New York Nurses Win Wage-Fixing Lawsuit

Class action suit part of nationwide effort to address unfair practices.

More than 3,000 RNs in New York State are receiving checks as a result of the settlement of a class action lawsuit against five hospitals that conspired to suppress nurses’ wages in violation of federal antitrust laws. Each of the 3,277 RNs affected by the settlement will receive payouts, which average $1,730.

Norma Amsterdam, an RN and an executive vice president of 1199SEIU United Healthcare Workers East, the union that supported the plaintiffs and conducted the research that laid the foundation for the suit, called the settlement a victory for RNs and patients. She predicted that it will improve the overall quality of health care in the area. Fair compensation for RNs, she said in a press release, “means there will be better recruitment and retention of qualified staff,” as well as safer staffing and, ultimately, a higher quality of care for patients.

The suit filed in 2006 by two Albany-area RNs, Wendy Fleischman and Cindy Cullen, alleged that from June 20, 2002, through June 20, 2006, five hospitals in the Capital Region of New York State—Albany Medical Center, Ellis Health, Northeast Health, Seton Health, and St. Peter’s Health—shared confidential RN wage information and conspired to suppress wages. Hourly wages paid by the hospitals varied by $1 or less. The plaintiffs claimed that as a result of these actions, the nurses’ wages were below what they would otherwise be earning, particularly during a nationwide nursing shortage.

Daniel Small, the plaintiffs’ attorney, estimated that each RN lost about $6,000 in compensation annually.

According to 1199SEIU, the suit was part of a national effort to address the nursing shortage, and similar lawsuits have been filed in Detroit; Chicago; San Antonio, Texas; and Memphis, Tennessee. Two hospitals named in the Detroit wage-fixing suit, Henry Ford Health System and Trinity Health Corporation, recently agreed to settlements of $8.4 million and $5.1 million, respectively.

Settlements with the other Detroit hospitals were reached previously. In other cities, courts have denied class certification, and the outcome of some cases is still pending.—Karen Rosenberg

NewsCAPS

Care quality at critical access hospitals (CAHs). CAHs provide inpatient care to underserved—primarily rural—areas. Consequently, they receive larger Medicare reimbursements and are exempt from quality improvement requirements. Two recent studies sought to determine whether care quality has suffered as a result of that exemption, as well as other factors such as older, poorer patient populations and limited resources. The first, published in the April 3 JAMA, found that mortality among Medicare patients with acute myocardial infarction, congestive heart failure, and pneumonia was higher at rural CAHs than at non-CAHs. Until 2002 the rates were similar but rose by 1.8% annually at CAHs through 2010. The second study, published online May 1 in JAMA Surgery, shows no difference in mortality following eight common types of surgery at CAHs and non-CAHs. However, surgery costs more at CAHs, ranging from $679 more for cesarean sections to $5,170 more for colorectal cancer resections.

Vaccines don’t cause Guillain–Barré Syndrome (GBS), concludes a study of millions of patients at Kaiser Permanente facilities in northern California. Just 415 cases of GBS were confirmed in medical records from 1994 to 2006, and only 25 of those 415 people had received any kind of immunization within six weeks before the onset of symptoms. Slightly more men than women developed GBS, and GBS was 50% more likely to occur in winter than summer months. Two-thirds of all people with GBS had had a respiratory or gastrointestinal infection within the 90 days preceding GBS onset. The results “provide reassurance that the risk of GBS following any vaccination, including influenza vaccines, is extremely low,” conclude the authors in Clinical Infectious Diseases (published online May 10).