

IN FACT FINDING PROCEEDINGS PURSUANT TO CALIFORNIA
GOVERNMENT CODE SECTION 3592

CALIFORNIA NURSES ASSOCIATION,]	
]	RECOMMENDATIONS
]	
Union,]	of
and]	
]	FACT FINDING PANEL
]	
UNIVERSITY OF CALIFORNIA,]	John Kagel, Neutral Chair
]	James Eggleston, Union
Employer.]	Shelley Nielsen, University
]	
]	
Re: 2010 Reopener]	

APPEARANCES:

For the Union: Beth Kean, CNA, Oakland, CA

For the University: Robert Hulteng, Esq., Joshua Kienitz, Esq., Littler Mendelson,
San Francisco, CA

INTRODUCTION:

The Parties presented ten days of evidence on reopeners on staffing, duration, benefits and wages involving five independent University Medical Centers and six campus and laboratory sites for a Bargaining Unit of over 10,000 Nurses.

The Panel has deliberated and determined to proceed as follows: The recommendations herein are those of the Neutral Chair, except as otherwise noted. If a provision or proposal is not mentioned in this report, the recommendation of the Panel is to retain the language in the respective section, reopened pursuant to the current 2008-2010 Collective Bargaining Agreement, except where the Parties have otherwise reached

agreement. The Panel has further agreed that summary statements as to each recommendation is appropriate for this report.

The evidence, which included comparisons to Nurses in Union-represented and non-represented hospitals throughout California, the testimony of witnesses for both Parties as to comparisons and matters that were internal to the Medical Centers and other materials, has been carefully and fully considered.

ARTICLE 8, STAFFING:

Break and Meal Relief:

The record showed was that the issues of relief staffing has been brought forward at each Medical Center and that relief staffing has been settled at UCLA Westwood, UCSF, some areas at UCSD and proposals are under consideration there as well as at Irvine and at Davis. In addition, the NSRP and SRP processes are also underway at Davis on staffing issues.

Lengthy and detailed testimony and exhibits were presented concerning the whole scope of meal and break relief, including the issues of time for reporting to and from relieving Nurses and Charge Nurse coverage, at each Medical Center. What was shown was that there are a variety of methods to assure that breaks and meal periods are available to Nurses. The Parties have been successful in working out satisfactory arrangements for doing so based on situations within each Center. Based on that evidence the following recommendation is made:

Recommendation Concerning Meal and Break Relief:

Mid-shift break relief staffing should be provided as adjusted for conditions within each Medical Center.

Recommendation Concerning Notification of Changes in Base Staffing:

Each Facility should notify the PPC of any proposed changes in its regular base staffing and should meet with the PPC upon request to discuss such proposed changes before they are implemented.

Recommendations re H1N1 Proposal:

While the Panel maintains that this topic is not properly before the Panel, the Parties would benefit from a full and open discussion of it including discussions concerning training.

ARTICLE 15: BENEFITS

Recommendation Concerning Medical Benefits For Active Employees:

There is little dispute as to the medical benefits offered for 2010 for active employees. They should be as offered by the University.

Medical Benefits for Retirees:

While there is an on-going issue as to the degree, if any, to which the Union can bargain for Retiree benefits, that issue does not have to be resolved in this proceeding. The University proposal requires some increases in costs for some retirees but the changes are too minimal from otherwise satisfactory coverage and costs for retirees as a whole. The Union is concerned that any erosion of retiree benefits signals the beginning of major changes in them. However, that concern would be a subject for discussion between the Parties at their next negotiations if so proposed by the Employer.

Recommendation Concerning Medical Benefits for Retirees:

The University's offered medical benefits for 2010 for retirees should be accepted.

Retirement Contributions:

For the past 20 years the University Pension Plan has not required contributions from either the University nor its employees. When such contributions ceased a two percent contribution by employees was "redirected" to individual retirement savings accounts. With actuarial requirements requiring funding to resume for the University Plan the Employer has proposed that in April 2010 employees "redirect" their two percent contribution from their individual accounts to the University Plan with the University also resuming contributions to it.

The University has committed to its contribution. When contributions had been made in the past they were made jointly by Nurses as well as the Medical Centers. The

proposed redirection of contributions would not require additional out-of-pocket payments by Nurses.

Recommendation on Pension Redirection:

The pension redirection proposal should be adopted.

Recommendations Concerning Other Benefit Issues:

Except to the extent recommended in this report:

- a. The benefit structure of the UCRP defined benefit program and the benefit structure of the DC plan should remain unchanged;
- b. There should be no other changes in the University's Retiree Health program except to the extent required by law.

ARTICLE 38: DURATION

Recommendation Concerning Duration:

The University proposed that the Parties extend their Agreement for two years rather than have it expire by its terms on September 30, 2010. However, given the current economic uncertainty generally as well the uncertainty of State support, it states it cannot make commitment concerning 2011 health and pension benefits. Given its inability to deal with those issues in this proceeding, the Agreement should expire as agreed on September 30, 2010.

ARTICLE 40: WAGES

The last across-the-board wage increases for Nurses was in February 2009. In the meantime, the University as a whole has had severe economic shortfalls. It has required pay cuts and furloughs of employees, raised tuition and cut back on classes. The Medical Centers have adopted an "alternative plan" to seek to relieve them from some of the effects that the University would otherwise have asked them to impose. The University had also established, unlike in the past, that in these current economic times that the number of qualified Nurse applicants exceed those who have left Medical Center employment.

For these reasons no immediate wage increase is recommended. However, the University has compared its Medical Centers to other hospital systems, noting that it “must offer market-rate compensation packages in order to attract and retain top-flight nurses....” (Univ. Ex. 21) While the business model of the Medical Centers differ to some degree from some of the other hospital systems in that it offers services to higher numbers of uninsured or under-insured patients as well as those who may have higher acuity than average, it nonetheless must recognize the compensation packages of their competitors.

Currently, according to the University, it meets their “market rates.” The differences of the Parties concerning comparability measured against Union-represented systems and those surveyed by HASC have been discussed in prior fact finding reports and are not repeated here. But what is apparent is that as time moves on, even in the short- term the contractual wage rates of major competitors will move ahead of current CN II Medical Center wage rates. For example, CHW has just settled for a two percent increase on ratification, two percent in early May 2010 and a one percent lump sum wage payment in July 2010. Kaiser has an existing contract that will increase wages by five percent per year. All major systems afford annual step increases.

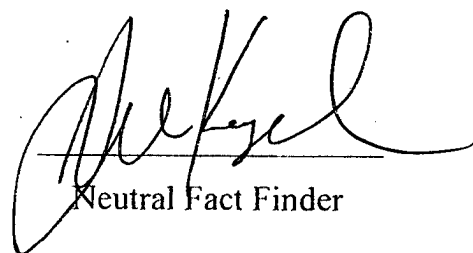
In the meantime, it is recommended here that RN’s at the Medical Centers redirect two percent from their individual retirement accounts.

Recommendations Concerning Wages:

Given these factors, to meet the Medical Centers’ stated position on market-rate compensation while continuing to operate as they do, the changes at these other hospital systems cannot be ignored. Weighing all of the foregoing it is recommended that CN II wage rates be increased by two percent in the payroll period following March 15, 2010 and two percent in the payroll period following September 1, 2010, in addition to step increases as in the past.

Respectfully submitted,

November 9, 2009



Neutral Fact Finder