

Long-Standing Issues Winding Way Through Arbitration, NLRB

May 2012

Grievances and Arbitration

Sometimes if a grievance filed by our Union can't be resolved, that case must go to neutral third-party arbitration. Currently, we have two arbitration cases yet to be resolved.

401K and RMBA

When Prime bought Encino, management changed our retirement benefits from our contracted Encino 401K plan / RMBA to its own plan (see table at top right) without negotiating these unilateral changes with our Union. Thanks to hard work by Union stewards Anabel Mason (now retired) and Nene Ruelo, an arbitrator ruled in our favor and the employer must go back to the retirement plan and RMBA detailed in our contract. Any future changes to that plan must be negotiated with our Union Bargaining Team. Our Union has been working with the hospital to determine how much each employee is owed. Most employees will receive some reimbursement and we are close to an agreement on the amounts.

What is the difference between the two plans?

Encino's 401K plan matched contributions up to 3 percent. So, if an employee contributed 1 percent of her/his pay, the 1 percent contribution would be matched by the hospital. In addition, the hospital would make an annual contribution of 1 percent of total compensation to the plan as a retirement medical benefit account (RMBA). To qualify for the RMBA, an employee would have had to work 1,500 hours and be employed as of December 31 of the qualifying year.

For example: An RN who has worked at Encino for

Prime's 403B plan is as follows:

Years of Experience	Prime's Contribution
30 days to 10 years	\$.25 per \$1.00 up to 4%
10 years to 20 years	\$.50 per \$1.00 up to 4%
More than 20 years	\$1.00 per \$1.00 up to 4%

nine years and earns \$40 an hour or \$74,880 a year. The employee contributes 3 percent of her pre-tax earnings to the retirement plan.

Current Plan

Under the current plan, which was originally negotiated with Tenet, the hospital matches the employee's contribution dollar-for-dollar up to a 3 percent contribution.

Under the current plan, the employer would also contribute the amount of 1 percent of the RN's wages to a retiree medical benefit account, with no required employee contribution.

Prime Proposal

Under the Prime 403B plan, Prime would match the employee's contribution with 25 cents for every \$1 the employee contributes, up to a 4% contribution. Prime is not proposing a contribution for retiree medical benefits.

	Employee Contribution	Employer Contribution	RMBA Contribution
Current Plan	\$2,246.40	\$2,246.40	\$748.80
Prime's Proposed Plan	\$2,246.40	\$561.60	0

Prime has proposed the above retirement plan for the new contract. Unless the employee designates he/she does not want to contribute, she or he will be automatically enrolled at 3 percent after 30 days of employment. To qualify for the match, an employee must work at least 1,000 hours within a year of his/her anniversary date and must work a full calendar year (January through December). Our Bargaining Team is currently in contract negotiations with Prime, and our team is fighting to maintain all wages and benefits at current levels, including our 401K / RMBA plans.

Wage Scale and Start Rate

In 2009, the wage scale based on years of experience as a RN was supposed to go into effect. Prime Encino, however, continued to pay employees based on their years of service at Encino. In response, our Union asked that this matter go before an arbitrator as outlined in our contract for binding resolution. At that same time, 121RN filed another grievance to arbitration based on the Prime Encino start rate. As most of us know, Prime Encino hires RNs far below the start rate required by our wage scale. The hospital agreed to hear both issues at the same arbitration, and we are waiting for the arbitrator's decision.



Read about our current NLRB cases on reverse side



On June 5, SEIU 121RN goes before the National Labor Relations Board for a hearing on continuation of step raises and on our information request about the proposed health plan. Specifically, Prime Encino has said they will no longer pay RNs their step raises. Until our Union and the hospital negotiate and agree on a new contract, Prime Encino is supposed to comply with the terms and conditions of our previous contract. There are only two exceptions to this rule: dues deductions and arbitration. Since the arbitration clause in our contract is no longer in effect, our Union can take contract violations to the National Labor Relations Board.



What is a Step Raise?

As an RN's years of service with the employer increase, our current contract says an RN should receive an increase in pay (or what is called a step raise) on his/her hospital anniversary date. RNs should receive step raises on the following years: 1, 2, 3, 4, 5, 6, 7, 10, 12, 15, 17, 20, 25, and 30. While we await the arbitrator's decision on whether or not the hospital is required to recognize our years of experience for wage scale placement, employees may be due a step increase on their anniversary date based on years of service at Encino.

Health Benefits

The NLRB also reviews charges related to bargaining. In this case, our Union

requested information that we need for bargaining so that our Bargaining Team is knowledgeable enough to bargain with Prime over its proposed plan.

Our current contract requires the hospital to provide a free health plan for employees and their immediate family. Under the new plan, some elements have been improved but other parts are considerably more expensive. For many employees, it would be cheaper to purchase health benefits privately rather than pay for Prime's proposed PPO plan. Under their proposed plan, the Anthem Blue Cross annual deductible will increase from \$800 / \$2,400 (individual / family) to \$5,000 / \$10,000 (individual / family) within the Anthem Blue Cross network, and increase to \$7,000 / \$14,000 if the provider is out of network. What's more, the hospital is only offering a free EPO plan for the employee only. But if our spouse or child is sick, doesn't someone have to take care of them? The health of our immediate family should also be a top concern to the hospital if they're hoping to keep us at our patients' bedsides and not home taking care of our family because we couldn't afford health insurance coverage for them.

If you have questions about these or other workplace issues, contact a steward or officer:

- **Grace Haidenthaller, ER**
- **Muti Jarrett, ICU/CCU**
- **Homer Marmol, Med-Surg**
- **Matt Montoya, ER**
- **Nene Ruelo, ICU/CCU**

Or Union Representative Judith Serlin
(213) 247-4584 or serlinj@seiu121rn.org

