Hospital Executive Compensation Act Dropped from Ballot

The Hospital Executive Compensation Act did not qualify for the November 8, 2016 ballot in Arizona as a state statute (1). The Service Employees International Union (SEIU) dropped the initiative just before arguments were to begin in a lawsuit that challenged the legality of signature gatherers who failed to register with the state. The measure would have limited total pay for executives, administrators and managers of healthcare facilities and entities to the annual salary of the President of the United States. A similar measure in California was also dropped by the SEIU in 2014.

Supporters of the proposal said it would decrease escalating healthcare costs. Opponents of the measure, including the Arizona Chamber of Commerce who filed the suit challenging the proposition, alleged that it would lead to poorer healthcare. However, a survey conducted by the Southwest Journal of Pulmonary and Critical Care showed that most supported the measure and felt that it would not lead to poorer healthcare (2).

References