

Montefiore moves to eliminate 12 Bronx nursing positions in AI restructuring

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Montefiore Medical Center in the Bronx is moving to eliminate the positions of 12 utilization review nurses through an AI-driven restructuring of their work. The nurses received letters dated May 28 informing them that their positions would be eliminated after 45 days, on July 12. They work across Montefiore's Moses, Einstein and Weiler campuses; one of them, registered nurse Marilyn Shuler, has worked at Montefiore for 39 years.

The New York State Nurses Association (NYSNA) identified the software provider as the health data company Datavant. They report that Montefiore began automating the utilization review process earlier this year. Montefiore called the union's account "inaccurate and misleading," while refusing to explain the reorganization, identify who will perform the work or answer questions about its relationship with Datavant. The elimination letters say management will determine whether suitable alternative positions are available, without guaranteeing any of the nurses continued employment.

The job eliminations come less than five months after the largest nurses strike in New York City's history, with 15,000 participating. NYSNA ended the strike at Montefiore in February under a contract it publicly celebrated as providing "safeguards against artificial intelligence for the first time." In reality, the layoffs prove the signed agreement contains no meaningful measures.

Utilization review nurses examine medical records and treatment plans, assemble the clinical justification for care and work with insurers to obtain authorization and payment. They identify missing information, answer insurers' questions and appeal denials of treatments, surgeries and extended hospital stays. Their work protects patients from being billed for prescribed care or losing access to it and protects the hospital's reimbursement.

These nurses operate inside an insurance system organized around restricting payment. Insurers impose standardized criteria for "medical necessity," demand

prior authorization and deny claims that physicians have ordered. Clinical experience is particularly important in complicated cases that do not fit neatly into a template. Eliminating 12 nurses necessarily removes decades of accumulated knowledge from the work of recognizing those cases, assembling the evidence and challenging a denial.

Management is replacing paid clinical labor with a system intended to process a larger volume of cases at lower cost. Whatever human supervision remains, fewer licensed nurses will examine records, recognize exceptions and decide which denials require a challenge.

Datavant was formed through a \$7 billion merger backed by private equity, Goldman Sachs Asset Management and major health care corporations. It says its network connects more than 80,000 health care sites. In May, Ciox Health, which does business as Datavant Group, agreed to a \$900,000 settlement of a class-action lawsuit over a 2024 email breach involving personal, financial and health information. NYSNA has also pointed to Datavant's ties to Palantir, which supplies surveillance and targeting technology to Immigration and Customs Enforcement and the Pentagon.

Automation is also expanding on the insurer side. In a 2025 American Medical Association survey, 60 percent of physicians reported concern that AI was increasing or would increase prior-authorization denial rates. The Centers for Medicare and Medicaid Services states that medical professionals should review clinical denials even as it promotes AI-assisted review.

Management is imposing the costs of a health care system dominated by private insurers, government reimbursement formulas and financial markets on nurses and on the largely working-class and low-income population of the Bronx. Montefiore is the flagship of an \$8.8 billion health system. In 2025, the system reported a \$120.9 million operating loss after federal emergency

funding fell by more than \$250 million, although net patient-service revenue increased from \$7.8 billion to \$8.2 billion.

At a July 1 virtual town hall, veteran nurse Shuler said, “What we want from Montefiore is simple: Stop the layoffs, keep a licensed nurse on the final review, use AI to support us instead of replacing us, and sit down with the nurses who actually do this work.”

But the NYSNA bureaucrats’ sellout of this year’s strike is what cleared the way for these layoffs. In its proposal last September, NYSNA demanded language prohibiting any pilot program or technological change affecting nursing practice without “mutual agreement.”

NYSNA abandoned the mutual-agreement requirement in the memorandum of agreement it signed with Montefiore on February 9. The final language protects an individual nurse’s right to reject an AI recommendation that conflicts with reasonable clinical judgment and protects nurses from discipline for raising objections in good faith. It provides no protection for the existence of the nurse’s job.

The agreement requires Montefiore only to notify NYSNA before implementing or piloting technology affecting nursing practice. If AI produces a “diminishment” in the number of NYSNA-represented employees, interferes with clinical judgment or impairs care, management and the union must “meet and discuss in good faith methods to avoid such impacts.” Montefiore remains free to reject every proposal made at such a meeting and proceed with the job cuts.

NYSNA nevertheless presented this language to nurses as a historic achievement. The bureaucracy is now invoking the token procedure as though Montefiore’s offense consisted of failing to hold the required meeting. It filed a class-action grievance on June 1 and is demanding that management halt the 45-day elimination clock while the two sides discuss alternatives. But there is no doubt that, following such talks, management will continue to implement AI job cuts in one form or another.

Earlier this year, More than 21,000 nurses at 15 hospitals were set to strike, but NYSNA canceled walkouts at 11 of them, in some cases before agreements had been reached, leaving 15,000 nurses at Montefiore, Mount Sinai and NewYork-Presbyterian to fight alone without strike pay. On February 9, it announced agreements at Montefiore and Mount Sinai and immediately began ratification votes. Approximately 10,500 nurses were returned to work, isolating the remaining 4,200 nurses at NewYork-Presbyterian.

NewYork-Presbyterian nurses rebelled against the attempt to force the same settlement on them. After the local executive committee rejected a mediator’s proposal, the NYSNA leadership overrode it and ordered a snap vote. Nurses rejected the agreement by 3,099 votes to 867. They then marched on NYSNA headquarters, demanded an investigation and resignations and accused President Nancy Hagans of using “union busting tactics coming from inside the house.” NYSNA kept them isolated and forced another rapid vote on a slightly altered agreement, ending the strike after 41 days.

During the strike, NYSNA subordinated nurses to Democratic Party officials who postured as allies while defending the hospital systems. Governor Kathy Hochul repeatedly extended emergency orders allowing out-of-state nurses to be used as strikebreakers. Mayor Zohran Mamdani visited the picket lines and then congratulated NYSNA after it shut down the strikes at Montefiore and Mount Sinai. At the July 1 town hall, the union again surrounded the affected nurses with Democratic city and state legislators offering appeals to Montefiore.

Hagans declared at the town hall that “artificial intelligence should never replace real human caring from a nurse.” But NYSNA had signed an agreement that permits precisely that outcome, subject only to notification and a meeting.

The 45-day clock expires July 12. NYSNA’s publicly announced response consists of the grievance, the town hall and appeals to elected officials. It has called no action capable of stopping the eliminations. Rank-and-file nurses must demand an immediate halt to all 12 job cuts, publication of the grievance and related correspondence, and mass meetings throughout Montefiore to prepare collective action.

The agreement remains in force through December 2028, leaving every department exposed to similar restructuring. Preventing the Montefiore layoffs from becoming a precedent requires nurses to take the initiative independently of the apparatus that abandoned its own demand for control over AI and then falsely advertised the resulting contract as a safeguard.



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