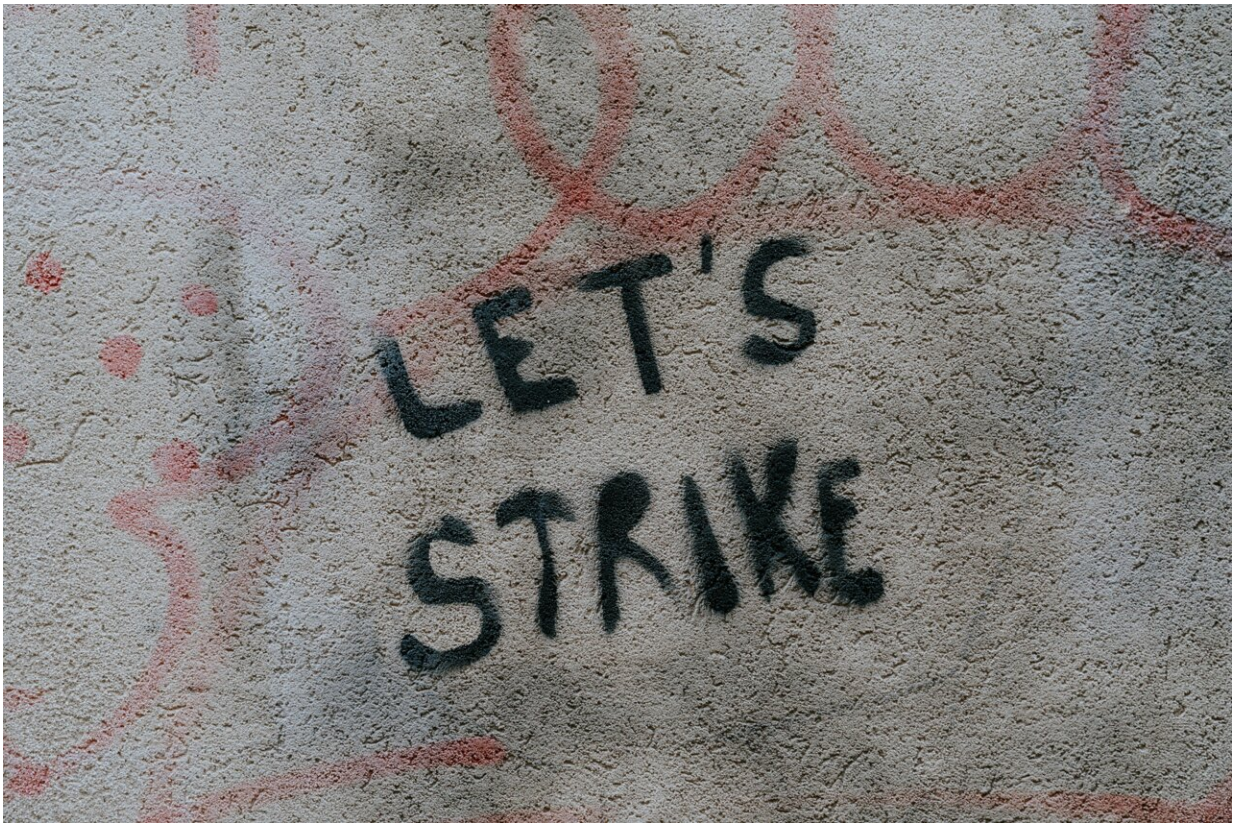


Massive Kaiser Permanente strike looms as talks head to the wire

September 29 2023, by Bernard J. Wolfson, KFF Health News



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Kaiser Permanente and union representatives pledged to continue negotiating a new contract up until the last minute as the threat of the nation's latest large-scale strike looms next month.

Unless a deal is struck, more than 75,000 [health workers](#) will walk out for three days from Oct. 4-7, disrupting care for KP patients in California, Colorado, Oregon, Virginia, Washington, and Washington, D.C. The unions represent a wide range of KP health workers, including lab technicians, phlebotomists, pharmacists, optometrists, [social workers](#), orderlies, and support staff.

A strike, if it occurs, would affect most of Kaiser Permanente's 39 hospitals and 622 medical offices across the U.S., and would disrupt care for many of its nearly 13 million patients. If workers walk off their jobs, "it will start to impact [patient care](#) right away," said John August, director of health care and partner programs at Cornell University's Scheinman Institute on Conflict Resolution, who is a former head of the [union](#) coalition currently negotiating with KP.

"You are immediately subject to problems with not being able to get patients in and out of the hospital. You risk problems with infection control. You're not going to get meals," August said.

Arlene Peasnall, Kaiser Permanente's senior vice president for human resources, said the Oakland, California-based health care giant's goal is "to reach a mutually beneficial agreement before any work stoppage occurs." But she also said the nonprofit has plans in place to blunt the impact of a walkout.

"We will be bargaining with Kaiser up until the day we go on strike," said Caroline Lucas, executive director of the Coalition of Kaiser Permanente Unions, which represents about 40% of KP's workforce. "Our front-line [health care workers](#) are fed up, and we really need Kaiser executives to seize the initiative and move forward on resolving the contract."

The current contract expires Sept. 30 and, after months of talks, the two

sides still disagree over pay and staffing. The coalition wants a \$25-an-hour minimum wage across the company. KP executives agree there should be an organization-wide floor, but they've proposed \$21.

KP prefers varying wage increases across regions, since the cost of living can vary sharply. The coalition, which is pushing for uniform wage increases across all regions, contends that management's proposal is part of a "divide-and-conquer strategy." Peasnell said the union's stance "would prevent us from addressing fair market wages where we need to pay more to attract and retain the best people."

The unions say their lowest-paid workers can barely make ends meet in the face of soaring prices for food, gasoline, and other essentials. And, they say, KP hospitals and clinics are severely understaffed, forcing workers to put in long hours and fill multiple roles. They argue that management is not moving quickly enough to fill positions and that the quality of care has suffered as patients, some with serious illnesses, often wait months for appointments, face extremely long waits in the emergency room, and experience delays in hospital admissions.

An industrywide labor shortage hangs heavily over the contract talks. The pandemic was particularly brutal for health care workers who often worked long hours in grueling conditions, as colleagues fell ill, died, or quit. Workers say many of the positions that became vacant during the pandemic still have not been filled.

Miriam De La Paz, a secretary in the labor and delivery department of KP's Downey Medical Center in Southern California and a union steward, said when she is alone on a shift, she is responsible for two labor and delivery stations as well as triage, where patients are prioritized based on the acuity of their cases.

"Imagine if I'm putting this baby in the system and your wife shows up

in pain, crying, but I'm not there to register her," De La Paz said. "I can't break myself in two."

Unions want KP to invest more in education, training, and recruitment to fill current openings and create a pipeline of future workers. KP says it is doing so.

Peasnell said KP has already filled more than 9,700 out of 10,000 new coalition-represented jobs the two sides had agreed to create this year. And she said KP's turnover rate is one-third the industry rate, in part because of "excellent pay and benefits."

Earlier this month, California lawmakers passed legislation to gradually raise the minimum wage for health care workers in the state to \$25 an hour. If Democratic Gov. Gavin Newsom signs the bill into law, KP will have to comply. And nearly 80% of workers represented by the coalition in the current contract talks are in California.

On Sept. 22, as bargaining continued in San Francisco, the unions announced that more than 75,000 of the 85,000 workers they represent would stage the three-day walkout if there's no deal. Federal law requires 10 days' notice of strikes at health care facilities. The coalition said it is "prepared to engage in another longer, stronger strike in November," if no agreement is reached by then.

A coalition spokesperson, Betsy Twitchell, said workers would welcome the Biden administration's involvement in the talks "because of the importance of these negotiations to millions of patients and 75,000 frontline health care workers."

The unions say KP can afford to be more generous, citing its robust financial health.

Although KP reported a net loss of almost \$4.5 billion in 2022, it generated a cumulative net income of nearly \$22 billion over the three preceding years—both results driven largely by investment performance. In the first half of this year, KP posted profits of over \$3 billion. And it is in a strong position to manage its debt, according to a report earlier this year by Fitch Ratings.

The unions note that Kaiser Permanente's CEO, Greg Adams, received almost \$16 million in compensation in 2021 and that dozens of others in KP management made more than \$1 million, according to a KP filing with the IRS.

Peasnall said the compensation of KP's senior management is less than that of their peers at other health care companies.

A KP walkout would be the latest in a string of worker movements. Strikes have hit Hollywood, hotels, auto manufacturers, and other industries. Public approval of unions is at a nearly 60-year high, according to a Gallup Poll released in August 2022.

Health workers are increasingly engaged, too. Several hospital groups have been hit by strikes, including Cedars-Sinai Medical Center in Los Angeles and numerous facilities belonging to Sutter Health in Northern California, as well as health care organizations in other states.

"There is an atmosphere in the country: It's labor summer, it's strike summer, it's all that," August said. "That definitely has an influence on union leadership that says, 'We need to be a part of that.' "

2023 KFF Health News.

Distributed by Tribune Content Agency, LLC.

Citation: Massive Kaiser Permanente strike looms as talks head to the wire (2023, September 29)
retrieved 3 May 2024 from

<https://medicalxpress.com/news/2023-09-massive-kaiser-permanente-looms-wire.html>

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