



## **Kaiser IBHS Contract Campaign Update**

*April 4, 2020*

At a critical moment when we need to feel supported by our employer, Kaiser executives have reneged on their assurances that they will accept our settlement proposals. Instead they have indicated that they are reverting to their Last, Best and Final Offer that had lower wage increases than what our bargaining teams agreed to during discussions in February and March with Kaiser's Labor Consultant Tom Schneider. (A side-by-side comparison of the two proposals is below.)

Schneider reported to us on Friday that Kaiser executives felt the COVID-19 pandemic had created too much economic uncertainty for Kaiser to sign off on our settlement proposals.

Kaiser's stance is morally indefensible. Kaiser reported a \$7.4 billion profit last year and Schneider had informed us that the difference between Kaiser's Last, Best and Final Offer and our settlement proposals amount to roughly \$20 million over four years for 4,000 Kaiser employees. That's less than what Kaiser pays its two top executives in total annual compensation.

Kaiser executives have no right to use an unprecedented health crisis to effectively lower its wage proposal to all of us who are going above and beyond the call of duty to care for our patients and our families.

**We're asking everyone to send a message this weekend to top Kaiser executives** expressing our profound disappointment at their sudden reversal, and urging them to immediately accept the proposals for settlement that were negotiated with Kaiser's Labor Consultant Tom Schneider.

**Click the button below to send a pre-written message, but we encourage everyone to include a personal message** that expresses your feelings and explains to Kaiser executives the dedication we are showing to our patients during this crisis and how their reversal impacts us and our families.

**We want to deliver a powerful message to Kaiser executives this weekend because we expect that as early as Monday, Kaiser will once again formally submit its Last, Best and Final Offer or something very similar to it.**

**As we have stated before, our primary objective is to get this contract done. We will take a settlement offer from Kaiser to a vote with sufficient time to review the proposal and discuss it.**

Here is the side-by-side comparison of Kaiser's Last, Best and Final offer and our settlement proposal that Kaiser executives assured us that they supported.

|          | <b>Kaiser's Last Best and Final Offer (September 2019)</b>                             | <b>2020 proposals for settlement negotiated with Tom Schneider</b>                                      |
|----------|--|---|
| Duration | 3 Years  | 4 Years   |
| Wages    | Year One: 3%<br>Year Two: 2.75% + 0.25% lump sum<br>Year Three: 2.75% + 0.25% lump sum | Year One: 3%<br>Year Two: 2.75% + 0.25% lump sum<br>Year Three: 3%<br>Year Four: 2.75% + 0.25% lump sum |
| Bonus    | None   | \$5,500   |

We can't say strongly enough how angry we are over Kaiser's sudden reversal. It's unethical and disrespectful to us and the hard work we are doing during this crisis. But we should still be proud of the hard work we have done to increase staffing and improve care at Kaiser — and our continued commitment to our patients amid a pandemic.

Below is a timeline of what has transpired over the past few months to further illustrate how Kaiser has gone back on its word.

Let's stay safe and stick together,

Your stewards:

Robert Carriger, Mickey Fitzpatrick, Mary Anne Beach, Matt Hannan, Rita Leigh Smith, Akshay Naresh, Ken Rogers, Alberto Matias, Tawny Martin, Simon Quartly, Erik Bernecker, Elizabeth Essner, Caleb Birkhoff, Ahnjani Davi, Daniel Curry, Kathy Ray, Adam Front, Kristen Pratt, Shay Loftus, Michael McCormick, Morris Mandel, Noel Scriffiny, Gretchen Kryss-Peak, Edmundo Perez, Ben Knipe, Tomoko Kunita, Jason Todd Lechner, Ali Meatchem, Julia Thompson, Misha Gutkin, Lauren Ogren, Mercy Flores-Isaac, James Taylor, Layla Ghazzagh, Nicole Colao-Vitolo, Mark Grassinger, Michael Manekin-Hrды, Melody Bumgardner, Derek Travis, Emily Schwartz, Jeffrey Chen-Harding, Miranda Buxton, Christine Messinger, Ann Rivello, David Meshel, April Young, Chelsea Wise-Diangson, Scott Lafranchi, Kirstin Quinn-Siegel, Willow Thorsen (former steward), George Pulis (former steward)

## 2020 Timeline

**February 7:** Gavin Newsom's Cabinet Secretary and the chiefs of staff to State Senate President Toni Atkins and Assembly Speaker Anthony Rendon met with Kaiser Senior Vice President Dennis Dabney to express their support for NUHW's proposal for settlement. Dabney informed them that he would reach out to the federal mediation service to restart bargaining.

**February 16:** Kaiser Senior Vice President Arlene Peasall informed us that resuming negotiations with Kaiser Labor Consultant Tom Schneider, instead of the federal mediation service, would be the most expeditious route to reaching a settlement. We agreed to work with Schneider.

**February 18:** Schneider informed us that there was growing momentum among Kaiser executives to settle the contract and begin the collaborative process with NUHW clinicians to revamp Kaiser's behavioral health program.

**February 24:** We met with Schneider and presented settlement terms for all three of our bargaining units.

**March 3:** Schneider informed us that we would have to modify our proposals to get agreement from Kaiser executives.

**March 7:** Following Schneider's guidance, our bargaining committee made modifications and gave him proposals for a tentative agreement.

**March 15:** Our bargaining committee made further modifications based on feedback from Schneider.

**March 19:** We were informed that Kaiser Senior Vice Presidents Dennis Dabney and Jim Pruitt had signed off on our proposals for settlement, including the wage increases and bonuses, and that they were getting sign-off from other executives.

**March 26:** Schneider informed us that the executives had agreed on our proposals for settlement, but that the COVID-19 pandemic was distracting them from preparing a formal contract offer.

**April 3:** Schneider emailed us that Kaiser executives want to reduce their economic settlement because of the country's uncertain economic outlook due to the COVID-19 pandemic.