

Statement of

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My name is Kendra McCann, President of HPAE Local 5058. It was not long ago that I testified at a previous public hearing involving the merger of Meridian and Hackensack Health systems for which my hospital Jersey Shore University Medical Center is now affiliated with. Hackensack Meridian has considerable financial resources which has given them the ability to take over smaller community hospitals.

Through the Community Healthcare Assets Protection Act (CHAPA) details of this deal are made public, giving the community and employees the opportunity to review this information to determine if the assets are being handled appropriately, how the future corporation will be structured and who will represent the community on the Board of Directors.

Unfortunately, in many cases including the case of JFK hospital, Hackensack Meridian has been granted an exemption from the Certificate of Need process, therefore the community does not have access to information nor input on how access to services and quality of care are protected as well as patient safety and job security.

While Hackensack Meridian has the right to pass on a Department of Health (DOH) review of this merger, a full Certificate of Need (CN) review would have made the important information available to the public, including contemplated service cuts, impact on access to care, and staffing changes. The Department would be able to place conditions on the merger that would protect the community's access to services and give workers the ability to stand up to protect jobs that may be threatened. The community and the employees would have a chance to weigh in on these conditions and possibly change aspects that do not serve us well.

In New Jersey we have moved into a new era of mega mergers creating large monopolistic health systems. The justification is often that this will save money and create efficiencies. Yet that has not panned out. In 2012, the Robert Wood Johnson Foundation released a report based on multiple research projects around the country that found that hospital consolidation in general does not save

money for consumers and in fact consolidation has resulted in price increases for patients.¹ As a community of patients and workers we rely on government officials to carefully scrutinize the healthcare industry and without a full review of these mergers by the Department of Health, the state is failing patients by keeping us in the dark as to whether or not this deal is in the best of patients' health and financial wellbeing.

Although a full CN review is not required, we call on Hackensack Meridian to voluntarily apply for a full CN review to allow for community input and ultimately provide protections for patients and employees. We need to make sure that any decisions made will not compromise patient care and safety, community access to services, or cost us jobs.

If lines of communication are kept open and if transparency occurs through a Department review, we can come together through our common goal of providing the best care to patients and best services to the community. We look forward to a day when Hackensack Meridian is transparent as they continue to expand and consolidate hospitals in NJ. As a union of health professionals we will continue to work with Hackensack Meridian to hold them accountable, to find and utilize best practices, as we all endeavor to make this transition as successful as possible for everyone.

¹ The Impact of Hospital Consolidation; June 2012; Robert Wood Johnson Foundation Publication: The Synthesis Project Author(s): Gaynor M, and Town R