

To: Oregon Healthcare Market Oversight Program
Re: OHSU-Legacy Transaction, Transaction 039
From: Service Employees International Union Local 49
Date: March 21, 2025



We are submitting this comment on behalf of SEIU Local 49, an organization of more than 14,000 essential healthcare and property services workers. Our mission is to achieve a higher standard of living for our members, their families, and dependents by elevating their social conditions and by striving to create a more just society.

As frontline hospital workers, SEIU members have been experiencing Legacy's financial containment efforts firsthand, for some time. We firmly believe that if the merger proceeds, OHSU's investment in Legacy will improve access by staffing all available beds; and, as a result, patients will be more likely to see improved health outcomes. However, if this transaction is denied, Legacy has clearly stated that access to services will likely worsen.

During the Community Review Board [Public Hearing](#) on March 5, Legacy leaders transparently shared the need for a strategic partner and what is at stake if the merger does not move forward. Anita Iyenger, Senior Vice President and Chief Strategy Officer at Legacy Health, stated that:

*"If this transaction does not close Legacy would first, **continue to implement the financial containment plan**... Secondly, Legacy would have to take some immediate action to improve its long-term financial outlook... We would also need to look at the services we offer today and **optimize or narrow services, especially those services that operate at a negative margin and redirect some of those resources to positive margin services within the organization.**"*

Legacy is already implementing this financial containment plan, which is part of the reason the health system is showing short-term economic improvements. But these financial gains are neither sustainable nor rooted in improving or preserving healthcare quality or access to care. For example:

- Legacy Emanuel is **laying off all night-shift certified nursing assistants** on medical surgical units. A message to employees announcing this decision noted that the cuts are "directly tied to our financial containment initiative."ⁱ
- SEIU and other union members have documented **pervasive short-staffing in multiple areas** of Legacy hospitals. For example, Zynora Lowery submitted testimony about how she now works as the only Environmental Services employee on the night shift at Good Samaritan, responsible for cleaning all patient areas across the hospital. On top of this, due to a series of cutbacks, she is also asked to turn over patient rooms to make room for new arrivals. She noted that there have been, "multiple occasions where the supervising nurse and I have to determine which patient needs a room first: the motor vehicle victim in the emergency department? The patient who needs to be stabilized after their risky, life-saving surgery? The patient who just coded for a stroke and needs to be transferred to the Intensive Care Unit?"ⁱⁱ

Legacy already attempted to “narrow services” and shutter the Family Birth Center at Legacy Mt. Hood. The health system only changed course after widespread community outrage and intervention by state and federal agencies.ⁱⁱⁱ At the time, OHA wrote that, “Before its closure, Legacy Mount Hood Medical Center served more women seeking urgent obstetrical care than any other hospital in the Legacy system...It served a disproportionate percentage of patients who had limited English proficiency, fewer or no prenatal visits, limited education and greater enrollment in the Oregon Health Plan (OHP).”^{iv} Labor and delivery services like those provided to the diverse community at Mt. Hood in East Portland is an example of one of the “negative margin” service lines referenced above.^v

Legacy’s current actions demonstrate what Oregonians can expect if this transaction is not approved.

Legacy is currently understaffing to save money, leaving 90 surgical beds and 39 critical care beds empty that could be used today.^{vi} Meanwhile, OHSU employees are treating patients in “hallways, lobbies, conference rooms and even an auditorium.”^{vii} A merger with OHSU would allow for the full staffing and increased capacity of Legacy hospitals to serve more patients.

By approving this acquisition, our communities and the new OHSU combined system can get on the right path now toward expanded access and improved quality for patients across Oregon.

ⁱ Message sent to Legacy employees in December, 2024.

ⁱⁱ [OHA Compilation of Public Comments Submitted to HCMO on OHSU-Legacy](#); p 99

ⁱⁱⁱ [Oregon health officials deny request to close Gresham-based birth center](#) OPB

^{iv} [Oregon health officials deny request to close Gresham-based birth center](#) OPB

^v <https://www.beckershospitalreview.com/finance/a-leading-money-loser-for-hospitals/>

^{vi} [HCMO CRB PowerPoint Presentation](#), slide 3

^{vii} [OHSU leaders sound alarms about ongoing 'capacity crisis' at Oregon hospitals - Portland Business Journal](#)