

Negotiations UPDATE

Catholic Health Hospitals, Union Making Progress

The hospitals' and union's bargaining committees continued to discuss wages, staffing and other matters this week. Talks have been constructive and progress is being made. We remain optimistic negotiations will be settled soon for associates at the three hospitals and so Mercy Hospital associates can return to work.

Proposal Details

In recent days, Catholic Health mailed different materials to associates' homes. Be sure to open all of the packages you receive from Catholic Health. The envelopes contain information about open enrollment and the vaccine mandate, paystubs for striking associates and details about our last proposal to the homes of CWA-represented associates. We want everyone to have complete information about these topics.

You can learn more about the hospitals' economic and staffing offers at www.chsbuffalo.org/negotiations. Here are some highlights about our offer:

Wages

- Some associates would see pay **increases of up to 25%** in the first year.
- Registered nurses would see an **average increase of 4.3%** in the first year.
- Service, technical, and clerical associates would see **average increases of 9%** in the first year.
- All associates would make **at least \$15/hour**.

Benefits

- Healthcare – **No change** in contribution rates from the current contract for current associates.
 - Associates would have the **option** of participating in a hybrid, high-deductible plan.
- Dental – **No changes** in the dental plan from the current contract.
- Retirement – **No changes** in the pension plan, and Catholic Health will increase its plan funding.
- PTO – There would be **no changes** to current PTO accrual levels for all associates.

Staffing

Our proposal:

- Increases staffing levels on our staffing grids/plans to align with agreed-upon ratios;
- Adds more than 250 new positions;
- Stipulates staffing for 10% above the average daily census; and
- Provides bonus pay if the staffing goals aren't met.

Catholic Health has presented a fair, competitive economic offer with a progressive approach to staffing.

Moody's Downgrades Catholic Health

CWA's strike at Mercy Hospital is causing not only short-term issues for our hospitals and our region, but is also creating future, long-term financial concerns. On October 12, Moody's Investors Service downgraded Catholic Health's rating to Ba2 from Baa2 and gave our organization a negative outlook. A Moody's rating for

organizations is similar to a credit score for individuals. This rating impacts the ability and cost at which an organization can borrow money among other matters. Moody's cited "significant labor costs" and an "ongoing nursing strike" among the reasons for downgrading our rating. This downgrading will negatively impact our system for years as we try to grow services to meet the healthcare needs of our patients and community and continue to provide competitive wages and benefits to our associates.

CWA Strike Benefits

Catholic Health decided to continue to provide healthcare benefits to Mercy Hospital associates and their families, a monthly cost of more than \$1.3 million, even though they are not getting paid during CWA's strike.

As the union's strike reaches Day 15 on Friday, Mercy Hospital associates should consider contacting CWA Local 1133 leadership about stipends from CWA's Membership Relief Fund. CWA leaders have said that the fund is "extremely healthy and has over \$400 million in it."¹ While associates have already sacrificed two full weeks of income and some reportedly have taken out loans to cover expenses during CWA's strike, the union has reported stipends would be \$300 per week after Day 15 and \$500 per week after Day 29.² Striking associates who are experiencing financial hardships should contact their union for financial assistance at (716) 828-1133.

Because it's important to have the facts regarding bargaining, we will share regular *Negotiations Updates* with you. You may visit www.chsbuffalo.org/negotiations at any time for the latest news and information related to bargaining and to review copies of these updates and other FAQs.

¹ <https://www.safestaffingbuffalo.org/catholic-health-workers-united/strike-frequently-asked-questions>

² <https://www.safestaffingbuffalo.org/catholic-health-workers-united/strike-frequently-asked-questions>