



CITY OF TAKOMA PARK, MARYLAND

SB 390

Support With Amendment

Finance Committee

February 7, 2018

SB 390 – Changes in Status – Hospital Employee Retraining and Placement w/Amendment

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The City of Takoma Park supports SB 390, which would expand the types of change in status required to trigger provision of hospital employee retraining and placement services. **We would like to see the bill amended to also apply to hospitals that relocate.**

In December 2015, Washington Adventist Hospital, Takoma Park's largest employer, received Certificate of Need approval to move its main inpatient hospital to a new campus in the White Oak area of Montgomery County. The Hospital was to leave inpatient psychiatric and physical rehabilitation hospital services in Takoma Park, as well as a 24 hour urgent care center, two clinics and laboratory and radiology services. The City of Takoma Park has now been informed that Washington Adventist Hospital wishes to also move most of the remaining health services out of our community.

As our major employer, the loss of jobs from the hospital's move will be very painful for Takoma Park. Many of our residents work at the hospital or the related medical facilities. The new campus is planned to have fewer patient beds than the current hospital. The recently-announced proposed consolidation of the inpatient psychiatric hospital with the facility in Rockville will presumably require fewer positions, and the laboratory and radiology services will not be needed for the proposed relocation of the physical rehabilitation unit to White Oak. It is not certain that these changes meet the criteria of a "downsizing," so we ask that "relocation" also trigger retraining and placement services for displaced workers. The amendment we are specifically requesting is attached.

In addition, the Fiscal Note for this bill includes the following information: "Provisions of the Health-General Article also authorize HSCRC to temporarily adjust hospital rates for those hospitals that are directly involved in a merger, consolidation, closure, or delicensure to provide sufficient funds for an orderly transition. Funds can cover allowances for those employees who are or would be displaced, allowances to permit a surviving institution in a merger to generate capital to convert the closed facility, and other purposes."

We would like to ensure that this provision also applies to relocation of a hospital. The City of Takoma Park could be left with a large vacant hospital structure in the heart of our community. Any measures that can be taken to facilitate the demolition or conversion of the closed facility so that it is able to be a community asset should be encouraged.

We appreciate the underlying purpose of SB 390, and the provisions cited in the Fiscal Note, to help offset the deleterious effects of job loss related to changes in status of a hospital in a community.

The City of Takoma Park strongly supports SB 390 and requests favorable consideration of the bill and the attached amendment, which would add “relocation” to the types of changes of status to which the provisions of Section 11-201 apply.

PROPOSED AMENDMENT – SB 390

Amendment:

On page 3 in line 11 after the word “downsizing” ADD the word “RELOCATE”

Rationale:

Existing law provides retraining and placement for hospital employees who are neither executive hospital employees nor licensed or certified medical professionals and are displaced when a hospital merges, closes, downsizes or is de-licensed. This amendment simply adds the same retraining and placement service be made available when a hospital voluntarily relocates its campus to a wholly new location.