Swedish Offers Updated Post-Strike Package, Proposes Facilitated Staffing Conversations

The bargaining team for Swedish Medical Center and Swedish Edmonds returned to the bargaining table with SEIU 1199NW during a mediated bargaining session on February 10. It was the first bargaining session following SEIU’s three-day strike in January. Federal mediators recommended the two sides exchange counterproposals through the mediators rather than meet face-to-face, since emotions are still high following the strike. We agreed to follow the mediators’ recommendation.

During the bargaining session, we offered a new counterproposal that retains nearly all major elements of the package we put forward on January 15, with a few modifications that reflect SEIU’s decision to have a work stoppage. The key elements of Swedish’s updated package include:

- Maintaining an across-the-board 3% wage increase, effective when the contract is ratified. This removes the retroactive increase dating to July 1, 2019, which we were willing to do on a one-time basis in the hope of avoiding a disruptive strike. We specifically told the union that our willingness to consider “retro” wages was contingent on getting ratified contracts by the end of January, which unfortunately did not happen.
- Paying a third-party expert to facilitate a series of focused conversations with SEIU on staffing
- Reintroducing PTO and the short-term disability benefit for new hires who start on or after January 1, 2021
• Requiring greater transparency from the Multi-Employer Training Fund about how Swedish’s contributions to the Fund are allocated and serving our caregivers
• Maintaining the other major elements of the January 15 package

For their part, SEIU offered a counterproposal with small modifications on economics. We were pleased that SEIU accepted our proposals on Organizational Equity and Inclusion (OEI) and tuberculosis testing. However, we are disappointed that SEIU’s new package still includes economic components that are unreasonable, including a total wage increase of 22.75%, which is only slightly lower than the 23.25% previously proposed.

SEIU’s package also includes a staffing proposal that would require any staffing decision made at the unit level to be binding on the organization and would remove the CEO’s ability to review or reject the unit decision. With this new counterproposal, SEIU remains dramatically out of line with all other health care worker contracts that have recently settled in this region, including many settled by SEIU.

Swedish’s New Package

Wage Increases
Swedish’s new package removes the retroactive wage increase that was included in the January 15 package. The previous package included a 3% wage increase retroactive to July 1, 2019, which was contingent on the union ratifying a new contract by January 31, 2020. The union chose to strike instead.

All other annual wage increases and economic proposals would remain the same, starting with the first wage increase of 3% upon ratification and followed by another 3% increase starting July 1, 2020, a 2.75% increase starting July 1, 2021, and a 2.5% increase starting July 1, 2022. The package also includes a $2.00 per hour increase in our call rates over the life of the contracts. This package continues to place Swedish at the top of the market.
**Staffing Conversations**

We recognize that staffing is a central concern for our caregivers and take seriously the need to actively recruit and retain qualified staff. However, we have struggled to make progress with SEIU at the bargaining table to agree on a mutually acceptable approach to address this issue. Our new package maintains our previous staffing proposals, which include a commitment to add approximately 200 new FTEs that would include additional Float RNs, a new sitter classification, additional IV training and support, and Break RNs for all campuses, all shifts.

**Importantly, it also includes a new proposal to pay for a third-party expert to facilitate a series of conversations with SEIU about staffing.** After more than 10 months of bargaining, the parties do not see this issue the same way. But we need to find common ground, and we hope that bringing in an acknowledged expert to facilitate further discussion might open up a path forward on this critical issue. We hope the union will accept this proposal.

During the bargaining session, Swedish shared with SEIU that its team would be available to engage in these facilitated conversations as soon as February 17, 18 and 19. The proposed facilitator is Gladys Campbell, RN, who is CEO of the Northwest Organization of Nurse Executives. Like our bargaining sessions, these conversations would be held under the auspices of a federal mediator. We are hopeful that facilitated conversations with a neutral expert can help us make progress on this important issue and break the stalemate that is occurring with the proposals. Unfortunately, as of yesterday SEIU has shown no interest in engaging with this new expert. We remain hopeful that SEIU will agree to engage an expert who might help us identify a better path forward.

**Time-off Benefits**

The revised package also includes a transition for new hires only from our current Annual Leave and Sick Leave benefit to a new time-off benefits program that includes paid time off (PTO) and a Swedish-provided short-term disability (STD) and paid
parental leave benefit. The new time-off program would apply only to caregivers hired on or after January 1, 2021.

Under the new package, Swedish would provide new hires a short-term disability benefit, in coordination with the new state benefit, that we had previously proposed for all represented caregivers. The new STD benefit would provide 100% of a caregiver's salary for the first eight weeks of an illness or injury (after a seven-day waiting period). After those eight weeks, 66 2/3% (two-thirds) of a caregiver's pay would be covered for weeks nine through 25 with no drawdown of a caregiver's PTO. Caregivers would also have the option to use accrued sick leave during weeks nine through 25 to “top-up” the two-thirds coverage to reach 100 percent of their pay. This new benefit provides new-hire caregivers much stronger income protection in the event they have an illness or injury that prevents them from being able to work.

For current caregivers, our new package maintains the existing time-off program with separate Annual Leave and Sick Leave. Previously, we had removed our entire PTO proposal from our previous package in response to concerns we heard from the union and out of a desire to reach a tentative agreement that avoided a strike. Despite withdrawing the proposal, we remain convinced that moving to PTO, which is the standard time-off program in health care, would be in the best interest of Swedish and our caregivers and provide better paycheck protection.

**Multi-Employer Training Fund**

Swedish is the largest single contributor to the Multi-Employer Training Fund, accounting for the vast majority of total contributions from employers. In July 2019, we had proposed requiring greater transparency for how the funds are allocated by the training fund. We later took that proposal off the table (along with many other proposals) in an effort to reach a tentative agreement that avoided a strike. We have now reintroduced that provision in our new package because it is important to us to be a good steward of resources that are intended to benefit our caregivers.
Two additional components of our new package include maintaining the current amount of paid negotiation time for SEIU during the next negotiation cycle, rather than expanding that time, and withdrawing from a proposed partnership agreement with SEIU around exploring options for health care benefits.

**Medical Benefits Remain Unchanged**

Swedish already offers one of the most affordable medical plans among employers in this market. Our package eliminates the premium (or monthly payroll contribution) for the PPO plan for full-time caregivers (0.75 to 1.0 FTE) who earn up to $60,000 in Swedish income per year. In addition, these caregivers would receive an annual $250 contribution from Swedish in their flexible spending account (FSA) to offset out-of-pocket health expenses. Eligibility would be based on Swedish income only, not household income. Under our proposal, eligible caregivers would be able to cover themselves and their family members and pay no premiums – saving, on average, $1,300 per year (excluding the Choose Well health incentive).

All other aspects of the medical benefits we have proposed would remain the same. Swedish will still offer the same three medical plan options – the Swedish PPO, HSA and Kaiser HMO – with no increases in premiums or deductibles for the life of the contract. In addition, Swedish will still offer its Medical Plan Assistance Program, which will provide $0 premiums on the PPO plan for full- and part-time caregivers with household income up to 250% of the Federal Poverty Level (FPL), which is currently $64,375 for a family of four, and 50% of the premium for caregivers with household income up to 400% of the FPL, which is $103,000 for a family of four.

**Keeping You Informed**

We are here to answer your questions and discuss the issues you care about. We welcome your questions by email at communications@swedish.org. Please also look to Labor Negotiation News for the latest updates after each bargaining session.
2019-2020 Contract Negotiations Bargaining Team

Below is a list of members of the Swedish bargaining team, with each member identified by the contract s/he represents:

- Jan Flom, Director Nursing Services – Edmonds RN and Pro/Tech
- Julie Norman, Senior Manager Guest Services Cafeteria – Edmonds Pro/Tech
- Rhose Hipolito, Nurse Manager Surgical Telemetry Cherry Hill – SMC RN and Service
- Wendy Connors, Manager Emergency Department Ballard – SMC RN and Service
- Brian Trickel, Chief Nursing Officer Issaquah/Redmond – SMC RN, Service and Tech
- Marci Mann, Director Nursing Services Acute Care First Hill – SMC RN and Service
- Erika Watkinson, Nurse Manager Gyn Surgical First Hill – SMC RN and Service
- Sheri Love, Director Periop Services First Hill – SMC RN, Tech and Service
- Denise Dollar, Manager Respiratory Care Pulmonary Function – SMC Tech and Edmonds Pro/Tech
- Candi Johnson, Director Systems Nutrition Services – SMC Service
- Larisa Cummings, Director Patient Access Services – SMC Service
- Doug Green, Director Systems Environmental Services – SMC Service
- John Weir, Senior Manager Environmental Services Multi-Site – SMC Service
- Rose Van Wyk Coesens, Manager of the Breast Imaging Center Edmonds – Edmonds Pro/Tech
- Gwyn Anglin, Manager Medical Imaging Ballard – SMC Tech and Service
- Kristi Hester, Regional Senior Manager of Starbucks – SMC Service and EDM Pro/Tech
- Patrick Ahearne, Interim Chief Nursing Officer – Swedish Edmonds
- Shelley Livingston, Labor Relations Director
- Melissa Norwood, HR Director
- Dan Mueller, VP Senior Labor/Employment Counsel
- John Hauge, VP Senior Labor/Employment Counsel

If you have feedback for the team on contract changes you would like to see, please reach out to your bargaining team representative.