

Budget cuts threaten New York City hospitals' laundry with shutdown

A. Woodson
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The New York City Health and Hospital Corporation board voted 8-2 on May 26 to close the Brooklyn Central Laundry and privatize all 83 laundry workers jobs. They claim this will result in an \$8 million annual savings for HHC and therefore the city. HHC has also decided that the private contractor or contractors who will take over the laundry service will come from among three companies—Sodexo, Unitex and Nexera.

HHC, which used to be the New York City Department of Hospitals, includes 11 hospitals, four nursing facilities, six diagnostic centers, and more than 80 community and school-based clinics. It is the largest public hospital system in the country, and served 1.3 million patients last year. More than 450,000 of these patients were uninsured according to HHC figures.

HHC President Alan Aviles testified before the City Council on May 24 about the dramatic reductions HHC faces from state and the city budget cuts. He outlined the measures HHC was undertaking to meet those cuts and make a few of their own. Aviles testified that Governor Andrew Cuomo's Medicaid Redesign Team (MRT), whose recommendations have slashed Medicaid spending in New York by \$2.4 billion, would cut Medicaid reimbursements to the HHC facilities, health plan (MetroPlus) and home care agency by \$175 million.

These cutbacks could deepen, he added, because the MRT will reconvene before November to spell out more reductions. The top three state cuts Aviles pointed to were the 2 percent increase hard cap on statewide Medicaid spending, the 2 percent across the board cut in the Medicaid reimbursement rate, and the elimination of the inflation factor for hospitals, nursing homes and home care agencies for the next two years.

The MRT panel Cuomo appointed to recommend these brutal cuts to health care in New York includes prominent health care union leaders. Dennis Rivera, the senior

advisor to the Service Employees International Union president and former president of 1199, the hospital workers union, and the current 1199 president, George Gresham, have both played leading roles aiding Cuomo to carry out the slashing of the health care budget. Also on the panel is Karen Ballard, president of the New York State Nurses Association.

Gresham, the 1199 president, joined with the president of the hospital employers' Greater New York Hospital Association, Kenneth E. Raske, last February in endorsing the cap on Medicaid spending and other cuts in the name of "shared sacrifice." Included in this sacrifice are the jobs of the Brooklyn Central Laundry workers, who are members of AFSCME District Council 37's Local 420.

Mayor Michael Bloomberg's "Program to Eliminate the Gaps" (PEG) demands a 4 percent cut from every city agency. With the pass-through PEG cuts from the Department of Health and Mental Hygiene, the billionaire mayor is cutting \$16 million more from the HHC budget. Aviles called on the City Council to restore \$8.2 million so that HHC would not be forced to cut child health clinics, which serve as the primary care providers for more than 30,000 patients who made 84,000 clinic visits in FY 2010. He also called for restoration of Bloomberg's cuts to maintain HIV testing and Mental Retardation and Developmental Disabilities clinics in the city.

In May of 2010, HHC released a restructuring plan it had been working on with the private consulting firm, Deloitte, since September 2009. The HHC restructuring plan, cynically titled "The Road Ahead," made 39 recommendations to cut costs by \$300 million annually when it is fully implemented.

The first and main recommendation, as HHC told City Council earlier this year, concerns "Administrative/Shared Services." The projected \$141 million in cuts, representing a majority of the plan's overall savings, includes (a) the reduction of construction

and maintenance staff, (b) contracting with a commercial lab to manage four of HHC's major laboratories and (c) "efficiencies in multiple administrative areas including finance, human resources, and legal services among others, reductions of central office operations and information technology contract staff, and outsourcing of laundry and linen operations."

This is the plan HHC set in motion once again on May 26 to close down and privatize the Brooklyn Central Laundry. The report stated when it was released, "Deloitte met and interviewed stakeholders at all levels of the organization including clinical leadership and labor representatives."

The Brooklyn Central Laundry cleans, sterilizes, washes and presses the medical laundry for the majority of the HHC hospitals and treatment centers in the city. Most of BCL's equipment is 30 years old, and the newest equipment was purchased a decade ago.

The 83 laundry workers whose jobs are to be eliminated by the closure and privatization have demonstrated at Brooklyn Borough Hall against these cuts. The workers at the BCL facility, which is located across the street from the Kings County Hospital in East Flatbush, Brooklyn, have fought closure and privatization since 1998, when Mayor Giuliani fired the opening salvo against them.

Robert, who works at the Brooklyn Central Laundry, told the WSWS, "The workers who are here are a lot of single mothers with kids who are just making ends meet. The medical benefits and pensions they get here are critical things. They are here every day, and it is not cool in there. Yesterday the temperature went over 100 degrees, and we don't have air conditioning in the building. In the winter, in the big snow when hospitals and the city were shut down, Brooklyn Central Laundry was open; people came to work, cleaned and sent out all the linen on time.

"I have been here 19 years, and I've never seen a capital improvement budget for this facility. We could buy a lot of the latest equipment and make repairs on the building. Then the work could be done a lot easier, faster and better, but the workers here are excellent and push out the clean linen despite all the old equipment. Most of the washers and dryers are 30 years old. We have gotten one new washer and dryer that was installed in 2001 after 9/11.

"If Sodexo or one of the other contractors come in, they say they will close Brooklyn Central Laundry. HHC says they will re-deploy the 83 laundry workers elsewhere in the hospital system. But there is nothing in writing about

this. They say they will re-deploy people into housekeeping in the hospitals, but even if they start there, they could get laid off easily.

"I don't think HHC wants to be in the laundry business at all. They say they are going to close this in August. They really don't care what it costs the taxpayers either. If HHC wants to make cuts, why start with us? Why not start with the top salary people where the money is.

"There is stress growing among all city workers because of the uncertainties about their jobs and their future in general. I don't think the politicians who are making these cuts are too concerned about us. They spend hundreds of thousands on consultants, but they don't talk to the workers doing the work. I do think there should be a tax on the rich to pay the budget deficits so that every person has the right to health care."

Keith Reid, who has worked at the BCL for 23 years, explained, "They have been trying to privatize the laundry since 1998. Mayor Giuliani tried to do it then, and we fought it. They took half of the linen washing work from us then and gave it to Angelica Co. from New Jersey. We lost 100 workers in 1998. HHC did re-deploy them to other hospitals, mainly in housekeeping.

"They gave half the laundry to Angelica. I think Angelica cut the health benefits in half for the people who were working there. But Angelica couldn't do the work properly so they had to give a portion of it back to us. They gave us back four hospitals' linen which makes our total now 12. With 50 percent more laundry, they brought back six more people. Now we have 83 people working here.

"The laundry workers make about \$14 an hour. We work on three floors. Dirty linens are cleaned on the third floor. The linens are washed on the second floor, and the linen is pressed to be sent out on the first floor.

"Bloomberg is making a lot of budget cuts. He is cutting teachers and the hospitals. He is cutting everything. I don't think it is good because all these cuts are affecting poor people. They are not affecting the rich."



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