



NEW YORK STATE SENATOR

James Tedisco

## Tedisco Receives New Update Response from NYS AG on St. Clare's Hospital Pension Fund Investigation

SENATOR JIM TEDISCO February 20, 2020

Senator Jim Tedisco (R,C,I,REF-Glenville) today announced his office has received a new update response from the Office of New York State Attorney General Letitia James regarding their investigation into 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.

On [Monday, Senator Tedisco and Mary Hartshorne, Chair of the St. Clare's Pension Recovery Alliance, again wrote](#) the Attorney General about the status of the investigation. [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 of the St. Clare's Pensioners.

According to the Attorney General's Office, they are looking into both the dissolution of the St. Clare's Corporation and a separate "intensive" and "as thorough as you can hope for" investigation into what happened to the Pension Fund. The Attorney General's Office said

they are in possession of the document Senator Tedisco sent them in December as well as related documentation from the time of the hospital consolidation. Tedisco's office was told that this investigation is being overseen at the highest levels and "top of the food chain" of the Attorney General's Office.

They said that the "human aspect of what's happening to the pensioners is not lost in any way" to the Attorney General who realizes many retirees are facing difficult situations in figuring out how to pay their bills. The Attorney General's Office stated that they are hopeful of an announcement in the next month regarding the investigation.

"I want to thank the Attorney General for following up with me and taking seriously the collapse of the St. Clare's Pension Fund and the personal crisis it has caused for 1,100 dedicated health care professionals who provided compassionate care at St. Clare's Hospital for many people for so many years. It's a travesty what was done to our St. Clare's retirees and we need to get to the bottom of what happened to the Pension Fund they worked so hard for so we can help find a way to make them whole," said Senator Jim Tedisco.

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.