



SEIUHealthcare®
United for Quality Care

Kaiser Permanente
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Management Proposes Partial Payment of PSP Bonus for 2021 We are United for More!

We, in SEIU Healthcare 1199NW, are united for compensation that retains us. Three weeks ago, we made a proposal for retention bonuses, raises, and reinstated COVID-19 leave. Hundreds of us have emailed Susan Mullaney over the past weeks about what this would mean to us. Retention needs to be addressed urgently in order for us to provide safe care and avoid burnout for our coworkers. **We expect to review a counterproposal from Kaiser very soon and share an update later this week about the status of our push for retention pay here in Washington.**

Meanwhile, the national, 80,000-member strong Coalition of Kaiser Permanente Unions is united for full pay for our 2021 PSP bonus to recognize our hard work this year. This is in addition to the proposal we made locally around retention bonuses, although obviously both are means for Kaiser to recognize our extraordinary work and struggle over the past year. Leaders from SEIU Healthcare 1199NW joined the Coalition's national call with KP's upper administration in California to advocate for as much compensation as possible and share our experience on the frontline in the pandemic.



"The consensus in the meeting among union leaders was that \$750 and \$1000 is not enough. It is 'insulting,' a 'slap in the face,' and 'our members deserve more.' Many of us spoke out to management about what a catastrophically bad decision this was and that our members deserve to be shown how valued and appreciated they are for all of their sacrifices over the last two years. Questions were asked about what kind of bonus management will be getting, which they did not answer. Of course, management spoke about how bad their financials were. They expressed that most regions do not qualify for any PSP bonus. Their proposal is to give \$1000 for full time and \$750 for per diem and part time. We expressed interest in getting the full PSP bonus like we did last year for the Hero bonus. Now we await a response from management."

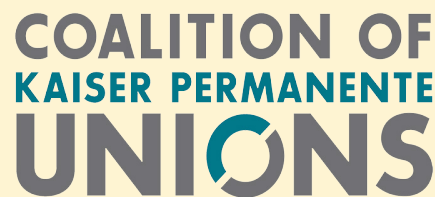
- Jamie Vanden Bos, MA, Silverdale, Contract Specialist, SEIU Healthcare 1199NW Executive Board member

What is a “financial gate”?

Management’s interpretation of the National Agreement is that each region must meet a “financial gate” of financial performance in order for our performance sharing bonus to be paid out, regardless of whether we meet the performance metrics. This is not our union’s, or the Coalition’s, interpretation of the National Agreement and we have repeatedly pushed back against this since we first bargained PSP metrics in 2020. We had a national dispute resolution arbitration hearing about this topic this month and expect a decision from the panel of labor, management, and a neutral arbitrator who heard the case in the coming weeks. This is not relevant to the \$1000 payment management is proposing to make regardless of the “financial gate” and was also not relevant to the Hero Bonus everyone received last year, but it is a key issue going forward as we bargain 2022 PSP goals.

Update from the Coalition of Kaiser Permanente Unions:

Kaiser has announced that every region in the country, with the exception of Northern California, did not make the “financial gate” necessary to trigger a payout of the PSP bonus this year under our National Agreement (Section 2, pp. 57-61). Every year, Kaiser unilaterally sets a financial goal based on a projected operating margin (the amount of operating revenue over operating expenses). If the region doesn’t reach that financial gate, then the PSP is not paid, regardless of how Coalition union members did on the performance goals *(there are ongoing disputes on this link in many regions)*.



Upon hearing of the possibility of not making the financial gate, due mainly to increased COVID expenses, the Coalition of Kaiser Permanente Unions (CKPU) met with Kaiser’s national leadership on February 4th. The Coalition’s proposal called for a full PSP payout in light of the extraordinary commitment shown by Kaiser employees throughout 2021. Coalition Union leaders admonished Kaiser for pinching pennies when it comes to frontline staff, as other hospitals offer large recruitment and retention bonuses to highly in-demand healthcare workers.

At that meeting, Kaiser’s initial position was that, while they are unwilling to pay the full PSP in regions that did not make the financial gate, they will provide some bonus in those areas. In the Southern California, Northwest, Washington, Colorado, and Mid-Atlantic regions, they are willing to pay anyone who worked 1,800 hours or more in 2021 a \$1,000 bonus. Anyone hired as of Sept. 27, 2021, who worked less than 1,800 hours in 2021, would receive a \$750 bonus under Kaiser’s plan. This applies to on-call workers as well. In Northern California, where the financial gate was met, PSP bonuses will be based on how each service area and region performed on the goals established for the year (details TBD).

The Coalition is currently awaiting a response from Kaiser management on our latest proposal.

It’s disappointing that Kaiser has indicated they will not be paying full PSP bonuses everywhere this year. While it’s true that COVID has impacted the operating margins, **Kaiser continues to make billions of dollars from its investments and can afford to do better. This is one more reminder of the importance of 2023 bargaining and our need to be united and ready to fight for what we truly deserve after multiple years of putting our lives, our health, and our emotional well-being on the line for our patients.**

We now are calling on Kaiser to demonstrate a basic level of equity and decency in its approach to bonuses this year. In any region where frontline caregivers are receiving reduced bonuses because the financial gate wasn’t achieved, we expect executive leadership and management at every level to share the sacrifice. If respiratory therapists and EVS workers will only be seeing \$1,000 bonuses, then the same must be true for managers in the region from department-level supervisors to regional presidents. This is simple fairness and speaks directly to Kaiser’s values. We will be watching.