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COALITION OF
KAISER PERMANENTE
UNIONS

THE VOICE OF UNIONS AT KAISER PERMANENTE

MAY 11, 2012



TENTATIVE AGREEMENT INCLUDES WAGE INCREASES, PROTECTS ALL BENEFITS; SUPPORTS HEALTH, UBTS, GROWTH, AND WORKFORCE DEVELOPMENT

Early on Friday morning, May 11, we reached a tentative settlement on a new, three-year National Agreement. The tentative agreement was the result of hundreds of hours of meetings, brainstorming sessions, discussions, caucuses, and negotiations among 140 labor, management, and physician negotiators who made up the Common Issues Committee. The negotiations were also attended and supported by hundreds of union observers representing frontline employees.

If ratified by our individual local unions, the new National Agreement will be the largest private sector union agreement to be negotiated this year. It covers wages and benefits as well as performance goals related to

service, care quality, affordability, workforce and community health, and workforce development.

The tentative agreement calls for Coalition employees to receive three percent wage increases in each year of the agreement in California, and two percent each year in regions outside California. It preserves all current benefits for the life of the contract, and improves the dental plan. In addition, Kaiser Permanente has committed \$19 million annually to the Ben Hudnall Memorial Trust and SEIU-UHW-West Joint Employer Education Fund to ensure career development for our diverse workforce. The agreement also establishes the conditions for creating the healthiest workforce in the industry,

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Tentative Agreement continued

“We are committed to ensuring the future of KP and our unions,” said John August, executive director of the Coalition of Kaiser Permanente Unions. “We will continue to take the waste out of the delivery system; we will help KP and our unions grow; we will improve the health of the workforce; and we will improve the health of our communities. Workers are taking the lead on improving—not chopping. Once chopping begins, it’s very difficult to turn back. But improvement, when done right, can go on forever.”

August saluted the dedication and contributions of the 140 CIC members as well as the hundreds of union observers that attended one or more sessions of national bargaining. “The workers of Kaiser Permanente are an incredibly valuable asset to their unions as well as to the organization,” August said.

“I am inspired by what has been accomplished in Partnership. I don’t think we could have come up with such innovative strategies to improve quality, service, and

affordability as well as working conditions of our organization without having everyone at the table working together in partnership,” said Dennis Dabney, senior vice president of National Labor Relations.

On May 19, about 350 union delegates will review the tentative agreement at a special Union Delegates Conference. If the delegates endorse it, the tentative agreement will then go to each local union for ratification. The Kaiser Permanente Partnership Group (KPPG) will also meet during this time period to endorse the Agreement on behalf of Kaiser Permanente. There will be no local bargaining. Following are some of the key elements of the tentative agreement:

Benefits

New language was added to the National Agreement to increase the annual maximum dental benefit for Coalition employees from \$1,000 to \$1,200, and make 403B enrollment automatic upon hire. Kaiser Permanente and the

Coalition will work together to educate employees about how to better utilize their benefits and help hold down costs. The Mid-Atlantic States region will charter a group to meet about standardizing and simplifying the region’s benefits, and other regions may elect to join the process.

Improving the Partnership

With the new National Agreement, measurable performance improvement goals for unit-based teams will continue to be raised steadily. While all UBTs will strive to be high-performing teams, the new targets for high performance are: 60 percent of teams will be high performing by 2013; 75 percent by 2014; 80 percent by 2015; and 85 percent by 2016. High performing teams are those rated at a level four or five on the Path to Performance. Other topics addressed include consistent application of the Path to Performance across regions and facilities and, sponsorship and accountability.

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Tentative Agreement continued

Total health

New language in the National Agreement will put Kaiser Permanente and the Coalition of Kaiser Permanente Unions on a path to help KP employees become the healthiest in the nation. “Unions and management agreed that health improvement is an essential strategy for reducing chronic conditions,” said SEIU-UHW president Dave Regan. “Workers want to set an example and lead. This is a high-road, long-term strategy for the common good.”

The Agreement calls for KP and the Coalition to create a program that would reward employees for the collective group achievement of lowered chronic disease risk factors including body mass index (BMI), smoking cessation, cholesterol, blood pressure, and workplace injury rates.

New language will also be added to the contract to require each

region to jointly develop a plan to fully implement workplace safety systems to reduce occupational injury and illness.

“There are two ways to achieve affordability: cut or innovate. We choose innovate!” said CIC member Joan Heller of UFCW Local 7.

Growth

It was agreed that the Westside hospital in the Northwest will be opened as a union hospital under the existing contract.

Workforce development

Agreements were made that address career paths, hard-to-fill positions, training, and preceptorships/mentorships. Each regional Workforce Planning and Development committee will develop a regional plan by June 2013 to implement the recommendations of the September 1, 2011 Hard to Fill Report and/or subsequent reports. Additionally, within

six months of ratification of the National Agreement, each region will implement scope of practice committees.

Kathleen Melton, of the KP Nurse Anesthetists (KPNAA), summed up the spirit of the union negotiators and observers when she said, “We have solutions for the problems facing our organization,” and the group appeared eager to start the work.

The new National Agreement would take effect October 1, 2012 and be in effect through September 30, 2015.

For more information, see www.bargaining2012.org.



Union Strategies for 2012 and Beyond

1. **CONTINUE** to improve quality, service, affordability through our UBTs
2. **GROW** KP and our Unions
3. **IMPROVE** the health of our workforce
4. **IMPROVE** the health of our communities