



# Know the facts before you vote!

## Aug. 1 proposal overview

Following is an overview of the proposal Allina Health submitted to the union on Aug. 1. On **Aug. 18**, the union will be conducting a union-managed vote in which our metro hospital nurses can vote to accept this proposal or to let the union call an open ended strike at the time of its choosing. According to the union, each facility will vote separately. Make your vote count!

Allina Health is committed to offering our nurses a comprehensive benefits package, which includes health plans that are affordable and market-competitive. The following proposal ensures nurses have **“gold-plus” level** health coverage available under the core plans, which insure more than 30,000 other employees and their family members. It also allows nurses who want the more expensive nurse-only plans to continue enrolling in them in exchange for taking on a larger share of the plans’ increased costs after 2017.

### We strongly encourage our nurses to vote YES to this fair compromise.

Another strike will not result in Allina Health changing its position on the nurse-only plans or on sharing the plans’ cost increases. A strike benefits no one – not our nurses, not all of our valued non-nurse employees, not Allina Health and, most importantly, not the patients and communities we serve.

*Thank you for taking the time to make an accurately informed decision about these negotiations.*

Proposal	Overview
<b>Health Insurance</b>	<p>In an effort to reach an agreement, Allina Health significantly modified its health insurance proposal from June. <b><i>This was a compromise for both sides</i></b> – existing nurses would have the option to stay in the Choice and Advantage plans and the ongoing cost increases of those plans would be capped for Allina Health.</p> <p><b>Proposal details:</b></p> <ul style="list-style-type: none"> <li>• Existing nurses can stay on the two most popular nurse-only plans (Choice and Advantage). New hires would enroll in the core plans (just like nurses at District One, Regina and West Health).</li> <li>• To keep their plans, nurses would take on a larger share of the plans’ cost increases. Allina Health will contribute up to an additional two percent per year over its 2017 contributions. (See 2016 costs on the benefit charts on <a href="http://allinahealth.org/negotiations">allinahealth.org/negotiations</a>.) Nurses would also be responsible for additional costs if the nurse-only plans are subject to the Cadillac tax.</li> <li>• If either plan drops to less than 1,000 members (nurses + dependents), the plan will be discontinued the following year. Each plan (Advantage and Choice) currently has more than 5,000 members so it would require an 80% drop in enrollment before this would occur.</li> <li>• Allina Health accepted the union’s proposed 2018 changes to the Advantage and Choice plans to add a \$300 individual and \$900 family deductible and minimal increases for some in-network services.</li> <li>• Allina Health accepted the union’s proposal that if a nurse enrolls in a core plan, they would not be allowed to move back into a nurse-only plan.</li> <li>• The risk for the plans would be combined for both Advantage and Choice to ensure better premium stability between the two remaining nurse-only plans.</li> <li>• No changes to the Advantage or Choice plans can be made without agreement between the union and Allina Health, as it is today.</li> </ul> <p>In addition, nurses would retain special benefits they receive today, including:</p> <ul style="list-style-type: none"> <li>○ benefits eligibility upon working 16 hours/week (0.4 FTE);</li> <li>○ retirement health coverage; and</li> <li>○ exemption from wellness program requirements.</li> </ul> <p><i>To see how our most popular core plan works, view the scenarios on <a href="http://allinahealth.org/negotiations">allinahealth.org/negotiations</a>. The Allina First plan offers a low \$300 deductible and many services (office visits, chiropractic, convenience care, urgent care, etc.) do not even require you to meet the deductible. All participants are protected by a \$3,500 out-of-pocket maximum, which only 3% of the 30,000+ Allina First plan participants even met in 2015 because of the plan’s comprehensive coverage. Plus, while discounts are offered when Allina Health and partner facilities (e.g., Childrens, etc.) are used, participants have nationwide access to more than two million in-network providers, including competitors.</i></p>

<b>Workplace Safety</b>	<p>Allina Health’s proposal adopts all but one of the union’s remaining proposals on workplace safety. We declined to add restrictive placement language about security staff personnel to a nursing contract. Our metro hospitals have multiple security officers on each shift and one is always specifically assigned to the emergency departments 24/7. Generally, more than one officer is immediately available to respond to security concerns that arise in our metro hospital emergency departments.</p> <p>Allina Health is proud of how we have worked together with our employees – including our valued nurses – to create programs and plans of action to keep our employees safe. We care deeply about this issue and work hard to give our staff the support they need to prevent, address and recover from violent incidents.</p>
<b>Staffing</b>	<p>Allina Health dropped its proposal to explore an acuity-based staffing model, which uses patient care needs and nurse judgment to determine real-time staffing decisions.</p>
<b>Wages</b>	<p>Allina Health proposed a two percent across-the-board base wage increase for each year of the three-year contract, effective upon ratification.</p> <p>This proposal mirrors the wage agreement the union reached with other Twin Cities hospital systems earlier this year. The two percent annual increase is in addition to step increases that average 3.6 percent for the first ten years of employment and then range from 2-3 percent in years 12, 15, 20 and 25. Nurses at the top of the pay scale will earn \$51.95/hr (\$108,056/yr full-time) for a baccalaureate RN degree in 2018.</p>
<b>Tentative Agreements</b>	<p>Both the union and Allina Health have also already reached tentative agreements on job vacancies, flexible schedules at United Hospital, increased tuition dollars for Unity Hospital nurses, recognizing the Doctor of Nursing Practice and how many consecutive days nurses would work.</p>
<b>Timing</b>	<p>This proposal takes effect immediately upon ratification and remains in effect through May 31, 2019.</p>
<b>ULP charges</b>	<p>On Aug. 1, the National Labor Relations Board ruled in favor of Allina Health on several of the union’s unfair labor practice (ULP) charges, supporting Allina Health’s position that it provided all the information necessary for the union to adequately bargain over the health plans. Accepting this proposal also means the union will drop the remaining ULP charges against the employer that have not yet been reviewed by the NLRB. This is standard practice in the agreement of any contract.</p>

View a copy of the [full proposal](http://allinahealth.org/negotiations) on  
[allinahealth.org/negotiations](http://allinahealth.org/negotiations).



# Questions & Answers to read before you vote

## Learn about the health plan proposal and nurses' rights during a strike

Last updated Aug. 5, 2016

The following Q&A addresses questions you may have about our health plan proposal and what nurses' rights are in the event the union calls a strike. Nurses, vote YES to this fair compromise and avoid the significant loss of income and increased stress involved in going through an unnecessary open-ended strike.

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### Health Plan Proposal Q&A

#### 1. What was Allina's health insurance offer?

In an effort to resolve the negotiations, Allina Health agreed to the union's proposal to let nurses stay on the two most popular nurse-only plans (Choice and Advantage). In exchange, Allina Health's contributions to whatever cost increases the plans incur after 2017 would be limited to two percent each year and new nurses would only be eligible for the core plans. Further, if either plan drops to less than 1,000 members (nurses + dependents), it would be discontinued the following year. Each plan (Advantage and Choice) currently has more than 5,000 members, so either plan's enrollment would need to drop 80 percent before this would take effect.

***This was a compromise for both sides*** – existing nurses would continue to have the option to stay in the nurse-only Choice and Advantage plans and the ongoing costs of those plans would be mitigated for the hospitals.

#### 2. Does this proposal mean that nurses will be paying the large majority of the cost for their nurse-only plans?

No. In 2016, Allina Health is paying \$863 per pay period (\$22,455/year) for a nurse to be enrolled in family coverage on the Choice plan. The nurse pays \$288 per pay period (\$7,485/year). After 2017\*, the dollar amount of Allina Health's contribution would increase by a maximum of two percent each year. Nurses who want to keep the nurse-only plans would be responsible for paying the remaining premium increase, but Allina Health would still be contributing more than \$22,455 for coverage in the Choice family plan, for example.

*\*2017 premiums have not yet been determined.*

#### 3. Don't the other Twin Cities hospital systems have these same nurse-only plans?

No, the other systems do **not** have the same nurse-only plans or the significant cost issues with the health plans they offer their nurses.

#### 4. Why is it important to Allina Health that the nurse-only plans continue only for existing nurses?

The only reason we are in these difficult negotiations is because the costs of the nurse-only plans have been skyrocketing during the past decade. Our goal was to eliminate the nurse-only plans entirely – it was a significant compromise for us to continue offering the plans to existing nurses. By having new hires on the core plans, it helps mitigate the cost issues presented by the outdated designs of the nurse-only plans.

**5. I thought Allina Health’s goal was to eliminate the nurse-only plans because they’re so expensive.**

**Why did Allina Health propose an option that would allow existing nurses to continue on them?**

Negotiations is not a “winner take all” situation. We made this offer as a compromise that would allow existing nurses to continue on the plans, while mitigating the cost issues the plans present the hospitals. By limiting the plans to existing nurses, the plans would eventually have an end date as nurses leave or retire from the organization.

**6. Do the core plans offer the coverage nurses need?**

Yes, the core plans absolutely provide affordable, comprehensive coverage. That position has been validated by others outside of Allina Health. An independent party reviewed the plans for Minnesota Public Radio and concluded that they offer “gold-plus” level coverage at an affordable cost. An independent benefits consultant interviewed for the MPR story determined he would choose the Allina First plan over the nurse-only plans because of how quickly the premium savings add up. Access the [MPR news story](https://www.allinahealth.org/negotiations) on [allinahealth.org/negotiations](https://www.allinahealth.org/negotiations).

Visit the Negotiation News AKN page or [allinahealth.org/negotiations](https://www.allinahealth.org/negotiations) to read [scenarios that explain how coverage works](#) and the story of Dennis, an [employee battling cancer](#), which uses factual data to show how his cancer care is covered. Dennis stepped forward with his story after seeing the union’s misleading information about the coverage the core plans offer.

**7. Doesn’t the union’s offer to eliminate half of the nurse-only plans (Plus and 250) show they are trying to compromise?**

No. The union positioned its offer as meeting us “halfway.” In reality, only 5% of the nurses/dependents are enrolled in the Plus and 250 plans, while 95% are on the Advantage and Choice plans. In order for costs to be controlled, the Advantage and Choice plan expenses must be addressed.

**8. Would Allina Health be able to make changes to the Advantage and Choice plans? The union is saying Allina Health will reduce the benefits in those two plans.**

The union is misrepresenting Allina Health’s proposal. Under our proposal, the benefits provided under Advantage and Choice plans would remain the same unless changes are mutually agreed to by Allina Health and the union. We would not have the ability to modify these two plans without union consent. Our proposals included some changes to these plans that were initially proposed by the union.

## **Strike Q&A**

**1. How long will a strike last?**

Because the union is asking for our nurses to support an open-ended strike, we anticipate it will last until a contract settlement is reached. Allina Health is prepared to begin reducing volumes and consolidating services at our hospitals (if necessary) so that we can focus on meeting the needs of patients with the staffing we will have available.

The return to work following an open-ended strike is expected have a different impact on each nurse because it will depend on the unit or business unit’s pace and ability to return to pre-strike operations. Unlike the June strike, an open-ended strike means that the impact to both our hospitals and our nurses could be more significant, resulting in a much longer return to work process. For example, we would not expect all nurses will be returned immediately if the hospitals ramp down operations for a second strike. Also consider that some nurses were not returned to work immediately after the June strike, even though our volumes were close to normal and the strike lasted only a week.

**2. When will I know if there is going to be a strike?**

If nurses vote to support an open-ended strike, the union will be required to provide ten-day notice before the strike would begin. We will notify all employees in the event a notice is received from the union.

**3. I want to work if the union calls a strike. Could I be penalized for working instead of going on strike (e.g., potential corrective action, loss of benefits, fines, etc.)?**

No, you will not be penalized by Allina Health if you want to work and the union can't do anything to affect your employment. The union cannot ban you from working at the hospital in which you are currently employed or eliminate any benefits provided to you by Allina Health. The nurses' contract covers all represented nurses at the bargaining facilities and the union has a legal requirement to represent all nurses, regardless of whether they honored the strike – even those who have resigned from the union and are paying what is called “fair share dues.”

It is possible that the union could discipline its members for working instead of striking. Such discipline may include reprimand, censure, suspension or expulsion from membership. Any specific questions about ramifications need to be answered by the union. However, nurses who resign their union membership and become “fair share dues” members may not be penalized by the union. This means that those who resign cannot be fined by the union for crossing the picket line to work.

**4. What process do I need to follow to resign from the union?**

You would need to send a certified letter to the union indicating that you are resigning membership. You would still be required to pay “fair-share” dues and everything in the final negotiated contract would continue to apply to you, even though you resigned. However, please note that you will give up the right to vote in union matters, including future strike or contract ratification votes. Nurses should consider if it is more beneficial to be able to vote on the contract – or to time any resignation after the outcome of the vote is known. Lastly, be aware that you would be able to rejoin the union at any time.

**5. Can the union terminate my employment for choosing to work instead of strike?**

No, the union cannot take away any benefits provided by Allina Health or terminate your employment with Allina Health. The nurses' contracts at each facility cover all nurses at that facility and the union has a legal obligation to represent all members regardless of whether or not they went on strike.

**6. Do I receive wages or unemployment compensation while I am on strike?**

No. Employees who are on strike status do not receive wages and are not eligible for unemployment under Minnesota law.

**7. What happens to my benefits in the event of an open-ended strike?**

Allina Health makes a benefits contribution on the first of the month for active employees. A nurse who is on strike status or not returned to work following a strike by the first day of the month will not be eligible for a benefits contribution from Allina Health. Nurses not returned to work by the first of the month may choose to enroll in COBRA coverage, which allows them to pay the full cost of their health insurance for the month plus a standard two percent administrative fee. The cost of family coverage on the choice plan, for example, would be approximately \$2,500 for the month.

**8. Can I save my vacation/PTO and use it during a strike to ensure I continue getting a paycheck?**

No, if an employee is on strike status, they are not eligible to take vacation/PTO, regardless of whether it was pre-approved.