Negotiation Update #5

OHSU and ONA held its 4th and 5th full -day day bargaining sessions last week, coincidentally on Jan. 4 and 5. Both ONA and OHSU presented many proposals and counter proposals. The employer made proposals on several hot button issues including the fatigue policy, a new paid time off (PTO) system, insurance and retirement. ONA presented many others, including economics.

Please read the updates and let us know what you think.

Some Noteworthy OHSU Proposals to Date

**OHSU Proposes 6 Percent Reduction in UPP Retirement Contribution**

(Offset 6% differential only guaranteed for term of contract)

Permanently undercuts future nurses’ retirement security

OHSU is continuing its long-range retirement cost-savings plan that diminishes all RNs’ retirement security into the future. They are proposing to reduce their current 12 percent retirement contribution to University Pension Plan (UPP) enrollees to a 6 percent contribution, beginning January 1, 2019. They propose to offset this roll-back by offering a 6 percent straight pay differential.

Four problems:

1. **This 6 percent take-away will apply to all future RN hires that enroll into the UPP!** OHSU is not proposing to offer the 6 percent differential offset to new RNs. This will effectively split the bargaining unit into a two-tiered retirement system, with new hires earning 6 percent less than current nurses. In the long run it will diminish the value of professional nursing at OHSU.

2. **Without an additional retirement match, a 6 percent retirement contribution plan is below many comparable hospitals like Providence, Legacy and PeaceHealth. This lowers the standard for retirement plans for professional nursing in Oregon.**

### Future Hospital Retirement Contributions*

<table>
<thead>
<tr>
<th>Hospital</th>
<th>Employer Base Contribution</th>
<th>Employer Match</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Providence</td>
<td>5%</td>
<td>3%</td>
<td>8%</td>
</tr>
<tr>
<td>Legacy</td>
<td>5%</td>
<td>3%</td>
<td>8%</td>
</tr>
<tr>
<td>PeaceHealth</td>
<td>4%</td>
<td>6%</td>
<td>8%</td>
</tr>
<tr>
<td>OHSU</td>
<td>6%</td>
<td>—</td>
<td>6%</td>
</tr>
</tbody>
</table>

*examples are at 11 years tenure (Legacy: at 16-20 years increases to 9.5%, 21 years 10.5%/ Providence increases at 15+ years to 9%)*
3. There is no guarantee of the 6 percent pay differential beyond the term of the new contract. In fact, there will be increasing incentive to take it away as more nurses are hired over time at the lower retirement tier pay.

4. OHSU is not proposing to pay a 6 percent retirement adjustment differential to PERS enrollees. ONA has made the proposal to reinstate the 6 percent “match” that was given under the prior contract.

### OHSU Paid Time Off Proposal

The employer proposed a new Paid Time Off (PTO) system to replace the current sick, holiday and vacation time system. There are pros and cons to any PTO system; there are better and worse ones. The new system is complex and has many features that need to be carefully considered. ONA plans to analyze OHSU’s plan and give you more detailed feedback. ONA will also be sending out a survey in the next week or so to get your opinion.

OHSU started their presentation off with comments about how a PTO system is the “industry standard”. ONA pointed out that Kaiser and Providence St. Vincent maintain systems with separate vacation, holiday and sick banks. They said that the reason for proposing to convert to a PTO system was not to save money, but to offer paid leave that is seen by many as a “preferable system.” They anticipate that this change will be good for recruitment. In addition, they hope that this new system will help reduce unscheduled absences and associated costs. We conveyed to OHSU that we do not know if PTO is a preferred system (by our members and others). There have been problems related to access to extended illness banks under PTO systems with other employers.

An brief initial overview of the pros and cons of the plan is below.

#### Some of the positives of the plan:

1. No loss of overall accrual of vacation/holiday/ sick hours (although some hours are less accessible in an extended illness bank)
2. Thirty-six (36) hours per year (prorated) of former sick time is available for PTO (vacation, etc.), rather than being restricted for sick time use
3. OHSU is offering a separate new parental leave benefit of up to 160 hours paid leave, approximately 4 weeks (pro-rated per FTE and the second 80 hours is only available after all PTO and extended illness bank hours are utilized)
4. PTO will be paid at your regular rate of pay, including differentials (currently not, except for corrected Oregon Sick Leave)
5. Conversion (one-time only) of up to 36 hours of sick time to PTO time
6. Nurses may transfer up to 36 hours of PTO into extended illness bank per year to build up hours reflected in PERS final pay calculation.

#### Some of the negatives of the plan:

1. Three scheduled day waiting period to access extended illness bank hours (you must use PTO during this scheduled time off)
2. Conversion all accrued vacation and holiday hours will be put into the employees PTO bank and all current sick hours will be put in the employee’s extended illness bank. of current sick time
3. Limitations on cash out of accrued unused PTO hours and compensatory time if employed at the time of ratification based on years of service when separating from employment or transferring from regular to resource status (limit ranges are 0-5 years = 40 hours, 5-10 years = 80 hours, 10-15 years= 140 hours, 15-20 years = 220 hours and 20+ years= 300 hours). A second tier compensation/benefit system is being created for new hires hired after ratification of the contract. These nurses will only be able to cash out up to 40 hours of PTO (plus all of their compensatory time) when terminating or moving to a resource position
4. Vacation time will no longer be counted toward the calculation of overtime

Continued on Page 3
**Other OHSU Proposals**

**Fatigue Policy**

In the Jan. 4 bargaining session, OHSU nursing administration admitted that the process of development that resulted in the proposed controversial Fatigue Policy was a failure of shared governance. We appreciated their candor.

OHSU proposed a letter of agreement regarding the Fatigue Policy. They proposed that a new committee be established to draft a mutually agreed upon policy. This committee would be comprised of four managers and four bargaining unit nurses. The committee would start work on Jan. 31, 2017 and conclude by March 31, 2017. The committee will use the last draft of the proposed Fatigue Policy as the starting off point for discussion. If the parties cannot reach agreement in the allotted time frame, “then the responsibility for completing this work will revert back to the employer.”

The ONA team expressed that we did not see how their proposal process would result in a different conclusion than the first process.

**Insurance**

OHSU is proposing that full-time employment, for the purposes of benefits will increase from 0.7 FTE to 0.8 FTE and higher. This means that a nurse who is currently 0.75 FTE will pay approximately $160 more per month for basic insurance coverage because they are considered part time.

Participation in a “wellness program” will result in 100 percent of employee-only costs covered by the employer (88 percent of employee and dependents). Failure to participate will result in 95 percent of employee-only costs covered (83 percent of employee and dependents). This is intended to replace any current surcharge for not participating in wellness program requirements.

A new wellness program will be developed in 2018 for implementation in 2019, but currently is undefined with unknown requirements. Although the wellness program will be developed in the Employee Benefits Council, currently there are no contractual limitations regarding its requirements.

**28 Day Work Schedule Posting**

OHSU has proposed that the 28 day work schedule posting rule will not apply to nurses in internships or orientation periods.

**Wage Scale**

OHSU did not present a wage scale proposal.

**Respectful Behavior**

OHSU proposed a shortened version of ONA’s proposal addressing respectful behavior in the workplace. However, they rejected the ability of nurses to file a grievance related to harassment based upon actions in relationship to enforcement of and compliance with their own harassment policies.

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**ONA Proposals**

**Wages**

ONA presented a wage analysis of comparable regional hospitals. It showed that base wages at OHSU are overall slightly lower than the average base wages of these hospitals, but is competitive at the beginning and top of the current pay step scale. Many steps are significantly lower than the average in the middle of the scale.

ONA contemplated a new base wage scale with different step waiting periods that would come closer to the averages, but found it undesirable for a number of reasons. Although we are still open to this type of leveling proposal, we decided to propose the more traditional across-the-pay-scale raises while maintaining the current pay step structure and waiting periods.

We are proposing a 6 percent increase to all steps and classifications effective April, 2017 and a second 6 percent increase April, 2018. Currently we intend to propose a two-year agreement, but are open to a longer
ONA Proposals continued from Page 3

Differentials

ONA has proposed the following change to current differentials:

<table>
<thead>
<tr>
<th>Article</th>
<th>Differential/Pay</th>
<th>Proposed Rate</th>
<th>Current Rate</th>
<th>Increase</th>
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</thead>
<tbody>
<tr>
<td>9.3.1</td>
<td>Payment for work while on-call</td>
<td>1 ½ hr minimum pay</td>
<td>1 ½ hr minimum pay</td>
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<tr>
<td>10.1</td>
<td>Charge</td>
<td>$3.50/hr</td>
<td>$2.85/hr</td>
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<td>10.2.1</td>
<td>Evening Shift</td>
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<td>$2.30/hr</td>
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<td>10.2.2</td>
<td>Night Shift</td>
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<td>10.3</td>
<td>Call Pay</td>
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<td>$4.50/hr</td>
<td>$3.00/hr</td>
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<tr>
<td>10.3.1</td>
<td>Excess Call Pay</td>
<td>$9.00/hr lessor of standard</td>
<td>$5.00/hr greater than</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>established hrs or 40 hrs per</td>
<td>standard est hrs</td>
<td>$4.00/hr</td>
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<tr>
<td></td>
<td></td>
<td>4-week work period</td>
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<tr>
<td>10.5</td>
<td>Preceptor</td>
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<td>$2.00/hr</td>
<td>$1.00/hr</td>
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<tr>
<td>10.8</td>
<td>Float</td>
<td>$2.00/hr inpatient and outpatient</td>
<td>$2.00/hr Inpatient only</td>
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<tr>
<td></td>
<td></td>
<td>areas</td>
<td>two or more shifts</td>
<td>--</td>
</tr>
<tr>
<td></td>
<td></td>
<td>all float shifts</td>
<td></td>
<td></td>
</tr>
<tr>
<td>10.11</td>
<td>Extra Shift</td>
<td>$20.00/hr FTE nurses only shift of</td>
<td>$12.00/hr CNI</td>
<td>$8.00/hr</td>
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<tr>
<td></td>
<td></td>
<td>4 or more hrs above reg scheduled</td>
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</tr>
<tr>
<td></td>
<td></td>
<td>hrs</td>
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<td></td>
</tr>
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OHSU Admits Error in Calculation of Oregon Sick Leave:
ONA Files Formal Legal Claim Notice

ONA followed through with its commitment to begin the process of a Tort claim with OHSU which will result in legal proceedings if OHSU does not promptly correct its incorrect rates of Oregon Sick Leave pay over the past year.

After ONA brought this payroll error to their attention, OHSU has confirmed that they have been underpaying nurses since January of last year. For each nurse’s first 40 hours of sick pay in the calendar year, OHSU must include his or her regular replacement rate of pay (shift, charge, weekend differentials, etc.). For example: For a night shift nurse making OHSUs average wage who called in sick on a 12-hour weekend shift, OHSU underpaid the nurse by $128.00 ($257.52 if sick for both weekend shifts).

The hospital has said that intends to promptly correct the payroll error.
Nominations Now Open for ONA Positions at OHSU

As nurses, we all have a role to play in helping to make OHSU a great place to work. Because of our union, we have a real, meaningful voice in our wages, benefits and working conditions here at OHSU. Our bargaining unit has been around since 1972, when nurses joined together to organize and bargain our first contract. The continued strength of our union depends upon the involvement of nurses like us.

We elect our executive committee, made up of our nurse colleagues, to help run the day-to-day operations of our professional association. We support the work of our elected leaders through membership, participation in ONA activities and committees, and by staying informed and educated about our contract. Some of the work of these positions is on paid time and some is unpaid time.

Have some ideas about how we could improve our union? Run for office!

Open ONA/OHSU leadership positions include:

- **Vice President**
- **Secretary**
- **PNCC**
- **Staffing Committee**

All positions are for two-year terms (except staffing committee has no term limits in the law). Training and support is available, and any nurse who has been an ONA member in good standing for at least 12 months prior to running is encouraged to apply.

You may nominate any ONA member from our bargaining unit, including yourself, for any of these positions. Newly elected leaders will assume their duties on June 1, 2017.

The following is a breakdown of the primary roles and responsibilities by each position.

### Vice-President
- Assume duties of the president in his/her absence.
- Assume the office of president in the case of vacancy.
- Be a member of the negotiating team.
- Be a member of AURN for twelve (12) consecutive months prior to nomination.
- Perform other duties as deemed necessary by the Constituent Association 52 (CA 52)/AURN Board of Directors.

### Secretary
- Record or designate someone to record the minutes of CA 52/AURN meetings as needed and post in a timely manner.
- Conduct the general correspondence of CA 52/AURN.
- Be a member of CA 52/AURN for twelve (12) consecutive months prior to nomination.
- Preserve all documents, minutes, newsletters, and correspondence of CA 52/AURN.
- Prepare documents for ONA as required, including change of officers and an annual report to the House of Delegates.
- Perform other duties as deemed necessary by the CA 52/AURN Board of Directors.

### Professional Nurse Practice Council (PNCC)
- The PNCC serves as a resource to direct care nurses in OHSU’s hospital and clinics on matters related to patient care and professional development.
- The PNCC provides training to the unit-based nursing practice committees (UBNPC) and works to resolve issues which cannot be satisfactorily resolved at the UBNPC level.
- The PNCC also monitors the distribution of staff development funds.
- Per contract (27.4.3) the employer provides the committee with four hundred (400) paid hours per fiscal year for PNCC members to attend to PNCC responsibilities described herein. The release hours shall be paid at each nurse’s straight time rate. The Employer will also assign administrative personnel for up to forty (40) hours per year to support the activities of the PNCC.

*Continued on Page 6*
Staffing Committee
This committee has responsibility to approve/deny all nursing staffing plans and address nurse staffing issues throughout OHSU. It’s also an opportunity to advocate for nurses who are addressing staffing issues on their units and to help move OHSU forward in implementing best practices under the Oregon Hospital Nurse Staffing Law.

The committee meets the first Wednesday of the month 3-5 p.m. at OHSU.

Per ORS 333-510-015(3) “The hospital shall release a member of the staffing committee from his or her assignment to attend committee meetings and provide paid time for this purpose.”

The staffing committee members nominate and vote to approve the ONA (direct care RN who is non-managerial) co-chair position.

Other Committee Openings:
In addition to elected positions we also have a number of committee vacancies. Committee openings include:

- **(Parking Committee)** Strategic Transportation Parking Advisory Committee (STPAC): Are you interested in learning about the parking struggles at OHSU and helping to work towards solutions? Committee meets every first Thursday from 9 - 11 a.m.

- **Grievance Committee**: Are you interested in helping your co-workers with workplace issues including serving as a unit representative in investigatory meetings, assisting with grievance handling, etc. Meets every other month second Thursday of the month. A few seats open on this committee with a strong need for representation from acute care, DCH, clinics and peri-op. (This position includes some paid time and training will be provided)

- **New employee orientation**: ONA has a 30-minute presentation during initial employee orientation. We need a couple nurses who want to be involved in meeting and greeting our new nurses and welcoming them to our union. Meets every other Monday 1:30 p.m. (This has potential for some paid time.)

- **ONA AURN Social Committee**: Are you interested in planning fun events for nurses? Nurses week is coming up! Nominate yourself and/or a friend to get involved!

Nominations are due by March 30, 2017.

If you are interested in getting involved and want to nominate yourself or a co-worker for any of the following committee’s please fill out and submit the ONA/AURN consent to serve form that can be found on the ONA/OHSU bargaining unit webpage at www.onaaurn.org.

SAVE THE DATE: 2017 ONA NURSE LOBBY DAY

February 14, 2017 • Salem, OR

ONA invites you to join nurses and nursing students from around Oregon to lobby on important nursing and health policy issues and meet with your legislators.

Hundreds of nurses will rally at the Oregon State Capitol in Salem on Tuesday, Feb.14, 2017 to advocate for our patients and advance Oregon nurses’ practice.

It’s vital that we have nurses represented in the key decisions that are made about our priorities and key bills that will come up in the 2017 session.

Visit www.OregonRN.org for more info and registration.
ONA Nurse at OHSU Wins $1000 Prize

ONA’s AURN bargaining team was happy to help present a $1000 Nurses Night Out award to Merie Jackson, RN, CCRN, an ONA member and nurse in OHSU’s procedural care unit, during a break in bargaining at ONA’s offices Jan. 5. The Nurses Night Out award was created by ONA’s auto and home insurance partner California Casualty to recognize and thank nurses for their commitment to their patients and their profession.

“I am shocked, but it is so nice to be recognized,” Merie said. “Nursing is a challenging and stressful job. We need to make time to take care of ourselves so we’re able to help our patients when they need us.”

Merie was chosen from almost 1,000 contest entries. She said she plans to use the award to help celebrate her 23rd wedding anniversary with her husband in March. Thanks to California Casualty for sponsoring the award and congratulations to Merie!

Merie Jackson, RN, CCRN, (center) an ONA member and nurse in OHSU’s procedural care unit, receives her prize from California Casualty, surrounded by the ONA/OHSU bargaining team.

OHSU is as Profitable as Ever


<table>
<thead>
<tr>
<th>OHSU</th>
<th>2011</th>
<th>2012</th>
<th>2013</th>
<th>2014</th>
<th>2015</th>
</tr>
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<tbody>
<tr>
<td>Net patient Revenue</td>
<td>$1,061,148,286</td>
<td>$1,149,988,149</td>
<td>$1,241,988,671</td>
<td>$1,347,024,867</td>
<td>$1,508,543,669</td>
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<tr>
<td>Operating Margin</td>
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<td>7.6%</td>
<td>6.7%</td>
<td>5.6%</td>
<td>7.8%</td>
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<tr>
<td>Percent of Gross Patient Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Margin</td>
<td>6.3%</td>
<td>9.5%</td>
<td>7.3%</td>
<td>6.5%</td>
<td>8.4%</td>
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<tr>
<td>Percent of Gross Patient Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Charity Care</td>
<td>$69,953,748</td>
<td>$82,595,728</td>
<td>$89,455,737</td>
<td>$46,636,486</td>
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<tr>
<td>Total Expense</td>
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<tr>
<td>Bad Debt</td>
<td>$37,917,280</td>
<td>$40,290,117</td>
<td>$52,454,406</td>
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<tr>
<td>Total Expense</td>
<td></td>
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<tr>
<td>Uncompensated Care</td>
<td>$107,871,028</td>
<td>$122,885,845</td>
<td>$141,910,143</td>
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<tr>
<td>Total Expense</td>
<td></td>
<td></td>
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</table>
Most of Oregon’s Highest Paid State Employees are at OHSU

Source: The Oregonian, December 2016

In a recent report article in The Oregonian, OHSU employs most of Oregon’s highest paid state employees. Although all major Oregon Universities are listed, 10 out of the 12 top paid state employees are employed by OHSU.

No other state agencies (or other universities) are listed because none of these other state employees would have made the top 22 list. Ten state-employed sports coaches/directors are also not listed.

As a reference, Governor Kate Brown makes an annual salary of $98,000.

The information gathered by The Oregonian is based upon Oregonian submission of a public records request to U of O, OSU, Portland State University, Eastern, Western and Southern Oregon Universities, OHSU and Oregon Institute of Technology.

<table>
<thead>
<tr>
<th>Rank</th>
<th>Name</th>
<th>Salary</th>
<th>Position</th>
</tr>
</thead>
<tbody>
<tr>
<td>4</td>
<td>Dr. Joe Robertson</td>
<td>$959,249.04</td>
<td>OHSU President</td>
</tr>
<tr>
<td>6</td>
<td>Dr. Albert Starr</td>
<td>$739,999.78</td>
<td>OHSU Professor of Medicine in Cardiovascular Medicine; Executive Chairman of OHSU Knight Cardiovascular Institute</td>
</tr>
<tr>
<td>7</td>
<td>Lawence Furnstahl</td>
<td>$723,252.14</td>
<td>OHSU Executive Vice President and Chief Financial Officer</td>
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<tr>
<td>9</td>
<td>Dr. John Hunter</td>
<td>$713,799.88</td>
<td>OHSU School of Medicine interim Dean</td>
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<td>10</td>
<td>Michael Schill</td>
<td>$660,000.00</td>
<td>President U of O</td>
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<tr>
<td>11</td>
<td>Cynthia Grueber</td>
<td>$630,002.10</td>
<td>OHSU Sr Vice President and OHSU Healthcare Chief Operating Officer</td>
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<tr>
<td>12</td>
<td>Dr. Jeanette Madenovic</td>
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<td>OHSU Executive Vice President and Provost</td>
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<td>14</td>
<td>Ed Ray</td>
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<td>President Oregon State University</td>
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<tr>
<td>16</td>
<td>Diana Gernhart</td>
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<td>OHSU Sr Vice President and Chief Financial Officer, OHSU Healthcare</td>
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<td>18</td>
<td>Dr. Mark O’Hollaren</td>
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<td>19</td>
<td>Janet Billups</td>
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<td>22</td>
<td>Dr. Daniel Dorsa</td>
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