

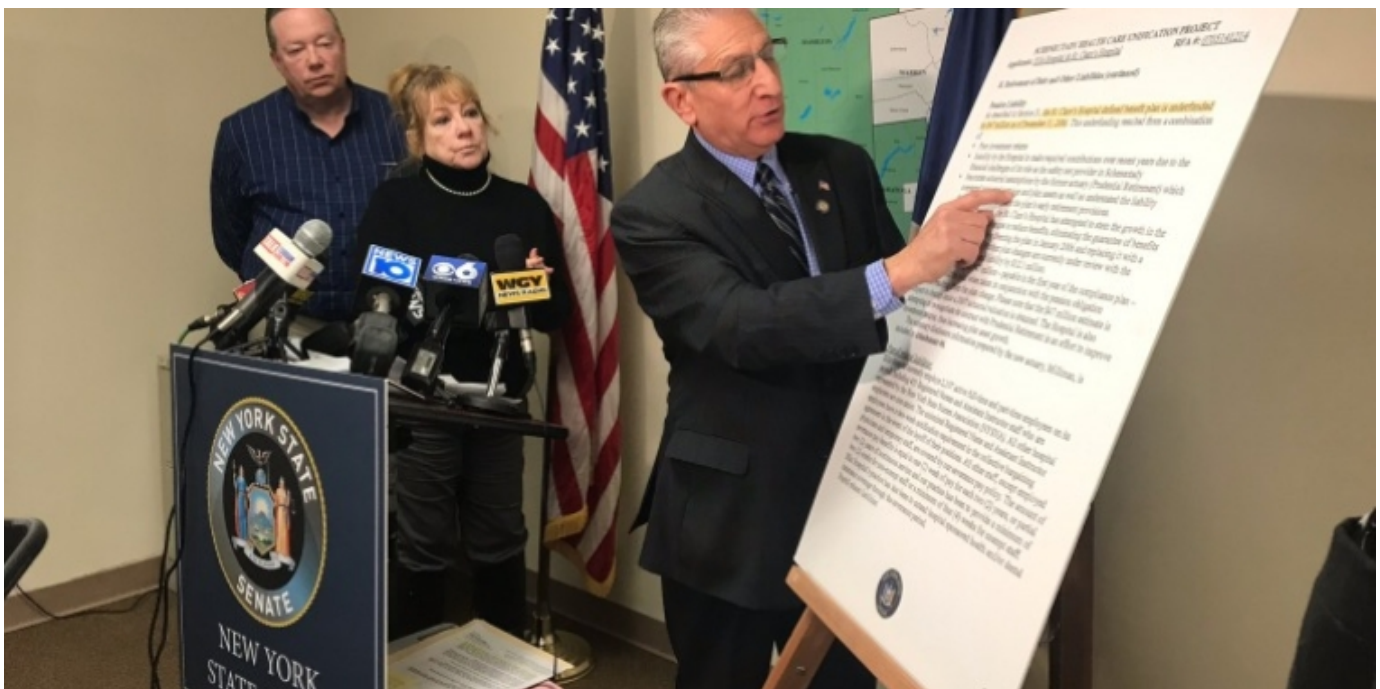


NEW YORK STATE SENATOR

James Tedisco

Tedisco to NYS AG: “What’s Going on with St. Clare’s Hospital Pension Fund Investigation?”

SENATOR JIM TEDISCO February 17, 2020



Senator Jim Tedisco (R,C,I,REF-Glenville) today joined with Mary Hartshorne, Chair of the St. Clare’s Pension Recovery Alliance, to seek clarity from the Office of New York State Attorney General Letitia James regarding what steps her office has taken to investigate the collapse of the Pension Fund for the former St. Clare’s Hospital in Schenectady, which has left 1,100 dedicated retirees with no or significantly reduced pensions. See attached letter.

In December, Senator Tedisco provided the Attorney General's office with a startling document that he received from an anonymous source that says the "St. Clare's Hospital defined benefit plan is underfunded by \$47 million as of December 31, 2006," and not the \$28 million originally allocated by the state in the consolidation agreement.

The document raised significant questions about what happened to the money that was meant to go to the retirements St. Clare's Pensioners. Tedisco and Hartshorne asked the Attorney General to include in her ongoing investigation into the dissolution of the Pension Fund an examination of why there was an agreement for the state to only provide \$28 million in taxpayer funds toward shoring up the St. Clare's Pension Fund after all parties involved were made aware that up to \$47 million was needed.

St. Clare's Hospital was closed a decade ago by a requirement of the state's Berger Commission in its mission to right-size New York's health care facilities, and its operations were absorbed by Ellis Medicine. At the time, the state paid \$58.7 million to cover transition costs, including \$28 million to cover the anticipated needs of the St. Clare's Pension Fund. Unfortunately, for reasons not yet fully identified, that was not enough to cover the fund's pension costs. Since federal law permits a religious exemption, the St. Clare's pension fund has no benefit guarantee insurance.

"I'm hoping the Attorney General can help provide some justice to the 1,100 dedicated health care professionals who provided compassionate care at St. Clare's Hospital by helping us figure out what happened to the pension they worked so hard for so we can help find a way to make them whole," said Senator Jim Tedisco. "These 1,100 pensioners are in crisis mode as many of their lives have been turned upside down through no fault of their own. The sooner the Attorney General can help us get to the bottom of this, the sooner we can work toward a solution to help these New Yorkers."

“It’s been over two months since we contacted the Attorney General and we haven’t heard a word about what’s going on with this investigation which is impacted so many retirees who are in danger of losing everything because the retirement savings they had counted on has either evaporated or significantly diminished. I want to thank Senator Jim Tedisco, who has been our strongest supporter all along, for his continued diligence to find out what happened to our pensions and help us find a solution so our retirements can get back on track,” said Mary Hartshorne, Chair, St. Clare’s Pension Recovery Alliance.