Swedish Presents Strong Benefits Package

*Highlights include affordable health benefits with no premium increases and modernized paid-leave benefits beginning in 2021*

The bargaining team for Swedish Medical Center and Swedish Edmonds presented a very competitive package of enhanced benefits and wages during the sixth “main table” bargaining session with SEIU 1199NW yesterday. The teams have been negotiating since early April on new contracts covering RNs and Technical and Service caregivers at SMC; RNs and Professional, Service, Technical and Maintenance caregivers at Swedish Edmonds; and Case Management Social Workers and Addiction Recovery Services Counselors. The current contracts are scheduled to expire on June 30.

We are proud that Swedish’s benefits proposals demonstrate a continued commitment to supporting our caregivers and families. Below are summaries of proposed changes and enhancements in health benefits, paid leave, retirement benefits and wage increases, as well as a professional development program for our nurses.

**Health benefits: Ensuring greater access to the health benefits that our caregivers enjoy**

Swedish proposed to keep our current medical plan options for caregivers: the Swedish PPO, Swedish HSA and Kaiser of WA HMO medical plans. As part of our proposal, we are offering several key enhancements:

- **No premium increases for the Swedish PPO medical plan through the life of the contract.** This means that the low medical premiums for this plan remain unchanged from 2015 levels, with no increases in payroll contributions for nearly a decade.

- **No PPO plan design changes except moderate deductible increases.** There will be no deductible increase in 2020, a $25 per person increase ($50 max per family) in 2021 and 2022, and no increase in 2023.
- **Swedish PPO becomes the free plan on the Medical Plan Assistance Program.** Our Medical Plan Assistance Program provides a free medical plan option to eligible full- and part-time caregivers with household incomes of up to $31,225 for a single person or $64,375 for a family of four (income threshold varies based on family size). In 2020, the PPO plan would become the free plan and support more caregivers who have elected this plan.

- **VSP Vision plan becomes voluntary.** Now partially subsidized, this low-cost plan will become voluntary and fully paid by caregivers. While costs vary depending on who you enroll, the additional cost would be less than $3 per pay period for self-only coverage for a full-time caregiver.

Side-by-side comparisons show that Swedish’s health plan options for caregivers and families compare very favorably with other health care providers in the region. Our proposal shows our commitment to continue our investment in the health of our caregivers, and provides further support with free medical premiums to those who need it most.

**Paid-leave benefits: Caring for our caregivers during predictable and unpredictable times**

Swedish proposes a shift in our paid-leave benefits away from the current program of separate Annual Leave and Sick Leave accrual to a new system of Paid Time Off (PTO), beginning in 2021. There are two primary reasons for this change:

1) The shift to PTO will enable Swedish to coordinate with the new Washington Paid Family and Medical Leave benefits that start in 2020. Washington’s adoption of one of the most progressive paid medical leave programs in the country enabled Swedish to update our approach to offer caregivers better financial protection. Seventy percent of our caregivers have less than 100 sick leave hours accrued, leaving them potentially without pay for unexpected or expected medical leaves.

2) This change more closely aligns with the prevailing standard among most 24/7 acute care operations nationally.

The paid-leave proposal includes the following changes:

- **Introduction of a PTO schedule.** Swedish will develop a PTO schedule that provides paid time off for vacation, personal days, incidental sick days and holidays. PTO is paid out upon termination, increases based on a caregiver’s anniversary date instead of
hours worked and can supplement other paid leaves. Our PTO proposal is more generous and provides more flexibility than our current vacation accruals.

- **Sick time accruals will phase out at the end of 2020.** Frozen sick banks will be available to supplement other paid leaves through the end of 2022. Our caregivers will not lose the sick time they have accrued and will have it be available for an additional two years as a supplement.

- **Annual Leave accruals stop at the end of 2020 and roll over into PTO.**

- **Introduction of short-term disability and Paid Parental Leave as new employer-paid benefits.** Separate Swedish-provided benefits will supplement the state-provided programs. Washington state benefits will provide pay for disability, parental and family leaves. Our additional short-term disability will allow for up to 25 weeks (combined) of partial income replacement for approved absences. Unlike our current accrual-based system, these programs allow for greater protection because the benefit does not disappear once a caregiver runs out of vacation or sick hours. The program allows for protection more than once per year as long as each absence is qualified.

**Retirement benefits: Greater incentives for tenure at Swedish**

Swedish is proposing a new employer contribution schedule, with enhancements, that will be extended to caregivers with more than 10 years of service. This proposal incurs no reduction in total employer contributions for eligible caregivers. This retirement program will increase opportunities for caregivers to receive more employer dollars over their careers. Proposed enhancements in Swedish’s retirement program include:

- **Effective January 1, 2021,** the employer contribution schedule increases for eligible caregivers with more than 10 years of service to 8%, rather than the current 7% contribution.

- **A new Roth after-tax deferral opportunity**

- **An improved graded vesting schedule** (changing from 0/20/40/60/100% to 0/25/50/75/100%)

- **Automatic vesting at age 60** (not 65)

- **Employees with 10 years of service or more will enjoy improved total employer contributions,** and all employees hired prior to January 1, 2021, will have the opportunity for equal or greater total employer contributions.

- **New, annual match true-up for Edmonds caregivers**
• Expanded match eligibility for Edmonds caregivers – anyone saving in the 401(k) will receive employer match each pay period

Eligibility and timing for the employer “basic” contribution will change. Employer match will continue to be credited each pay period. The additional employer contribution will deposit annually. Under the proposed plan, employees who work at least 1,000 hours (up from the current minimum of 500 hours), and remain employed through the final pay period each year, will be eligible to receive the Employer contribution, which will be 5% for caregivers with 10+ years of service, starting 2/1/2012. One thousand hours will also be the requirement to earn a year of vesting service for the annual employer contribution.

There will be no changes proposed to the defined benefit pension in which certain caregivers hired before 2007 currently participate.

Wage increases
Swedish put forward a strong initial wage proposal that provides for wage increases of 2% in 2019 and 2020, and 1.5% increases in 2021 and 2022.

Swedish Offers Proposals on Float and a Clinical Ladder
*Clinical ladder proposal will introduce a new program to support nurses’ professional development*

Swedish also proposed a new “Nurse Clinical Development Program” designed to support and reward the professional development of our nurses. This proposal demonstrates Swedish’s commitment to the professional development, satisfaction, recruitment and retention of nursing staff. The program would provide opportunities for nurses to grow professionally in areas that would benefit both the nurse and Swedish. We are excited to bring this proposal forward and look forward to more engaged dialogue with SEIU 1199NW on shaping this exciting new program. In addition, Swedish offered proposals on float for SMC RNs and SMC Technical caregivers that are aimed at streamlining the float process.
Invitation for Dialogue to Address Racism, Equity, Inclusion

Concerns about racism and discussions on how to strengthen equity and inclusion at Swedish have been central elements of the negotiations. We are committed to continuing to work on these critical issues that have a significant impact on our Swedish caregivers and the communities we serve. While we share concerns about the issues with SEIU, we have a different vision for how these issues can and should be resolved through the collective bargaining process. Given the importance of these concerns, and our shared commitment to addressing them, Swedish proposed that the parties schedule time to meet and work on a programmatic response with the help of a neutral mediator. It is our experience that including a neutral mediator in the discussion will help the parties focus on the issue and identify a mutually acceptable resolution through dialogue and sharing of ideas. It is our hope that the Union will accept our proposal and agree to begin work on this important issue promptly.

Discussions on Other Specific Topics Will Continue

In June, Swedish continued a steady cadence of issue-specific conversations around complex topics, following a schedule that was agreed upon with the union. This process is helpful in fostering productive dialogue. The confirmed schedule for side-table conversations through the end of June is:

- June 26 – Training Fund
- June 27 – Stand-by and Call and Inpatient Staffing

At the time of publishing this update, we do not have another large-table session scheduled, although SEIU and Swedish have acknowledged that we still have a lot of work to do together to get to an agreement. We anticipate another session will be scheduled soon.

Keeping You Informed

The Swedish bargaining team is here to answer your questions and discuss the issues you care about. Send your questions by email to communications@swedish.org. Please also look to Labor Negotiation News for the latest updates after each bargaining session.

Please feel free to share this newsletter widely within your teams and with your providers.
2019 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:

- Jean Doerge, Chief Nursing Officer – Edmonds RN and Pro/Tech
- 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, Interim 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
- 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.