

Summersville Workforce Reduction Communications
February 22, 2018

Media Release:

Summersville Regional Medical Center (SRMC) informed employees this week of the need to eliminate or reduce several positions across the hospital and skilled nursing center as a part of the organization's ongoing cost reduction effort. Much of the reduction was accomplished by not filling open positions or by reducing some positions to part-time; ultimately nine active employees were notified their positions were being eliminated this week.

As part of this realignment the hospital plans to close its Ansted Medical Center outpatient primary care clinic and offer patients the opportunity to seek treatment at the Rural Health Clinic on the hospital's main campus. All staffing adjustments were made with careful effort to avoid direct impact to patient care.

"As is the case in much of the country, the operating environment for hospitals in West Virginia remains challenging. Extended delays in critical subsidies our hospital has historically relied on to cover operating costs have put the hospital under tremendous financial pressure," said SRMC Chief Executive Officer Karen Fiducia, FACHE. "This pressure, combined with an overall decline in the number of people receiving care at SRMC, forces the hospital board to make difficult but necessary decisions to help sustain our operations into the future."

The personnel changes taken this week are expected to reduce the hospital's operating expenses by more than \$1.5 million annually. In addition to this short-term effort, the SRMC governing board has begun exploring longer-term measures to ensure the hospital's future, including a possible change to SRMC's operating structure to secure more favorable reimbursements from Medicare and Medicaid, and possible alignment with larger health systems in the area.

"Maintaining quality healthcare in Summersville is the board's top priority, and unfortunately, that requires us to make hard but important decisions like this," said Stephen Boone, chairman of the hospital's board of trustees. "As a governing body, we will continue to be strategic and forward looking. As citizens, I hope each of us will make extra effort to support our community hospital by choosing Summersville Regional Medical Center for all our health care needs."

Karen Fiducia

From: Karen Fiducia
Sent: Thursday, February 22, 2018 4:53 PM
To: Pam Mullens (pmullens@srmcwv.org)
Subject: recent events

Please distribute to all staff and post

Statement from CEO:

These are the types of decisions and discussions no leader wants to have. But the reality for our hospital—and many like it across the country—is, we have to.

With planning, cooperation and coordination from our hospital leadership, we have been able to identify a cost savings of \$1.5 million. To achieve these cost savings, we have made staffing and service adjustments across the hospital and skilled nursing center.

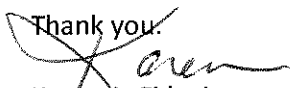
Much of the reduction was accomplished by not filling open positions or by reducing some positions to part-time. Regrettably, we eliminated positions for nine individuals this week. As of this afternoon, we have these very difficult but respectful discussions one-on-one with each affected employee.

We know these changes have a very personal impact on our colleagues and our community. These are more than numbers on spreadsheet, but are our friends, neighbors, and relatives.

We continue to work diligently with our department heads and teams across the hospital during this period to ensure there are no interruptions in our care delivery. We remain committed to providing the best care possible for our community. But we *must* do so in a financially sound manner.

With this difficult period behind us, we continue to move forward in smart and innovative ways and to lean on our board and our advocates in the community. Our leadership remains diligent in its research into strategic and structural changes to help us achieve a more solid financial footing for the future.

At the end of the day, Summersville Regional Medical Center is not just a building. It's not just technology or services. It's a reflection of our community: the people we care for, the people we work with, and the people who depend on us. We are proud of the work we do here and we are committed to remaining an integral part of the Summersville community.

Thank you.

Karen A. Fiducia