

Negotiations **FAQs**

Answers to some frequently asked questions about contract negotiations

Some associates are saying that negotiations are not going well. Is that true?

There can be a lot of rumors about what happens at bargaining. The hospitals and CWA have been negotiating since February and worked together to reach agreement on many non-economic issues. We received the union's economic package last week, are costing it out, and working on our proposals. Keep in mind, negotiations are a give-and-take process, with both parties sharing proposals and counter proposals. Catholic Health will continue to provide regular, fact-based updates to keep you informed.

Is Catholic Health in financial trouble?

Catholic Health, like most providers, has been under significant financial pressure over the past two+ years due to changes in the healthcare marketplace, the increased shift from inpatient to outpatient care, the rising cost of goods and services outpacing payer rate increases, and the continued challenges related to COVID-19. We are confident, however, our new Strategic Plan and strategic investments like Epic will help us enhance quality and patient safety, and achieve operational improvements, while improving our bottom line. Focusing on market growth, efforts like our new Lockport Hospital will also strengthen our network of services and financial position, while contributing to the health and well-being of the patients and communities we serve for decades to come.

What is Catholic Health's relationship with Trinity Health in Michigan and the Diocese of Buffalo? How does it impact finances?

Catholic Health's relationship with Trinity Health and the Diocese of Buffalo involves religious sponsorship governance. We are not owned by Trinity Health or the Diocese and do not receive any financial support from their sponsorship. We participate in some Trinity Health programs, such as their insurance offerings, and achieve significant cost savings given Trinity's scale and purchasing power.

Why did Catholic Health make the decision to redevelop the St. Joseph Campus?

Prior to COVID-19, St. Joseph campus experienced a sharp decline in inpatient volume, putting into question the future of the hospital. With more and more healthcare services being provided on an outpatient basis, the location and design of St. Joseph Campus lent itself to becoming an active and thriving ambulatory care center with a concentrated focus on emergency, endoscopy/GI, orthopedic, and rehabilitation services. Along with these outpatient services, we are transforming St. Joseph Campus into a center of excellence for orthopedic surgery to help secure the hospital's future.

What happened to the associates impacted by the St. Joseph Campus redesign?

It was important to our leadership team that impacted associates be given as many options as possible. We worked closely with both the CWA and SEIU leadership to ensure that impacted associates in their bargaining units would be given the opportunity to continue their employment

within Catholic Health. The decision was made to freeze vacancies system-wide for a period of time to help retain as many impacted staff as possible, apply certain seniority and pay benefits across our facilities, and offer new or enhanced severance payments.

Some associates at SJC are still weighing their options, but out of the entire workforce:

- 332 full-time equivalent positions will remain at SJC
- 19 CWA staff bumped, and 20 CWA and 7 ACE associates took vacancies at SJC
- 58 CWA associates, 2 SEIU, and 9 ACE were placed elsewhere within the system
- 19 CWA and 4 ACE associates are receiving severance
- 9 CWA associates who weren't eligible for severance opted to be laid off rather than taking another position
- All impacted associates were offered other opportunities within our system

How does Catholic Health have the financial resources to build and sustain a new hospital in Lockport?

Building a new hospital may seem like a big investment, but we are doing it the right way, ensuring long-term sustainability for our entire system. The new hospital will be funded through various sources, including public and/or private financing, grants, and donations. It will also be appropriately-sized for the Lockport community, making it self-sufficient and financially viable. We firmly believe families across Eastern Niagara County will embrace this new care model and begin a lifelong affiliation with Catholic Health, making this a smart investment for our health system.

What does the new Safe Staffing Legislation mean for Catholic Health?

On May 4, New York lawmakers passed safe staffing legislation negotiated with the help of the Hospital Association of NYS (HANY) and supported by the NY Organization of Nurse Executive & Leaders (NYONEL). It is awaiting Governor Cuomo's signature. Under it, each hospital would be required to establish a clinical staffing committee, which will be responsible for developing the hospital's annual staffing plan. The committee must be composed of at least one half clinical caregivers and no more than one half administrators. Staffing ratios are not included in the plan. Another bill requires nursing homes to provide a minimum of 3.5 hours of direct care to each resident per day, which Catholic Health already does. We are still gathering details on this legislation and will provide more information in a future communication.

Because it's important to have the facts regarding the progress of negotiations, we will share regular Frequently Asked Questions 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 FAQs and other Negotiation Updates.