

Negotiations Update

To: Hospital and Medical Staffs
From: Michelle Childs
Senior Administrative Director, Human Resources
Date: October 28, 2015
Re: NUHW Negotiation Update

We met twice last week with NUHW and have now completed 14 bargaining sessions since we began negotiations on July 16. At this point SVMHS has presented proposals or responded to the union's proposals on all outstanding issues.

We continue to answer NUHW's questions and have made several adjustments to our proposals – on issues ranging from market salary adjustments for certain positions, to PTO cash-out and health plan design. We expect to conclude bargaining soon so that our employees can have a new contract.

These negotiations mark the first time in many years we have done a comprehensive review of this contract, much of which dates back to the 1990s. Our proposals identify ways we can update language to be consistent with current practice, enhance patient care and bring our costs in line with the market, supporting our efforts to transform how we meet our mission in the community.

With so much work behind us, we are however very disappointed that there remains a wide gap in our positions on several important contract articles, including pay and health benefits. We are offering pay increases in each year of the contract as part of a proposal that has three major elements:

- A 1% across the board annual increase
- An incentive pay program that could result in additional yearly increases of another 1.25 percent
- Market adjustment increases for certain job classifications

We also proposed that NUHW-affiliated employees participate in the new SVMH health plan, with coverage at SVMH and our preferred network provided at significantly lower cost. We would continue to provide a retiree health plan – a benefit few employers still offer, as well as generous retirement benefits.

You can see details of the SVMHS proposals on the attached.

We are scheduled to return to the bargaining table at least twice in November, and are working with the union to confirm additional dates.