

**October 2, 2021****Immediate Release**

## **Catholic Health Awaits Written Response to Pre-Strike Proposal**

CWA Locals 1133 and 1168 have not responded to our last, full economic package, including our staffing proposal. “The hospitals presented a full economic package with written proposals on all open items to the union’s bargaining team,” JoAnn Cavanaugh said. “We are certainly willing to resume negotiations. We remain steadfast in our desire and commitment to reach a fair contract for our associates. Before setting a date to resume negotiations, we need full written proposals from CWA on all open items so we can see, on paper, the union’s current position on each topic. We presented a full package on Thursday, and CWA must do the same,” Cavanaugh said.

The hospitals have been negotiating with the union since February 2021, and a mediator from the Federal Mediation and Conciliation Service (FMCS) has been involved since March. “Catholic Health made every effort to prevent a strike, and CWA leadership told us that would not be possible,” Cavanaugh said.

Catholic Health CEO Mark Sullivan received a letter dated September 1 from more than two-dozen politicians characterizing a possible union strike as a “disaster for the hospital, the workers, and the entire community” given the ongoing pandemic. CWA conducted a strike vote on September 8 and 9 and presented Mercy Hospital with a 10-day strike notice to strike for an indefinite period of time. Despite the pandemic and a State of Emergency declaration by Gov. Hochul on September 28 to deal with the state’s healthcare staffing situation, the union took 2,000 Mercy Hospital associates on strike beginning October 1. “We have been at the table relentlessly, day and night for weeks to settle these negotiations without a strike,” Cavanaugh said.

“CWA’s strike has only worsened the staffing challenges here in Buffalo and put more constraints on Western New York’s healthcare services,” Cavanaugh said. “The Catholic Health team wants to extend our appreciation to the nurses and other healthcare staff at Kaleida Health, Erie County Medical Center (ECMC) and other area hospitals for the extra work they are being asked to perform since CWA has taken Mercy Hospital associates away from our patients. We also want to thank the outpouring of support from the community.”

“CWA said wages and benefits are among their primary bargaining priorities. We’ve been surprised the union has not provided or responded to the hospitals with formal, written proposals on any major economic bargaining topic in almost two weeks,” Cavanaugh said.

Addressing staffing has been a mutual priority for Catholic Health and CWA since even prior to the pandemic. Staffing has been one of the main topics throughout our negotiations. The parties have had extensive discussions at the bargaining table about staffing over the last several months. Since mid-September, Catholic Health leaders for talent acquisition and operations have participated in negotiations to discuss staffing and hear the union’s ideas. “For nearly two days in mid-September we talked exclusively about

staffing. The hospitals presented their first written staffing proposal on September 19, and immediately responded to the union’s questions,” Cavanaugh said.

The hospitals’ proposal would have added \$33 million to the contracts to create a quarter-of-a-billion-dollar set of six contracts covering approximately 2,500 nurses and service, technical and clerical associates across Kenmore Mercy Hospital, Mercy Hospital and Sisters of Charity Hospital, St. Joseph Campus. The table below outlines the last offer the hospital shared with union leadership before the strike.

Topic	Catholic Health Hospitals’ Proposal							
<b>STAFFING</b>	<ul style="list-style-type: none"> <li>Catholic Health proposed investing \$20 million to improve staffing</li> <li>Catholic Health would use targeted staffing ratios to build corresponding staffing grids</li> <li>Our proposal closely matched the union’s staffing proposal on targeted staffing ratios, particularly in step-down units, ED and nursing assistants (with the addition of more than 80 FTEs)</li> <li>We proposed increasing our targeted staffing (using grid/ratio assignments) to staff to a 10% census increase based on the highest average daily census (ADC); this would be an increase of 258 FTEs</li> <li>We offered a \$2.00/hour/associate “penalty” premium for every associate in “bonus pay” for each quarter in which we don’t hit staffing target. Here’s an example: <table border="1" data-bbox="477 1020 1419 1136"> <tr> <td>RNs</td> <td>\$9.00 → \$11.00 in bonus pay</td> </tr> <tr> <td>Technical associates</td> <td>\$6.00 → \$8.00 in bonus pay</td> </tr> <tr> <td>Service and clerical</td> <td>\$4.00 → \$6.00 in bonus pay</td> </tr> </table> </li> <li>Float Pool: We proposed that associates in the float pool will receive \$2.00/hour above and beyond the corresponding wage scale for that RN group</li> </ul>		RNs	\$9.00 → \$11.00 in bonus pay	Technical associates	\$6.00 → \$8.00 in bonus pay	Service and clerical	\$4.00 → \$6.00 in bonus pay
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<b>WAGES</b>	<p>Contract Year 1</p> <p>Contract Year 2</p> <p>Contract Year 3</p> <p>Contract Year 4</p>	<ul style="list-style-type: none"> <li>All associates would be migrated to common wage scales.</li> <li>RNs would see an average wage increase of 4.4%.</li> <li>STC associates would see an average wage increase of 8.4%. Average wage increase ranges: <table border="1" data-bbox="695 1356 1516 1499"> <tr> <td>Kenmore Mercy Hospital Tech</td> <td>3.2% - 24.0%</td> </tr> <tr> <td>Mercy Hospital STC</td> <td>3.0% - 24.6%</td> </tr> <tr> <td>Sisters of Charity Hospital, St. Joseph Campus Service</td> <td>3.0% - 25.3%</td> </tr> </table> </li> <li>If an associate’s current rate is above the new step scale, they would be “red circled”<sup>1</sup> and receive a lump sum payment, rather than having the increase added to their base pay. <b>No one’s pay rate would be reduced if they are above the step scale.</b></li> </ul> <p>2.0% General Wage Increase (GWI) in addition to annual step scale increase</p> <p>2.0% GWI in addition to annual step scale increase</p> <p>2.75% GWI in addition to annual step scale increase</p>	Kenmore Mercy Hospital Tech	3.2% - 24.0%	Mercy Hospital STC	3.0% - 24.6%	Sisters of Charity Hospital, St. Joseph Campus Service	3.0% - 25.3%
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<sup>1</sup> Creating a common wage scale would provide associates in the same position and the same years of service with the same rate of pay. When bringing three hospitals together on a common wage scale, it’s likely some associates are paid more than the new step scale while others are paid less. To help lower-paid associates catch up without penalizing higher-paid associates, the higher-paid associates receive a lump sum payment until everyone in the same position, with the same years of service, has the same base rate of pay for their step. This common pay practice is known as red circling.

<b>SHIFT DIFFERENTIALS</b>	Common differentials starting in Contract Year 4 using the highest rates across the six contracts
<b>BONUS PAY</b>	Increased bonus pay
<b>HEALTH PLAN BENEFITS</b>	<ul style="list-style-type: none"> <li>• Hybrid, high-deductible plan optional</li> <li>• Contribution rates: No change from current contract; New hires pay 20%; Employer pays 80%</li> <li>• Prescriptions: Some plan changes, including access to Catholic Health Specialty Pharmacy with \$0 copays</li> </ul>
<b>DENTAL</b>	No changes from current contract
<b>RETIREMENT BENEFITS</b>	No changes from current contract, but higher Catholic Health contributions to plan
<b>PTO</b>	Maintain current PTO accrual levels for all associates.

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**\* Red Circling Explained**

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