

More than 3,500 state health workers to be laid off under Louisiana privatization drive

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Louisiana's Civil Service Commission voted 3-to-2 Monday to allow the privatization plans for four south Louisiana hospitals to go ahead. The measure will result in just over 3,500 layoffs of state employees, overturning the Civil Service protections covering the vast majority.

The hospitals, run by Louisiana State University, include the Leonard Chabert Medical Center in Houma, the University Medical Center in Lafayette, the W.O. Moss Regional Medical Center in Lake Charles, and the Interim Hospital in New Orleans. They are part of a list of LSU hospitals targeted for privatization by governor Bobby Jindal.

The decision reverses an earlier 4-to-3 decision by the Civil Service Commission last week on the grounds that LSU had provided them "insufficient information." The reversal of the previous vote should come as no surprise, as six of the seven commissioners are appointed by Governor Jindal himself.

After last week's meeting commissioner Scott Hughes exposed the heart of the matter when he said, "I believe the hospitals died with HB1 ... There's no money in that bill to fund these hospitals." HB1 refers to House Bill 1—the state operating budget—the legislation that cuts hundreds of millions of dollars from state funding for hospitals and sets in motion the privatization of nine out of 10 of the hospitals run by LSU.

The bill, which was sent to the governor for his signature yesterday, rolls back one of the last remaining vestiges of the Huey Long era in Louisiana. During the Great Depression, the Louisiana populist and long-time Democrat enacted major public works programs to modernize the state, including the public "Charity" hospital system. The Charity hospital system has been under sustained attack since Hurricane Katrina

devastated the southern half of the state in 2005, and the Charity Hospital in New Orleans, once a noted teaching hospital, was never re-opened. Instead, residents have been forced to rely on a loose network of "neighborhood clinics" and an interim facility until the opening of a new University Medical Center (UMC) in several years.

The public hospital system is especially critical in Louisiana, one of the poorest states in the country. Although monthly premiums in Louisiana are lower than the national average, the state has the tenth highest rate of uninsured in the country. In addition, the state is ranked 48th in life expectancy (75.39 years), and 48th in infant mortality (9.10 per 1,000 live births).

Hospital operations for both the UMC and the Interim Hospital are to be transferred to Children's Medical Center, the non-profit that operates both Touro Infirmary and the Children's Hospital in New Orleans, on June 24. By June 23, 1,690 civil service employees will be laid off in New Orleans alone. Of the three other hospitals approved for privatization by the Civil Service Commission, 487 employees will be laid off in Lafayette, 556 in Houma, and 220 in Lake Charles.

In Lake Charles, the W.O. Moss Regional Medical Center is being gutted in anticipation of its privatization. The House agreed on June 4 to eliminate the emergency room and inpatient beds in order to turn the facility into an outpatient clinic.

The privatizations themselves are being rammed through as fast as possible. Dozens of pages from proposals submitted by private entities were left blank, either intentionally or out of the rushed character of the entire process. The proposals are to be finalized by June 30 and privatizations are to begin by the end of 2014.

On the part of state officials there is certainly concern that dragging out the process could provoke popular

opposition to the rolling back of public health care.

Such opposition, however, will not come from the state's labor unions, including the American Federation of State, County and Municipal Employees (AFSCME). Leonal Hardman, president of Council 17, accepted the framework of the official debate, which accepts the needs for budget cuts, in his testimony to the commission, but complained, "Everything has not come together yet to say whether these are the best deals for the citizens and the taxpayers of the state of Louisiana."

On the AFSCME Council 17 web site, a statement from Hardman dated May 2 makes vague references to "solidarity" while urging people to "continue to call your state Legislators in your districts and let them know that you oppose the selling of our Charity Hospital System."



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