

Berkshire Health Systems goes public with 'best and final offer' to nurses

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PITTSFIELD — Berkshire Health Systems has gone public with its "best and final offer" to nurses.

After seven months, and 22 bargaining sessions, negotiations between BHS, which operates Berkshire Medical Center, and nursing staff at the hospital remain at a standstill.

The hospital's decision to speak out is a departure from its previous approach to contract negotiations. It will also launch a website with negotiation details in the coming days: www.bmcnurses.com or www.bmcnurses.org.

"We want to be transparent about this process," spokesman Michael Leary said of its decision to speak to specifics of negotiations. "We didn't anticipate [Tuesday's] negotiations having them walk out."

Nurses showed up two hours late for a negotiation session on Tuesday, he said, and abruptly walked out, ending the session 90 minutes early.

Joe Markman, a spokesman for the Massachusetts Nurses Association, said hospital leaders are "lying by omission."

Nurses arrived late because they were working on a new bargaining proposal and left early because its lead negotiator had a family emergency, he said.

Markman characterized the release of negotiation details as an attempt by hospital leaders to "publicly shame the nurses."

"The nurses went into bargaining willing to make significant movement in a lot of areas," including staffing, salary and health insurance, Markman said. "It is an alternative that is closer to what the hospital is seeking."

Dueling proposals

| Registered nurse | Current salary | Year 1 offer | Year 2 offer | Year 3 offer |
|------------------|----------------|--------------|--------------|--------------|
| No experience | 72,197 | 72,919 | 73,648 | 75,121 |
| Midscale | 88,026 | 88,906 | 89,795 | 91,591 |
| Maximum | 109,512 | 112,819 | 113,947 | 116,226 |

The nurses union is seeking salary increases, benefit enhancements and staffing increases, among other things.

The annual salary for a nurse currently working at Berkshire Medical Center ranges from \$72,000 to \$109,512, according to information provided by the hospital.

BHS leaders said the union's last formal proposal would cost an additional \$21 million over three years.

That proposal, issued in March, called for annual 2 percent step increases and a 9 percent wage increase over three years for a total of 15 percent.

But in a bargaining session held Tuesday, Markman said nurses had submitted an "off-the-record" contract proposal with a number of changes that would have brought the two parties closer together.

He declined to give specifics of the union's current proposal to the hospital, saying he could not legally discuss the details outside of negotiations.

The hospital has proposed a total of a 10 percent increase over three years, with a 1 percent increase the first two years and 2 percent in the third year. The proposal is worth \$6.5 million.

Additionally, the proposal includes annual 2 percent step increases for those within the wage scale, lump sum payments of 2 percent annually for those at the top of the pay scale, and increases to evening and night shift payment differentials.

The hospital will make the proposed step increases retroactive if an agreement is reached by May 31.

Regarding health insurance, the hospital wants to change the employee payment from 10 percent to 20 percent, which it said would bring payments in line with all of its other employees. The plan does not have a deductible and has low, or no, co-pays.

But Markman said the nurses already pay more than some for health insurance.

He said doctors and managers pay between 40 and 70 percent less than nurses for family health insurance plans.

"It doesn't seem right to have nurses pay even more," Markman said.

Regarding staffing, nurses said they are being asked to care for too many people at once, which increases the risk that something could go wrong with patient care. They said they have repeatedly requested additional staff.

Hospital officials say the union's approach is too rigid.

They said their staffing guidelines are appropriate and meet the best practices of the American Nursing Association.

In its latest proposal, BHS is holding to nursing association guidelines, but will allow for increased direct participation by nursing staff.

It will also allow nurses to be involved in the staffing decisions made and will spell out in its contract a response system for nurses to report temporary staffing shortages.

Officials said staff has been added: 200 employees following the closure of North Adams Regional Hospital in March 2014, 60 of whom were nurses.

Nurses want contracts changed to include the number of patients they are expected to care for at one time; a move the union has lobbied for elsewhere in the state.

Hospital leaders said that the union is pushing a statewide agenda for mandatory, fixed staffing ratios that has little to do with local needs.

Markman said that allegation is "completely false."

He said nurses determined their top priorities for bargaining, which are staffing guidelines, health insurance and salary.

Financial picture

BHS has released three letters, including one Wednesday, to its employees about nursing contract negotiations.

In March it reported it had resolved contracts with four of five bargaining units that needed to be negotiated. The nurses contract expired in September 2016 but has been extended while negotiations continue.

An April 5 letter about negotiations to BHS employees from President and CEO David Phelps and Chief Financial Officer Darlene Rodowicz also detailed the hospital's financial situation.

As of March, BMC's financial stability exceeds that of many others across the state and country. That stability has meant the investment of "millions" in its facilities, technology, and its employees — "especially" its nursing staff, the letter reads.

The hospital has an "A" credit rating and has had "success and consistent achievements."

Leaders said that is something to be proud of.

"However past success is not a guarantee of future performance," the letter reads.

It pointed out that its patients are increasingly "older, sicker and poorer." And payment restrictions from insurance, as well as state and federal government "guarantee unprecedented financial hurdles in the years ahead."

In 2016, BHS had a \$32 million surplus.

Revenue is expected to grow by about 2 percent annually. But expense increases, 4 to 5 percent annually, outpace that — A trend hospital leaders expect to continue into foreseeable future.

"Our collective and continuing challenge is to cover the widening gap between the yearly growth in our revenue and the yearly growth in our expenses," the letter reads.

That gap, hospital leaders said, is \$40 million annually.

BHS leaders point to employee wages, benefits and medical equipment and pharmaceuticals as driving those expenses.

Next steps

The next bargaining session between the hospital and nurses union is set for Wednesday.

In the meantime both parties say they are eager to settle on a contract.

"Every decision has to be made keeping in mind how we are going to be secure for the future," said Diane Kelly, who is chief operating officer for BHS and a registered nurse. "Because the decisions we make today are decisions that will affect the community going forward."

The nurses will hold a rally at Park Square from 11 a.m. to noon Saturday to celebrate Nurses Week, he said. And they will be back at the negotiating table next week.

"We will be considering what the hospital put forward and hoping the hospital is giving a lot of consideration to the nurses' proposal as well," Markman said.

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