350K

March 20, 2009, The Boston Globe

http://www.boston.com/business/healthcare/articles/2009/03/20/to_stave_off_layoffs_beth_israel_doctors_agree_to_give_350k/

The heads of 13 medical departments at Beth Israel Deaconess Medical Center yesterday said they would collectively donate \$350,000 to the Boston hospital in an effort to further reduce planned staff layoffs.

University Hospitals in Iowa City delays expansion plans

March 19, 2009, The Gazette

<http://www.gazetteonline.com/apps/pbcs.dll/article?AID=/20090319/NEWS/703199938/1001/NEWS>

University of Iowa Hospitals and Clinics will delay a planned expansion that includes a new Children's Hospital tower due to the faltering economy, officials said Wednesday.

Sparing 450 jobs at Beth Israel

March 19, 2009, The Boston Globe

http://www.boston.com/news/local/massachusetts/articles/2009/03/19/sparing_450_jobs_at_beth_israel/

Beth Israel Deaconess Medical Center employees are mostly praising the chief executive's proposals for slashing the number of potential layoffs from more than 600 to about 150 through a combination of wage freezes, salary cuts in high administrative jobs, and benefit reductions.

Survey: 80 percent of Pa. hospitals weigh layoffs

March 13, 2009, Pittsburgh Post-Gazette

<http://www.post-gazette.com/pg/09072/955235-114.stm>

More than 80 percent of Pennsylvania's hospitals are considering layoffs -- if they haven't initiated them already -- due to the national economic downturn, according to a new statewide survey by the Hospital and Health system Association of Pennsylvania.

Survey finds more Pa. hospitals considering layoffs

March 13, 2009, Philadelphia Inquirer

<http://www.philly.com/philly/business/41193897.html>

While health care remains one of the economy's strongest sectors, Pennsylvania's hospitals say in a new survey they increasingly are feeling the pinch.

Many Projects, Little Money

March 12, 2009, HealthLeaders Media

http://www.healthleadersmedia.com/content/229634/topic/WS_HLM2_MAG/Many-Projects-Little-Money.html

Since the economy began its downturn into what many consider the worst financial crisis since the Great Depression, executives in hospitals of all sizes nationwide have had to make difficult decisions about what (and sometimes who) to cut in their efforts to remain financially viable.

Grady Hospital cuts 150 jobs

March 11, 2009, Atlanta Journal-Constitution

http://www.ajc.com/services/content/metro/atlanta/stories/2009/03/11/grady_job_cuts.html?cxtype=rss&cxsvc=7&cxcac=13

Grady Memorial Hospital on Wednesday announced 150 job cuts, in response to severe economic pressures and an increase in indigent patients, officials said. Among those who left was the head of the hospital's cancer center.

Hospitals feel the stress of recession

March 11, 2009, The New-Times

http://www.newstimes.com/ci_11888294

The economic hard times hobbling the country have made the work of state hospitals tougher.

Boom amid bust: Med schools grow as economy tanks

March 10, 2009, Chicago Tribune

<http://www.chicagotribune.com/news/chi-ap-medicalschoolboom,0,6297397.story>

You wouldn't know there was an economic crisis the way the medical school business is booming these days.

Doctors not immune from recession suffering

March 8, 2009, Miami Herald

<http://www.miamiherald.com/business/economy/story/938741.html>

While their patients are scrimping on care in tough economic times, the healthcare industry in South Florida is suffering.

Hospital braces for \$20m loss this year

March 6, 2009, Boston Globe

http://www.boston.com/business/healthcare/articles/2009/03/06/beth_israel_deaconess_moves_to_trim_expenses/

Beth Israel Deaconess Medical Center, facing a \$20 million loss this year, says it is cutting expenses by freezing salaries for some employees and reducing top executives' pay, and also considering layoffs.

Hospitals, Perdue face off over health funding

March 4, 2009, Atlanta Journal-Constitution

http://www.ajc.com/business/content/business/stories/2009/03/04/perdue_hospitals_funding.html

The state's hospital industry Wednesday predicted more red ink and even possible closures under the new Medicaid payment cuts proposed by Gov. Sonny Perdue.

Hospital staffs feeling the pain of recession

March 3, 2009, Kansas City Star

<http://www.kansascity.com/business/story/1063441.html>

Beginning in January, some employees of Truman Medical Centers lost part of their raises. Others were told they wouldn't be getting all they'd been expecting.

Half of nation's hospitals running losses

March 3, 2009, Los Angeles Times

<http://www.latimes.com/business/la-fi-hospitals2-2009mar02,0,3182541.story>

The economic decline is continuing to ravage the nation's hospitals, with half of them operating in the red and many planning service and staffing cuts, two new reports show.

\$17 Million Deficit For Uconn Health Center This Fiscal Year

March 2, 2009, Hartford Courant

<http://www.courant.com/business/hc-healthcenter0303.artmar03,0,7685194.story>

Despite being bailed out three times by the legislature since 2000, the University of Connecticut Health Center is now running a deficit of nearly \$17 million for the current fiscal year.

Partners loses \$185m in quarter

February 20, 2009, The Boston Globe

http://www.boston.com/business/healthcare/articles/2009/02/20/partners_loses_185m_in_quarter/

Partners HealthCare Inc., the hospital giant that provides about one-quarter of the medical care in Eastern Massachusetts, said it lost \$185 million in its first quarter as a result of big losses in its investments and other financial instruments.

Harvard slows work on Allston complex

February 19, 2009, The Boston Globe

http://www.boston.com/news/local/massachusetts/articles/2009/02/19/harvard_slows_work_on_allston_complex/

Harvard University is putting the brakes on its landmark plans to remake an industrial slice of Allston into a sprawling new campus, President Drew Faust announced yesterday, in the clearest sign yet of the impact the recession is having on the world's wealthiest university.

Survey: New Jersey hospitals are hurting

February 18, 2009, The Philadelphia Inquirer

http://www.philly.com/philly/business/homepage/20090218_Study_New_Jersey_hospitals_are_hurting.html

With all the talk of budget cuts in New Jersey, the state's hospitals are making their case that they're suffering in the economic downturn just like other businesses.

Duke Medicine tightens pursestrings in recession

February 17, 2009, The Duke Chronicle

<http://www.uwire.com/Article.aspx?id=3765052>

Amid a national decrease in medical school endowment returns and applications and a rise in the number of uninsured patients, Duke Medicine has remained stable-but cautious-in grappling with the ongoing global financial crisis.

Recession weakens hospitals' capital spending projects

February 16, 2009, The Dallas Morning News

http://www.dallasnews.com/sharedcontent/dws/bus/stories/DN-HealthRecession_16bus.ART.State.Edition1.4c06f18.html

The University of Dallas may not have been alone last week when it cited the recession and a weak fundraising climate as reasons for suspending plans to build a pharmacy school.

UPMC Shows Losses, Gains

February 13, 2009, The Pittsburgh Post-Gazette

<http://www.post-gazette.com/pg/09044/948799-28.stm>

University of Pittsburgh Medical Center's investment portfolio took a \$3 million hit last quarter, but the region's largest employer remains on target to exceed a \$500 million cash flow income this fiscal year, health system officials said yesterday.

How Some Hospitals Keep a Healthy Bottom Line

February 11, 2009, Chronicle of Higher Education (subscription required)

<http://chronicle.com/weekly/v55/i23/23a02801.htm>

A few teaching hospitals are still faring relatively well, despite the downturn in the economy. The UMass Memorial Medical Center, which serves the University of Massachusetts Medical School in Worcester, ended 2008 with a \$54-million surplus.

Austin medical school plans flat line

February 11, 2009, The Galveston County Daily News

<http://galvestondailynews.com/blog.lasso?permalink=fb34b47cd3dd14bd>

Looks like plans for a University of Texas medical school in Austin are flat lining. Shine blamed the economy and the university's enormous loss in endowment funds that would have helped to build the school.

Sick Economy Puts Strain on Teaching Hospitals

February 11, 2009, Chronicle of Higher Education (subscription required)

<http://chronicle.com/free/v55/i23/23a00101.htm>

At teaching hospitals around the country, more people are losing their jobs, their health insurance, and their ability to pay medical bills. Major teaching hospitals account for 6 percent of the nation's hospitals but provide 41 percent of charity care.

Economy forces change in UI hospital expansion

February 10, 2009, The Chicago Tribune

<http://www.chicagotribune.com/news/chi-ap-ia-universityhospita,0,683291.story>

A project to expand University of Iowa Hospitals and Clinics has been altered because of the economy.

U. of C. emergency room to get more selective

February 10, 2009, The Chicago Tribune

<http://www.chicagotribune.com/business/chi-tue-uofc-medical-cuts-feb10,0,1975597.story>

The hospital is changing the way it admits emergency room patients as part of its effort to deal with the worsening economy, a move underscored by Monday's announcement of 450 layoffs, or 5 percent of its workforce.

Executives at UPMC face 25% pay reduction

February 9, 2009, Modern Healthcare (subscription required)

<http://www.modernhealthcare.com/article/20090209/REG/302099950>

The University of Pittsburgh Medical Center system said executive compensation would be cut by 25% as part of the system's plan to shave \$150 million, or 2%, off its operating expenses.

Health alliance shutter some clinics, plans to cut 300 jobs

February 8, 2009, The Boston Globe

http://www.boston.com/news/health/articles/2009/02/08/health_alliance_shutters_some_clinics_plans_to_cut_300_jobs/

Local officials are relieved their communities will not suffer a major loss of services from recent cutbacks announced by a regional health provider. Cambridge Health Alliance announced that as a result of the financial crunch created by state budget cuts and the slow economy, it plans to eliminate more than 300 jobs, end inpatient services at Somerville Hospital, and close six medical clinics.

Top doctor at U. of C. Medical Center steps down amid talk of massive layoffs

February 8, 2009, The Chicago Tribune

<http://www.chicagotribune.com/business/chi-university-of-chicago-resignation-garcia-feb07,0,5302967.story>

Amid a major restructuring and an expected announcement as early as Monday of several hundred job cuts, the chairman of the largest group of doctors at University of Chicago Medical Center has resigned, according to a document obtained by the Tribune and sources close to the situation.

Worst-case budget might put charity hospitals at risk

February 7, 2009, The Times-Picayune

<http://www.nola.com/timespic/stories/index.ssf?/base/news-6/1233987657107630.xml&coll=1>

Louisiana State University would be forced to close or downsize several charity hospitals under a doomsday budget scenario presented this week to Gov. Bobby Jindal's administration.

Drew University to lay off 10% of faculty and staff

February 7, 2009, The Los Angeles Times

<http://www.latimes.com/news/local/la-me-drew7-2009feb07,0,640250.story>

Charles Drew University of Medicine and Science will lay off 10% of its faculty and staff and slash executive salaries in an effort to reduce annual expenses by \$10 million, officials said.

Clarian cuts exec pay, delays Riley tower

February 6, 2009, The Indianapolis Star

<http://www.indystar.com/article/20090206/BUSINESS/902060399>

Clarian Health Partners has cut salaries by 10 percent for top executives and delayed construction on the Simon Family Tower at Riley Hospital for Children, as part of system-wide cost-cutting.

Budget drops Children's funding

February 6, 2009, Pittsburgh Post-Gazette

<http://www.post-gazette.com/pg/09037/947288-85.stm>

The hospital is set to lose all \$445,000 of its state funding in Gov. Ed Rendell's new budget, while a similar medical facility, Children's Hospital of Philadelphia, is only losing \$44,000.

MetroHealth Medical Center warns of possible layoffs, reports slim profit for 2008

February 6, 2009, The Cleveland Plain Dealer

<http://www.cleveland.com/news/plaindealer/index.ssf?/base/news/1233912619271290.xml&coll=2>

MetroHealth Medical Center, the county's safety-net hospital, told employees this week that after a tumultuous year of management turnover and financial losses, it finished 2008 with a slim profit.

Michigan hospitals need help, association warns

February 5, 2009, The Detroit Free-Press

<http://www.freep.com/article/20090205/BUSINESS06/90205066/Michigan+hospitals+need+help++association+warns>

The worst economy in decades is crippling Michigan hospitals, causing large financial losses, layoffs and cuts in programs and construction, the state's hospital association warned today.

Survey: Recession hits hospitals hard

February 5, 2009, The Atlanta Journal-Constitution

http://www.ajc.com/living/content/printedition/2009/02/05/hospital0205.html%3Fcxntlid%3Dinform_sr

The recession has left a deep gash in Georgia's hospital industry, a new survey shows. The downturn has caused 60 percent of Georgia's hospitals to cut staff or consider it, and more than one-third to reduce services or contemplate such a move, according to a survey of 63 hospitals and health systems by the Georgia Hospital Association.

Back to Basics

February 3, 2009, HealthLeaders Media

http://www.healthleadersmedia.com/content/227592/topic/WS_HLM2_MAG/Back-to-Basics.html

Merely retreating during a recession just digs a bigger hole to climb out of when the recession ends. So hospitals are shrinking to grow and seizing the downturn as an opportunity to pursue strategic relationships or mergers with physicians—or even with their competition.

Minnesota health care: Condition critical

February 2, 2009, The Star Tribune

<http://www.startribune.com/business/38730897.html?elr=KArksLckD8EQDUoaEyqyP4O:DW3ckUiD3aPc: Yyc:aUUsZ>

Once immune from recessions, the industry finds itself ailing as people forgo doctor visits. Local hospitals have shed more than 1,000 workers since last year and postponed construction projects. The University of Minnesota Medical School is "looking under every stone" for savings.

NIH grants to Cleveland institutions down about 17% since 2005

January, 31, 2009, The Cleveland Plain Dealer

<http://www.cleveland.com/news/plaindealer/index.ssf?/base/news/123339432756670.xml&coll=2>

A drop in funding from the National Institutes of Health is taking a toll on Cleveland's big hospitals and small biomedical start-ups. NIH grants to Cleveland's major medical research institutions dropped about 17 percent to \$232 million in 2008 from \$280 million in 2005, according to the federal agency.

Stem cell facility might not get built

January 30, 2009, San Diego Union-Tribune

<http://www3.signonsandiego.com/stories/2009/jan/30/1n30stems235627-stem-cell-facility-might-not-get-b/?zIndex=45323>

The nation's financial woes, coupled with California's budget crisis, have prevented San Diego's stem cell consortium from securing the loans it needs to build a much ballyhooed \$115 million stem cell research center in Torrey Pines.

Academic hospitals' investments decline sharply

January 29, 2009, The Chicago Tribune

<http://www.chicagotribune.com/business/chi-thu-notebook-hospitals-0129-jan29,0,5126973.story>

In a glimpse of the economy's toll on the investment portfolios of some of Chicago's largest academic medical centers, a series of financial reports this month shows three of these hospitals losing hundreds of millions of dollars.

WakeMed gingerly resumes bond sales

January 28, 2009, The News & Observer

<http://www.newsobserver.com/business/story/1384413.html>

WakeMed, one of the Triangle's largest hospital systems, expects to sell as much as \$175 million in tax-free bonds this week, a step that suggests a slight thawing of the credit market.

Colleges adjust as endowment returns plunge

January 27, 2009, USA Today

http://www.usatoday.com/news/education/2009-01-27-college-endowments_N.htm

Average college endowment returns dropped about 3% over the 12 months ending in June, then plummeted an estimated 22.5% more on average over the next five months, three surveys show today.

Economic downturn spares medical school

January 27, 2009, Yale Daily News

<http://www.yaledailynews.com/articles/view/27300>

Despite the economic downturn and a 25 percent decline in the University's endowment, the Yale School of Medicine remains, in many respects, on strong financial footing, Dean Richard Alpern said in a letter issued Friday to the medical school community.

OHSU will cut 500-1,000 jobs, benefits by June

January 22, 2009, The Oregonian

http://www.oregonlive.com/business/index.ssf/2009/01/ohsu_to_cut_as_many_as_1000_jobs.html

Adding to the state's growing unemployment, Oregon Health & Science University said Thursday that deteriorating finances will force it to eliminate up to 1,000 jobs, cut employee benefits and make other program reductions by the end of June.

Hospitals hurt by slumping economy put off projects

January 22, 2009, USA Today

http://www.usatoday.com/news/health/2009-01-22-hospitals_N.htm?loc=interstitialskip

Many hospitals are delaying expansion plans, putting new equipment purchases on hold and freezing hiring, blaming an ongoing credit crunch, tattered investment portfolios and more patients who are putting off some treatments.

Tenet Eases 4Q Concerns, But Hospitals Are Still Ailing

January 22, 2009, Dow Jones Newswire (Wall Street Journal, subscription required)

<http://online.wsj.com/article/BT-CO-20090122-714855.html>

Tenet Healthcare Corp. (THC) may have surprised Wall Street by predicting a fourth-quarter profit, but its lack of further earnings visibility highlights the toll an ailing U.S. economy and tough credit markets are taking on the hospital industry.

Hospitals' uninsured patient numbers increase

January 20, 2009, The Des Moines Register

<http://www.desmoinesregister.com/article/20090120/NEWS/901200379>

Iowa hospital leaders say increasing numbers of uninsured patients are seeking free care in their emergency rooms, and the hospitals are bracing for more such costs as the economy continues to slump.

Hospitals: Cuts in budget could 'destroy us'

January 17, 2009, The Providence Journal

http://www.projo.com/health/content/BUDGET_CUTS.1_01-17-09_4BD0AKL_v24.3e37086.html

Governor Carcieri wants Rhode Island's community hospitals, some already teetering on the edge of financial disaster, to give up nearly \$32 million in the coming months to help solve the state government's financial troubles.

Fox Chase Cancer Center cutting at least 70 jobs

January 16, 2009, Philadelphia Business Journal

<http://www.bizjournals.com/philadelphia/stories/2009/01/12/daily55.html>

Fox Chase Cancer Center, which is in the middle of a legal battle over its proposed expansion plans, is eliminating 70 to 80 positions, about 3 percent of total staff.

VCU Health System warns of possible layoffs

January 16, 2009, The Richmond Times Dispatch

http://www.timesdispatch.com/rtd/business/health_med_fit/article/VCUGAT16_20090116-064211/179995/

Employees at VCU Health System were told yesterday by administrators to tighten their belts or layoffs might be necessary. "The unprecedented economic recession is presenting financial challenges across the nation and in all industries, health care included," said Dr. Sheldon Retchin, VCU Health System chief executive officer.

Columbia St. Mary's delays hospital completion

January 16, 2009, The Journal Sentinel

<http://www.jsonline.com/business/37731419.html>

Columbia St. Mary's is slowing construction on its hospital in Milwaukee to conserve cash during the economic crisis.

Cancer center cutting jobs, wants top court to rule in park dispute Cancer center cutting 75 jobs

January 16, 2009, The Philadelphia Inquirer

http://www.philly.com/philly/hp/news_update/37698174.html

The Fox Chase Cancer Center filed an appeal Wednesday with the state Supreme Court to overturn a ruling that blocked its plan to lease nearly 20 acres of land in Burlhome Park in the Northeast for a \$1 billion expansion. That same day, center officials started telling employees that it would eliminate 75 jobs.

Combining UAB and UAB Highlands hospitals would help efficiency and economy, executive proposes

January 14, 2009, The Birmingham News

<http://www.al.com/birminghamnews/stories/index.ssf?/base/news/1231924533135720.xml&coll=2>

UAB Hospital wants UAB Highlands to operate with it as one institution, although they will keep their separate campuses, UAB Health System CEO Will Ferniany said Tuesday. Ferniany spoke to the Faculty Senate at the University of Alabama at Birmingham about

the health system's strategic plan, saying it has to continue to improve in order to stave off economic challenges.

Texas leads in economic impact of doctor-owned hospitals

January 14, 2009, The Dallas Morning News

http://www.dallasnews.com/sharedcontent/dws/bus/stories/DN-PhysicianHospitals_15bus.ART0.State.Edition1.3bafa3b.html

Physician-owned hospitals in Texas will infuse \$2.3 billion into the state's economy this year, the largest projected economic impact by such hospitals in the nation, according to a study released Wednesday.

University of Chicago hospital to trim 7% of budget

January 10, 2009, The Chicago Tribune

<http://www.chicagotribune.com/business/chi-sat-uofc-restructuring-jan10,0,5270924.story>

The University of Chicago Medical Center late Friday confirmed a massive restructuring that will trim \$100 million in expenses, or nearly 7 percent of its annual budget, amid the economic downturn and unpaid bills owed the hospital from the state Medicaid program for the poor.

U of C hospital slashing hundreds of jobs

January 9, 2009, Crain's Chicago Business

<http://www.modernhealthcare.com/apps/pbcs.dll/article?AID=/20090109/FREE/301099981/0/FRONTPAGE>

University of Chicago Medical Center plans to lay off hundreds of employees as it works to cut up to \$100 million from its budget, according to a report by Crain's Chicago Business, a sister publication of Modern Healthcare. Chief Executive Officer James Madara confirmed late Friday that the 600-bed hospital plans a major restructuring amid growing financial pressures from the flagging economy.

Florida Legislature expected to slash hospital budgets

January 8, 2009, The Miami Herald

<http://www.miamiherald.com/news/southflorida/story/842578.html>

After weathering back-to-back budget cuts, Florida hospitals now face a \$137 million reduction that could soon put the state's healthcare system into crisis and lead to the closure of some facilities, according to hospital officials and even one of the legislators tasked with slashing healthcare spending.

Crozer-Keystone Health System eliminates 400 jobs

January 8, 2009, The Philadelphia Inquirer

<http://www.philly.com/philly/wires/ap/news/state/pennsylvania/37261764.html>

Spokeswoman Kathy Scullin says the suburban Philadelphia health care provider has experienced a decline in admissions, a drop in outpatient volume, an increase in bad debt, and reductions in reimbursement from the state.

Hospitals Scale Back on Robots, Infusion Devices in Tough Economy

January 8, 2009, The Wall Street Journal

<http://blogs.wsj.com/health/2009/01/08/hospitals-scale-back-on-robots-infusion-devices-in-tough-economy/>

As the recession pinches even hospitals, they're cutting back on spending. The robots, which perform some of the precision work of prostate and gynecological surgery, have been brisk sellers for Intuitive — until now.

Tough times mean more help from hospitals

January 7, 2009, The Detroit Free Press

<http://www.freep.com/apps/pbcs.dll/article?AID=2009901070359>

Hospitals are adding services for patients pressed for time and money to keep them coming back. These basic, consumer-friendly services are growing as health system officials look for ways to help people in a difficult economy.

Emergency rooms see traffic increase as recession hits uninsured

January 7, 2009, The St. Louis Post-Dispatch

<http://www.stltoday.com/stltoday/business/stories.nsf/healthcare/story/85DBECCDED62644A9862575370001F635?OpenDocument>

Across St. Louis, emergency rooms already burdened by an increase in uninsured patients face a looming threat — a recession-spurred boom in business. Layoffs and economic uncertainty continue to swell the ranks of the uninsured and unemployed, who often turn from primary care to the increasingly crowded ERs.

Economy hitting Pennsylvania hospitals

January 7, 2009, The Philadelphia Inquirer

<http://www.philly.com/philly/business/37193149.html>

Health care is generally considered a relatively bright spot in the economy. It suffers less and later than other sectors during a recession. Lest we think hospitals have it too good, though, the Hospital and Healthsystem Association of Pennsylvania (HAP) yesterday released results of a December survey showing that tight credit, ailing stocks, and financially strapped patients are hurting the state's hospitals.

UH nonprofit bleeds \$6.9M

January 5, 2009, Honolulu Star-Bulletin

http://www.starbulletin.com/news/20090105_uh_nonprofit_bleeds_69m.html?page=all&c=y

Mounting debt has alarmed board members of a nonprofit affiliated with the University of Hawaii John A. Burns School of Medicine. The nonprofit organization founded to raise funds for the medical school has turned into a drain on the system.

Ailing economy affects hospitals' health

January 5, 2009, The Miami Herald

<http://www.miamiherald.com/business/story/836972.html>

Like the rest of the economy, hospitals are *not* recession proof. To the extent that governments are feeling the need to retract their budgets, we're a large chunk of the

federal Medicare budget, and so the hospital industry is always in jeopardy of being a place governments look at to save money.

Economy ignites hospital layoffs

December 31, 2008, The Tennessean

<http://www.tennessean.com/article/20081231/BUSINESS01/812310378>

Tennessee hospitals are feeling the effects of a slumping economy, forced into cutting staff, increasing charity care and dipping into hospital reserves to pay bad debt.

Hospitals ill from more bad debt, credit troubles

December 28, 2008, The Associated Press

<http://www.washingtonpost.com/wp-dyn/content/article/2008/12/27/AR2008122700829.html>

Like many U.S. hospitals, Shands is being squeezed by tight credit, higher borrowing costs, investment losses and a jump in patients many recently unemployed or otherwise underinsured not paying their bills.

Columbia St. Mary's, Froedtert put plans on ice

December 22, 2008, Modern Healthcare

<http://www.modernhealthcare.com/apps/pbcs.dll/section?category=dailydosearchive>

Citing economic hardship from the year-old recession, two major health systems in Milwaukee are deferring plans to consolidate operations under a joint organization. Earlier this year, three-hospital Columbia St. Mary's announced plans to enter into a joint operating agreement with two-hospital Froedtert & Community Health under the new name Progressive Health. Each would appoint half of Progressive's board, although the two systems would maintain separate debt and balance sheets.

Grim Debt Prognosis at Health Nonprofits

December 21, 2008, The Wall Street Journal

<http://online.wsj.com/article/SB122991014140225591.html.html>

The credit crisis continues to inflict pain on an already troubled nonprofit health-care system across the country. The latest example is the Loyola University Health System In Illinois, recently put on notice by a leading bond ratings firm that it faces a downgrade of its already below-average Baa1 credit ranking.

Mass layoffs mounting at U.S. hospitals

December 20, 2008, Modern Healthcare

<http://www.modernhealthcare.com/article/20081219/REG/312199979>

More hospitals have recorded mass layoffs in 2008 than in any year in the past decade, and there's still one more month of data to compile.

Mass layoffs are defined by the U.S. Bureau of Labor Statistics as any staff reduction that affects at least 50 people. The latest figures released Friday include statistics through the end of November. The number of hospitals where layoffs took place has already surpassed the 10-year record.

Hospitals seeking infusion

December 20, 2008, Chicago Business

<http://www.chicagobusiness.com/cgi-bin/news.pl?id=32355>

Facilities that treat mostly uninsured or public-aid patients, such as the West Side's Mount Sinai Hospital, lack the profits and deep-pocketed donors needed for big expansions or medical technology common at university and suburban hospitals, where the fully insured are more likely to seek treatment. The push for federal help comes as the financial crisis undermines efforts by Chicago health officials to prop up the city's struggling hospitals.

State hospital association says economy is taking a toll

December 18, 2008, The Journal Sentinel

<http://www.jsonline.com/business/36386169.html>

The economic downturn is hitting hospitals to a degree not seen in past recessions, according to survey by the Wisconsin Hospital Association.

Cleveland Clinic institutes hiring, salary freeze

December 18, 2008, The Cleveland Plain Dealer

<http://www.cleveland.com/news/plaindealer/index.ssf?/base/news/12296050938350.xml&coll=2>

The growth engine of the local economy is feeling the pain from the bad economy. Cleveland Clinic Chief Executive Dr. Toby Cosgrove announced to employees that the hospital system has instituted a hiring and salary freeze.

Boston Medical to cut staff, services

December 18, 2008, The Boston Globe

http://www.boston.com/news/local/massachusetts/articles/2008/12/18/boston_medical_to_cut_staff_services/

Facing \$114 million in state budget cuts, Boston Medical Center announced yesterday that 250 employees will be laid off or have their hours reduced and that patient services will be cut in key areas, including primary care, pediatrics, and geriatrics.

Medical school proposal on hold

December 17, 2008, The Charlotte Observer

<http://www.charlotteobserver.com/breaking/story/421468.html>

Charlotte's proposed regional medical school campus is on hold for now because of a projected decline in state revenues.

Credit crunch delays new U-Fairview care center

December, 16, 2008, The Star Tribune

<http://www.startribune.com/business/36275629.html>

The nation's credit crunch is forcing the University of Minnesota Medical Center to delay construction of a \$200 million building for outpatient care.

Medical research funds stall

December 14, 2008, The Tennessean

<http://www.tennessean.com/article/20081214/NEWS07/812140384/1006/NEWS01>

Researchers at academic medical centers are facing a tenuous future as years of flat federal funding and now a plummeting economy begin to take a toll on research.

Hospitals freeze big-ticket plans

December 14, 2008, The Boston Globe

http://www.boston.com/news/health/articles/2008/12/14/hospitals_freeze_big_ticket_plans/

The recession is forcing many Massachusetts hospitals to reconsider ambitious expansion projects, put major purchases on hold, and eliminate jobs as revenues and investments shrink.

University Hospital faces crisis

December 14, 2008, The Star Ledger

<http://www.nj.com/starledger/stories/index.ssf?/base/news-12/122923291389300.xml&coll=1>

University Hospital, one of New Jersey's largest urban medical centers, says it desperately needs additional state funding to avert a financial meltdown.

Fewer docs? U. med faces fund cuts

December 13, 2008, The Salt Lake Tribune

http://www.sltrib.com/news/ci_11219945

It may be small, but the U.'s 408-student medical program costs more than \$30 million to operate, and a looming budget crisis has administrators looking at cutting the school's incoming class to address a staggering shortfall stemming from a recent slash in Medicaid reimbursements and the state's economic downturn.

Financing is in doubt for new New Orleans teaching hospital

December 12, 2008, The Times-Picayune

<http://www.nola.com/news/t-p/frontpage/index.ssf?/base/news-12/122906298243450.xml&coll=1>

The state's efforts to finance a \$1.2 billion teaching hospital in downtown New Orleans could be hamstrung by a constitutional cap on debt, which could force the project to be scaled back or reconfigured.

Hospital Officials Worry as Paterson Signals Need for More Medicaid Cuts

December 10, 2008, The New York Times

http://www.nytimes.com/2008/12/11/nyregion/11hospitals.html?_r=1&ref=nyregion

New York City as Gov. David A. Paterson is prepared to release a budget next week that he has warned will include severe cuts to the state Medicaid program that reimburses hospitals and doctors for services to low-income patients. In the worst case, officials say, hospitals could face bankruptcies, service cuts and layoffs within a matter of months if Medicaid cuts being proposed by Governor Paterson go into effect.

HMS Plans To Cut Most Budgets

December 8, 2008, The Harvard Crimson

<http://www.thecrimson.com/article.aspx?ref=525794>

Harvard Medical School officials said Friday that they have asked all of the school's departments to plan to cut 10 percent of their academic and administrative budgets for the next 18 months in response to financial pressures resulting from a deteriorating fiscal picture for the University.

Loyola hospital to lay off 200 in 5% budget cut

December 8, 2008, Chicago Business

<http://www.chicagobusiness.com/cgi-bin/news.pl?id=32133&seenIt=1>

Loyola University Health System in Maywood is cutting more than 200 jobs, the latest local hospital to trim costs amid a slumping economy.

Loyola Medical Center to cut 200 'non-clinical' jobs

December 8, 2008, The Chicago Tribune

<http://www.chicagotribune.com/business/chi-loyola-medical-center-layoffs-dec8,0,1208822.story>

The parent of Loyola University Medical Center is eliminating more than 200 jobs as part of a "wide-ranging effort" to cut the hospital's annual expenses by 5 percent, or about \$30 million, the facility's management confirmed Monday in a statement to the Tribune.

Clarian plans to trim jobs

December 5, 2008, The Indianapolis Star

<http://www.indystar.com/apps/pbcs.dll/article?AID=200881205035>

Clarian Health, Indianapolis' largest hospital system, is preparing to trim jobs early next year in response to investment losses from the nation's economic downturn.

Mount Sinai expects operating losses to double

December 4, 2008, The Miami Herald

<http://www.miamiherald.com/business/story/798595.html>

Mount Sinai Medical Center, which has been suffering financially for years because of Miami Beach's shift to a younger demographic, is telling investors of its junk-rated bonds that it expects an operating loss of \$18.5 million this year -- twice as much as last year.

Downturn cripples OHSU budget

December 2, 2008, The Oregonian

<http://www.oregonlive.com/business/oregonian/index.ssf?/base/business/122819191672940.xml&coll=7>

Declining hospital profits and big investment losses will mean another round of cost-cutting for Oregon Health & Science University.

West Penn health system making cuts

December 2, 2008, The Pittsburgh Post-Gazette

<http://www.post-gazette.com/pg/08337/932023-407.stm>

The West Penn Allegheny Health System reported a \$17.4 million operating loss for the first quarter of the new fiscal year, while investment income fell from \$7 million a year ago to \$1 million, and the system's cash on hand dropped to 50.9 days.

N.J. hospitals struggling before downturn, report says

November 25, 2008, Philadelphia Business Journal

<http://www.bizjournals.com/philadelphia/stories/2008/11/24/daily21.html?surround=fn&brthrs=1>

Nearly half of the New Jersey's hospitals posted overall losses at the end of 2007, according to new audited financial data released Tuesday by the New Jersey Hospital Association.

Med School looks to prevent financial concerns

November 25, 2008, The Minnesota Daily

<http://www.mndaily.com/2008/11/24/med-school-looks-prevent-financial-concerns>

With the uncertain future of the economy looming over the University of Minnesota, the Medical School here is implementing an economic plan which will not only seek to be a precautionary measure, but to move the school back into a top-20 ranking nationally.

The Other Credit Crunch

November 24, 2008, Newsweek

<http://www.newsweek.com/id/170701>

Doctors and hospitals are also struggling to survive the health-care credit crunch: they endure some \$60 billion in unpaid medical bills each year, according to a report last year from the consulting firm McKinsey & Co. With out-of-pocket health costs rising (the \$250 billion price tag in 2005 is expected to exceed \$420 billion by 2015), the percentage of unpaid bills will likely increase as we head into a new year and a new economic reality.

Hospitals and Schools Preserve Jobs

November 24, 2008, The New York Times

http://www.nytimes.com/2008/11/25/nyregion/25nonprofits.html?_r=1&partner=rss&emc=rss

Even as layoffs at one giant company after another raise concerns that New York City's economy is shrinking fast, the hospitals and universities that dominate the city's large nonprofit sector are generally holding firm and accounting for a growing share of private-sector jobs.

Biotech funding down to last drops

November 23, 2008, The Chicago Tribune

<http://www.chicagotribune.com/business/chi-sun-biotech-struggle-northfinov23,0,2296545.story>

At the University of Chicago Medical Center, Dr. John Alverdy and colleagues have been working in their lab on a potentially life-saving coating that protects intestines from deadly bacteria, particularly for patients undergoing surgeries. Through a start-up company known as Midway Pharmaceuticals Inc., the gastroenterological surgeon and researcher is trying to find funding... This slowing of money into the biotech industry has the potential to deal a major setback to medical innovation.

Cuts at Vegas hospital prompt worries about deaths

November 19, 2008, The Associated Press

<http://www.sfgate.com/cgi-bin/article.cgi?f=/n/a/2008/11/19/state/n142516S89.DTL&hw=health+care&sn=020&sc=268>

Critics and county commissioners say plans to eliminate some services at University Medical Center to offset \$8 million in state Medicaid funding cuts will endanger the health of indigent patients. Officials acknowledge that program cuts announced Tuesday offer few options for cancer treatment, kidney dialysis and prenatal care for hundreds of the county's poorest residents.

State Tries to Save Obstetrics at a Hospital in Brooklyn

November 18, 2008, The New York Times

http://www.nytimes.com/2008/11/19/nyregion/19lich.html?_r=1&ref=nyregion

The State Health Department has promised a loan to a community hospital in Brooklyn's Cobble Hill neighborhood to help it keep its obstetric and pediatric services operating, but hospital officials said Tuesday that more money would be needed to keep the services running beyond the end of the year.

Beaumont banks on \$60-million fiscal plan

November 18, 2008, The Detroit Free Press

<http://www.freep.com/apps/pbcs.dll/article?AID=2008811180318>

Beaumont Hospitals, long one of metro Detroit's most successful health systems, announced Monday a \$60-million financial turn around plan, including layoffs, executive and physician pay cuts and placing holds on many suburban construction projects.

Markets ice hospital plans

November 16, 2008, Chicago Business

<http://www.chicagobusiness.com/cgi-bin/news.pl?id=31839>

The financial crisis is forcing many Chicago-area hospitals to delay expansions or pay more for them, putting the brakes on a decade-long building boom.

Hospitals See Drop in Paying Patients

November 6, 2008, The New York Times

http://www.nytimes.com/2008/11/07/business/07hospital.html?_r=1&ref=health

In another sign of the economy's toll on the nation's health care system, some hospitals say they are seeing fewer paying patients — even as greater numbers of people are showing up at emergency rooms unable to pay their bills.

Baystate Health cuts 55, freezes hiring

November 5, 2008, The Republican

http://www.masslive.com/news/index.ssf/2008/11/baystate_medical_center_cuts_5.html

Baystate Health, which operates three hospitals in Western Massachusetts, announced on Wednesday that it has laid off 55 managers and staffers and eliminated 120 vacant positions as it comes to grips with an estimated \$37 million budget gap and the possibility of altering a massive expansion project.

UPMC to lay off 500 this week

October 24, 2008, The Pittsburgh Post-Gazette

<http://www.post-gazette.com/pg/08298/922474-28.stm>

About 500 employees of the University of Pittsburgh Medical Center are being laid off this week as part of the health system's ongoing cost savings initiatives. "We are preparing to do business in a worsening economy," said spokesman Paul C. Wood.

Two safety-net hospitals hit hard by budget cuts

October 17, 2008, The Boston Globe

http://www.boston.com/news/local/articles/2008/10/17/two_safety_net_hospitals_hit_hard_by_budget_cuts/

State budget cuts will hit two of the state's safety-net hospitals particularly hard. Boston Medical Center has been notified it will not be reimbursed \$64 million for care delivered to low-income Medicaid patients last fiscal year, and Cambridge Health Alliance will lose out on \$40 million it had been expecting, state and hospital officials said yesterday.

Disappearing Credit Forces Hospitals to Delay Improvements

October 14, 2008, The New York Times

http://www.nytimes.com/2008/10/15/business/15hospital.html?_r=3&oref=slogin&oref=slogin

In late August, even before the credit squeeze reached a full state of crisis, a hospital system in Hawaii filed for bankruptcy reorganization after a lender failed to extend a loan for another month...The hospital industry, in other words, is among those struggling with the credit scarcity that the federal government's latest financial bailout plan is meant to alleviate. And lending relief, if it comes, cannot come too soon.

Fairview job cuts are latest for area health care

October 6, 2008, The Star Tribune

<http://www.startribune.com/business/30547974.html?elr=KArksLckD8EQDUoaEyqyP4O:DW3ckUiD3aPc:Yyc:aU7EaDiaMDCiUT>

In a sign that health care isn't immune in a bad economy, Fairview Health Services said Monday it is laying off 150 to 200 employees.

Recent News Media Reports on Non-Members

Texas Health Resources lays off 33 workers

August 11, 2009, The Dallas Morning News

<http://www.dallasnews.com/sharedcontent/dws/bus/stories/081109dnbustexashealth.3b065cf.html>

North Texas' largest hospital system is gearing up for cutbacks in response to a decline in patients who pay their bills. Arlington-based Texas Health Resources laid off 33 workers Monday, a fraction of its 19,000 workforce, but it could be the beginning of widespread cost-cutting.

Shriners reject suggestion to close hospitals

July 8, 2009, The Pittsburgh Post-Gazette

<http://www.post-gazette.com/pg/09189/982351-28.stm>

The Shriners' corporate board had recommended the closures after the national economic downturn cut into the endowment that helps fund the hospitals.

Conn. hospital set to lay off nearly 80

June 2, 2009, Hartford Courant

<http://www.courant.com/news/local/statewire/hc-ap-ct-hospitallayoffsjun02,0,1467597.story>

Officials from a Connecticut hospital say they are planning to lay off close to 80 workers. Greenwich Hospital president Frank Corvino says the layoffs are because of fewer patients and a decrease in funding.

AAMC freezes salaries

May 27, 2009, Maryland Gazette

<http://www.hometownglenburnie.com/news/mdgazette/2009/05/27-11/AAMC+freezes+salaries.html>

Anne Arundel Medical Center has frozen employees pay, cut managers' salaries and will suspend some benefits this fall, hospital officials said yesterday

Baptist Health loses \$25M as investments struggle

May 20, 2009, South Florida Business Journal

<http://www.bizjournals.com/southflorida/stories/2009/05/18/daily47.html>

Baptist Health South Florida could not climb out of the red in its fiscal second quarter ended March 31 as its investment losses wiped out its operating income, according to a report the nonprofit issued to its bondholders.

100 jobs cut at North Memorial

May 18, 2009, Star Tribune

<http://www.startribune.com/business/45348187.html?elr=KArksLckD8EQDUoaEyqyP4O:DW3ckUiD3aPc: Yyc:aUUJ>

North Memorial Health Care in Robbinsdale is cutting 100 positions, or about 2 percent of its hospital's workforce, the latest in a string of layoffs in the once recession-proof medical industry.

Park Nicollet to close Hopkins clinic and lay off 240 workers

May 12, 2009, Star Tribune

<http://www.startribune.com/lifestyle/health/44814837.html?elr=KArksLckD8EQDUoaEyqyP4O:DW3ckUiD3aPc: Yyc:aUUsZ>

The recession in Twin Cities health care claimed another victim Tuesday when Park Nicollet Health Services announced that it will close a clinic in Hopkins, consolidate mental health services and lay off 240 employees.

Facing hard times, Shriners may close 6 hospitals

April 9, 2009, The Associated Press

http://www.google.com/hostednews/ap/article/ALeqM5gHLJm1v_P0PGJZJglQW5AEgS_xuIQD97F7TA00

Shriners hospitals, which have provided free care since before the Great Depression, are considering closing a quarter of their facilities as donations stagnate, costs increase and the charity's endowment shrivels.

Bon Secours seeks aid to avoid shutdown

April 9, 2009, The Baltimore Sun

<http://www.baltimoresun.com/news/health/bal-md.bonsecours09apr09,0,2257214.story>

Officials at Bon Secours Hospital are asking the state for \$5 million to keep the struggling hospital afloat for a year while they devise a new strategy to offer health care to a troubled West Baltimore community.

Cardinal Health to cut 1,300 jobs at clinical unit

March 31, 2009, The Associated Press

<http://www.washingtonpost.com/wp-dyn/content/article/2009/03/31/AR2009033101778.html>

Cardinal Health Inc. said Tuesday its clinical and medical products unit will eliminate 1,300 jobs, with most of the cuts made over the next six months, as hospitals cut back on equipment purchases.

St. Francis may put construction project on hold due to economy

March 21, 2009, Indianapolis Star

<http://www.indystar.com/apps/pbcs.dll/article?AID=2009903210321>

Officials at St. Francis Hospital and Health Centers are keenly eyeing the nation's economic situation as they put the brakes on further work on a multimillion-dollar construction project.

125 jobs cut at Resurrection Health Care

March 17, 2009, The Chicago Tribune

<http://www.chicagotribune.com/business/chi-biz-jobs-cut-resurrection-health-care-march17,0,1331726.story>

More than 80 managers at Resurrection Health Care were fired as part of cost-cutting moves at one of the Chicago area's largest hospital operators. Resurrection, which operates eight hospitals in Chicago and adjacent suburbs, said 125 management, ambulatory services and system support positions would be eliminated. Of those "81 employees have been laid off and an additional 44 vacant positions will not be filled," the Chicago based Catholic health care system said in a statement this afternoon.

240 Laid Off at Brooklyn Hospital

March 16, 2009, The New York Times

http://www.nytimes.com/2009/03/17/nyregion/17hospital.html?_r=1&scp=9&sq=health%20care&st=cse

A hospital in central Brooklyn laid off 240 doctors, nurses and other workers on Monday, signaling growing financial weakness in the hospital industry.

Credit crunch could delay NJ hospital construction

February 25, 2009, The Philadelphia Inquirer

http://www.philly.com/philly/wires/ap/news/state/new_jersey/40313987.html

Wall Street's credit crunch is putting a damper on a New Jersey health care company's hospital project in the Philadelphia suburbs. Virtua Health is touting the hospital as a "state-of-the-art, digital" facility, with flat-screen entertainment monitors and a serene atmosphere to enhance healing. But executives acknowledge that construction could be delayed because of trouble getting financing.

Clayton's hospital fights to recover

February 23, 2009, Atlanta Journal-Constitution

<http://www.ajc.com/print/content/printedition/2009/02/21/clayhospital0221.html>

Clayton County's hospital is trying to fill 80 vacancies and recruit back physicians — and patients — who have taken their business to other area hospitals. Southern Regional Health System's interim chief executive won't talk about the hospital's finances but said progress has been made since last month, when officials had to beg the county for financial help.

Hernando hospitals feel pressure as unemployment rises, medical coverage declines

February 22, 2009, The St. Petersburg Times

<http://www.tampabay.com/news/business/article978022.ece>

The technology shows how many patients are currently in the care of his hospital, where they are, how long they have been there, and whether they have insurance. As the local economy slides and costs skyrocket, that tool helps him stay one step ahead of financial trouble. Every piece of timely information has the potential to save the hospital a bit of money.

Cedar Rapids' Mercy announces hiring freeze

February 17, 2009, The Associated Press

<http://www.chicagotribune.com/news/chi-ap-ia-hospitalhiringfre.0,7718592.story>

Officials with Mercy Medical Center in Cedar Rapids say they are responding to tough economic times with a hiring freeze. Hospital officials also say a salary freeze has been implemented for managers, directors and senior management.

Saint Thomas CEO resigns

February 7, 2009, The Tennessean

<http://www.tennessean.com/apps/pbcs.dll/article?AID=2009902070346>

Jim Houser has stepped down as chief executive of Saint Thomas Health Services, a victory for physician leaders who had questioned his leadership, although it remains to be seen whether a shift at the top softens potential budget cuts that have some doctors concerned about the future of its hospitals.

Swedish to lay off 200 workers

February 3, 2009, Seattle Post-Intelligencer

http://seattlepi.nwsourc.com/business/398633_swedish04.html

Swedish Medical Center said it will lay off 200 of its roughly 7,000 employees by early next week in a bid to cut operating costs.

2 hospital systems expand networks in tough times

February 3, 2009, The Tennessean

<http://www.tennessean.com/article/20090203/BUSINESS01/902030325>

LifePoint Hospitals completed its acquisition of a hospital in Conyers, Ga., while Community Health Systems announced a new deal of its own in Arkansas on Monday. The transactions reflect how more community-owned and not-for-profit hospitals are considering options such as partnering with national hospital chains as they face a worsening national economy.

Hospital network will cut back

January 29, 2009, The Boston Globe

http://www.boston.com/news/local/massachusetts/articles/2009/01/29/hospital_network_will_cut_back/

Cambridge Health Alliance said yesterday that it will reduce its workforce by more than 300 employees, end inpatient services at Somerville Hospital, and shut down its pediatric and addiction units.

HCMC cuts 100 jobs as state funds are reduced

January 26, 2009, The Star Tribune

http://www.startribune.com/business/38420044.html?elr=KArksLckD8EQDUoaEyqyP4O:DW3ckUiD3aPc:_Yyc:aUUsZ

Minnesota's biggest safety-net hospital is cutting 100 jobs and freezing capital spending at a time when demand for its services is growing.

NorthShore Skokie Hospital to cut 150 jobs

January 23, 2009, The Chicago Tribune

<http://www.chicagotribune.com/business/chi-biz-northshore-skokie-hospital-layoffs-jan23,0,5476646.story>

NorthShore Skokie Hospital said it would eliminate 150 full-time jobs, or nearly 14 percent of its workforce in the next two months.

Galveston's Shriners Hospital closed for now

January 21, 2009, The Houston Chronicle

<http://www.chron.com/disp/story.mpl/headline/metro/6221968.html>

Shriners Hospital for Children-Galveston will suspend operations to cope with a \$3 billion shortfall in the Shriners International endowment fund, the organization's president said Tuesday. The economic downturn and plunge in the stock market dramatically slashed the interest payments from the endowment that supports the 22 Shriners hospitals.

Resurrection moving to consolidate 2 west suburban hospitals

January 21, 2009, The Chicago Tribune

<http://www.chicagotribune.com/business/chi-biz-resurrection-hospital-consolidation->

[jan21,0,1437594.story](#)

Resurrection Health Care is looking at consolidating operations of its two hospitals in the Near West Chicago suburbs to deal with declining numbers of patients amid the economic downturn.

Providence Saint Joseph hospital lays off 95 workers, closes 4 programs

January 21, 2009, The Los Angeles Times

<http://www.latimes.com/classified/jobs/career/la-fi-hospital21-2009jan21,0,4494510.story>

Burbank's Providence Saint Joseph Medical Center said Tuesday that it had laid off 95 of its 2,517 employees and closed four hospital programs as a result of rising costs at a time of economic turmoil.

Hospital budget creates rift

January 16, 2009, The Tennessean

<http://www.tennessean.com/article/20090116/NEWS0202/901160378>

A budget meeting about Metro's struggling safety-net hospital ended on an emotional note Thursday, with the city's finance director hotly accusing the hospital chief of distorting Mayor Karl Dean's position.

2 Hospitals in Queens May Face Bankruptcy

January 13, 2009, The New York Times

http://www.nytimes.com/2009/01/14/nyregion/14hospital.html?_r=2&scp=1&sq=Two%20Queens%20hospitals&st=cse

Two Queens hospitals are facing bankruptcy and may close by February, the Queens borough president said Tuesday, in one of the first indications that New York State's budget shortfall is hurting the hospital industry.

Credit crunch derails planned sale of HCA hospital

January 6, 2008, The Tennessean

<http://www.tennessean.com/apps/pbcs.dll/article?AID=200990106105>

HCA Inc.'s agreement to sell a hospital in Pensacola, Fla., fell through after the locally owned not-for-profit health care system that sought to buy it couldn't secure financing.