

Negotiation Update



To: Hospital and Medical Staffs
From: Michelle Childs
Senior Administrative Director, Human Resources
Date: October 1, 2015
Re: NUHW Negotiation Update

This week we continued contract talks with the National Union of Healthcare Workers (NUHW), proposing targeted pay increases of 2.25 percent each year.

Our pay proposal represents a significant investment in NUHW-represented employees, keeping most at the high end of the market in pay at the same time we discuss with the union additional increases for certain positions where we aren't as competitive.

As we shared at the bargaining table, our pay proposal includes an important new element. On top of an increase to base pay, our proposal includes an increase that would be linked to key organizational goals like improved quality outcomes and patient satisfaction.

One of our major goals for these contract talks is to work with the union to determine how Salinas Valley Memorial Healthcare System can improve patient satisfaction and build a stronger organization. We're committed to providing highly-competitive pay and benefits for all employees and proposed changes to the NUHW contract only where we believe they will benefit patient care, improve our operations or bring our rates or policies more in line with the market.

Among these proposals, we hope to:

- Allow employees with appropriate certifications to assist in other patient care areas where needed
- Align PTO and leave policies with what is standard at other hospitals
- Include NUHW-represented employees in a redesigned health plan that expands health benefits at reasonable cost
- Determine minimum objective performance standards
- Prohibit "sympathy strikes"

Over a period of three months and ten bargaining sessions, we've reached 23 tentative agreements and have scheduled four additional meetings in October. As

of now, the hospital has addressed every article in the contract, responded to all proposals from the union and in several cases made revisions to our proposals based on discussions with the union.

We hope to reach agreement on a new contract without significant delay. Therefore the hospital did not propose a third extension of the NUHW contract so that we can move forward with more focused, productive bargaining. All terms and conditions of the current contract, including pay and benefits, remain in place until a new contract is ratified.

We look forward to NUHW's response or counterproposals on the remaining open articles.

##