

# Janitorial staff at Montefiore Medical Center in the Bronx file class-action suit over denial of overtime pay

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Cleaning staff who formerly worked at the massive Montefiore Medical Center in the Bronx have announced a class-action lawsuit against the hospital seeking damages, including back pay for overtime work they performed without compensation.

According to a report on the Gothamist website, the lawsuit names two plaintiffs, but is seeking class-action status to cover at least 200 more. One of those named, Danny Cruz, worked at the hospital for about five years, ending last month, on the 4 p.m. to midnight shift. He reported that he often worked the following day from 7 a.m., and often accumulated as much as 80 hours a week. State and federal law mandates time-and-a-half overtime pay beyond 40 hours, but the cleaning staff at Montefiore say they never saw it.

The workers were employed by an outside agency, the New Jersey-based CSS Building Solutions. While this agency was responsible for issuing paychecks, Montefiore was jointly responsible for their employment. They wore Montefiore uniforms on the job, and received their work orders and instructions from hospital management.

The use of outside contractors for minimum-wage jobs has become extremely widespread in recent years, not only in hospitals but also in universities and offices of all kinds. Institutions which enjoy non-profit status are particularly eager to use such arrangements, which they sometimes point to in order to deny responsibility for pay and conditions on the job, while saving millions by outsourcing work to outfits that pay minimum wage—or even less.

Gothamist quoted an attorney for the plaintiff, Lou Pechman: “We have seen a pattern in the New York metropolitan area of hospitals hiring so-called

‘subcontractors’ to do the dirty work in their institutions while paying these essential workers substandard wages and no overtime.”

Montefiore Medical Center has grown to many times its original size in recent decades. It used to serve only the northern part of the Bronx. In recent years it has bought and otherwise acquired numerous smaller facilities, an expansion that has accelerated in the last decade. It now includes 13 hospitals and 300 outpatient facilities in the Bronx and in nearby suburbs in Westchester, Rockland and Orange Counties, north and west of New York City. It serves about one-third of the population of the Bronx, the city’s poorest borough.

The current CEO of Montefiore Medicine is Philip Ozuah, a pediatrician. Montefiore Medicine is an umbrella organization that includes all the above hospitals and ambulatory facilities. Ozuah was hired two years ago, but before that he was the CEO of the Montefiore Health System, one of the constituents of Montefiore Medicine. In his final year before his promotion to CEO of the entire system, his compensation was \$13 million. His predecessor as CEO of Montefiore Medicine, Steven Safyer, was being paid \$8 million at the same time. These figures demonstrate that, while the hospital may be classified as non-profit, its pay structure at the top mirrors that of corporate America.

The hospital system in the US is broadly divided into three main categories: public institutions, whether city, state or federal (including Veterans Affairs); huge for-profit chains, like the Hospital Corporation of America, Tenet Healthcare and many others, which have seen massive growth in recent decades; and institutions like Montefiore, sometimes called voluntary hospitals,

which are privately run and not for profit.

The methods of operation of the so-called nonprofits have become almost identical to those of the for-profit chains. They are beholden to the giant banks and wealthy bondholders, and they pay their top administrators obscene salaries, along with other forms of compensation, which they claim is necessary to compete for talent—in other words to attract executives who can make millions in the private sector.

The expansion of the Montefiore system, like that of other medical centers, has been accompanied by cost-cutting measures that have affected patient care as well as working conditions of staff, as was reflected in the walkout of nurses at the Montefiore New Rochelle Hospital in December 2020.

Clinic patients at a Montefiore location on Fordham Road in the Bronx, which serves a neighborhood that is largely immigrant and poor, were outraged to recently find out that the administration planned to move the clinic some two-and-a-half miles south. The decision, reportedly taken on the advice of the gigantic McKinsey and Company global management firm, was aimed at saving on real estate costs, and was made without any input from the community.

In December 2021, the nurses at Montefiore in the Bronx protested the acute understaffing that leaves patients stranded in the Emergency Department, sometimes for more than 24 hours, because there are not enough nurses on the medical-surgical floors. At that time, nurses said they were caring for 15, 20 or more patients in the emergency room, instead of the usually acceptable number of five or six.

Moreover, 1199 SEIU, the union that bargains for 78,000 hospital workers in New York City, including non-nursing staff at Montefiore, agreed last year to a three-year agreement with 3 percent annual pay increases, which will leave workers with as much as a 15 percent cut in real wages by the end of the contract.

Seventy-five percent of Montefiore's patients are covered by Medicare or Medicaid, the federal and federal-state programs that respectively benefit retirees and the poor. The great majority of the medical center's revenue comes from government programs, but this has nothing in common with a genuine system of high-quality universal health care.

The hospitals compete with one another for scarce resources. A kind of revolving door exists between

hospital management and local and state politicians, not very different from that between other branches of government and those sectors of the economy they regulate.

The medical centers typically reward politicians for previous favors, or employ them in expectation of future favorable treatment. This process is exemplified by former Borough President of the Bronx Ruben Diaz, Jr., whose term ended December 31. Diaz announced less than two months later that he had become a vice president of “strategic initiatives” at Montefiore. Another local politician, Marcos Crespo, the former Bronx County Democratic Party chairman, also took up duties as a Montefiore vice president. *City and State*, a print and online newspaper specializing in New York politics, reported that State Assembly Speaker Carl Heastie, also from the Bronx, was an old friend and colleague of Diaz, and with Diaz on the hospital payroll could be expected to look more favorably at Montefiore's needs. *City and State* also reported that while Borough president, Diaz had made about \$1.2 million in discretionary funding available to Montefiore.

These arrangements are integral to the way the capitalist system parcels out resources from the shrinking social safety net. While unlimited billions for war in Ukraine and even greater billions in preparation for war with China are appropriated without question, decent wages and legally mandated overtime for poorly paid workers in hospitals cannot be found. Only a socialist health care system, fully funded and controlled by the working class, can remedy this state of affairs.



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