



The Flame

Lighting the Way for Quality Health Care

UNAP: Back from the Brink

May 2014



**By Chris Callaci,
General Counsel**
Prior to June of 2008, our world was pretty predictable and relatively safe. We negotiated contracts every two or three

years; we filed grievances and demands for arbitration whenever management violated the contract; we filed an occasional unfair labor practice charge with the NLRB when necessary. Now and again, we mobilized our members behind a piece of legislation at the Statehouse.

In June of 2008, however, our world changed dramatically. We suddenly found ourselves in the path of a proverbial tsunami of monumental proportion. It was then that the collapse of the community hospital system in RI began for real. It was then that we were faced with the possibility that several of our hospitals might close. We were truly on the brink.

Landmark Medical Center

In June of 2008, Landmark Medical Center (LMC) went into receivership, which is a form of bankruptcy. LMC couldn't pay its bills anymore. Shortly thereafter, the Rehabilitation Hospital of RI (RHRI) followed suit. In December of 2011, Westerly Hospital (Westerly) became the third of our hospitals to go into receivership.

By 2012-2013, it became quite obvious that Memorial Hospital of RI (MHRI) and Our Lady of Fatima Hospital

(Fatima) were not far behind. Like LMC, RHRI and Westerly, MHRI and Fatima were running operating budget deficits of alarming and unsustainable magnitude. Clearly, neither MHRI nor Fatima were going to survive much longer on their own. Indeed, within a matter of a few years, we were faced with a remarkable new set of sobering challenges: could we maneuver our way through the State Courts, the General Assembly, the Offices of the Governor and Attorney General, the Department of Health and some of our Town and City Councils to keep all of our hospitals open? Could we influence who might purchase our failing community hospitals? Could we get them to honor our collective bargaining agreements? Could we prevent the receivers at LMC, RHRI and Westerly from getting Court approval to change our contracts midterm? Could we preserve our members' jobs? Could we make sure that our hospitals would continue to operate as full service community hospitals going forward?

Notwithstanding these daunting challenges and overwhelming odds, UNAP managed to perfect the art of survival. Local Presidents, their respective Boards and memberships, UNAP's Executive Council and the UNAP staff all rose to meet these challenges.

Local 5067, which represents 500-600 employees at LMC and RHRI, managed to convince a Providence Superior Court Judge to select Steward Health Care (Steward) as the buyer of LMC and RHRI. Steward was among eight potential buyers and the Local's

preference. Conversely, Local 5067 managed to drive Regional Care out of Rhode Island. Regional Care was the only potential buyer who refused to enter into a fair contract with the Local. When Steward decided to pull out, the Local had already managed to negotiate a 5-year contract with the next buyer who emerged: Prime Health Care (Prime). Prime is currently operating LMC as a full service community hospital.

Westerly Hospital

In Westerly, Locals 5075 and 5104 managed to negotiate contracts with Lawrence & Memorial (L&M), which had emerged as the likely buyer of Westerly Hospital. L&M is currently running Westerly as a full service community hospital, the patient census is up, and the hospital is now in the black. The Locals just won a pension claim in Washington County Superior Court worth over a quarter of a million dollars. In addition, the Locals just negotiated 3-year contracts under which they will recover a fair amount of what they gave up in their initial negotiation with L&M.

Memorial Hospital

To avoid becoming the fourth hospital in RI to go into receivership, the board of trustees of MHRI opted to affiliate with a larger, RI system. They met with both Care New England (CNE) and Lifespan to discuss affiliation. Lifespan's business model is to discontinue most inpatient services and convert community based hospitals into treat and transfer facilities for Rhode Island Hospital. The resulting job loss under this model can be devastating. Local 5082 at MHRI

(Continues on page 2.)

(UNAP: Back From the Brink continued from page one.)

decided, therefore, to publicly oppose any effort by Lifespan to affiliate MHRI. The Local notified the Pawtucket Mayor's office of the potential for job loss under the Lifespan business model, and ran a full page ad in the Pawtucket Times reminding all in the community of the importance of MHRI being preserved as a full service community hospital. MHRI has since affiliated with CNE and is currently operating as a full service community hospital. In addition, Local 5082 lined up its contract expiration with that of Local 5008 at Kent County Memorial Hospital (Kent), another CNE hospital. Both Locals have agreed to coordinate their bargaining with CNE come 2015.

Fatima Hospital

And then there is Fatima. Local 5110 at Fatima hospital (which along with Roger Williams Medical Center is known as CharterCare) is currently working with Prospect Medical Holdings (Prospect) on a joint venture between Prospect and CharterCare at a time when the hospital's bond rating is worse than that of the City of Central Falls when the City was in bankruptcy! The Local agreed to support the deal in exchange for a 3-year contract and a commitment that Prospect would operate Fatima as a full service community hospital. In addition, Local 5110 managed to get

Prospect to agree to neutrality and a code of conduct to enhance its ability to organize those employees in CharterCare who are not yet represented by the Local.

There is no question that each Local had to give ground and make concessions to forge these deals. But there is also no question that had the Locals failed to rise to these challenges, several of our hospitals might very well be closed today. It is also possible that several of our hospitals might very well be shadows of what they once were, operating more like clinics. Today, LMC, RHRI, Westerly, MHRI and Fatima continue to operate as full service, community based hospitals. Not all, but a vast majority of our members' jobs have been successfully preserved. Each Local has nailed down a collective bargaining agreement with their new owners; and to the extent that concessions were made along the way, the Locals have regrouped and are working to restore the cuts that were made.

Our story is a remarkable one, one to be proud of. Most unions would not have survived what UNAP has survived. Indeed, UNAP is back from the brink.

Local Updates

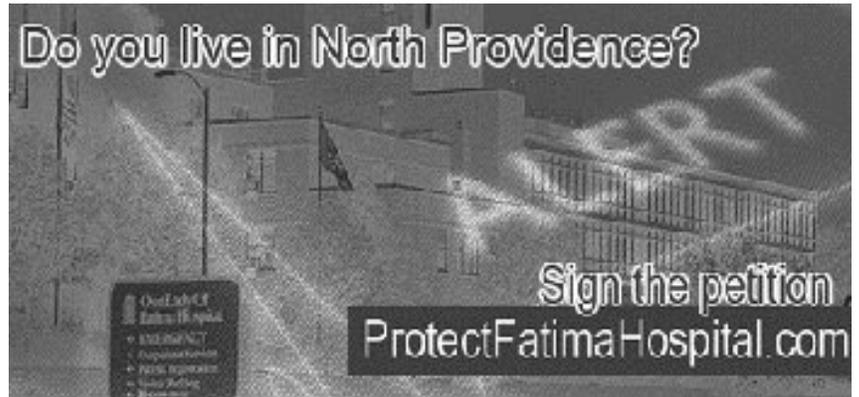
UNAP Local 5068 To Negotiate Wages

Seven Hills Rhode Island and UNAP Local 5068 will start negotiations in May or June over wages. The current contract expires in 2015 and provides for a wage reopener in 2014. The UNAP members welcomed back BCBS as their insurance carrier earlier this year.

Fatima Hospital UNAP Local 5110

If you live in North Providence then we need you to take action today and contact your **Town Council Members**.

To read more about how to protect Fatima Hospital go to:
www.ProtectFatimaHospital.com



www.ProtectFatimaHospital.com

Westerly Hospital Negotiate Contract UNAP Local 5104 & 5075

Recently, the two Locals of the Westerly Hospital, Local 5104 and Local 5075 overwhelmingly ratified a new three-year collective bargaining agreement. In this contract, to commence July 1, 2014, members will receive a general wage increase of 6% over the 3 year term. (2% per year). Steps and Levels, which had been frozen for some time, will now be reinstated. There is also a significant increase to the employees' retirement contribution to be made by the hospital. Currently, employees receive a 1% match. That will jump to 3% and potentially 4% (based on profit margin figures) over the term of the contract.

Members at Westerly made concessions over these past years in an effort to keep the hospital operating during receivership. Employees had worked with no wage increase for more than 3 years. Their step and level increases have also been frozen for over three years. It is rewarding to receive a fair contract, which recognizes the sacrifices made by those members.



UNAP Endorses Clay Pell for Governor



At the quarterly UNAP Joint Board Meeting, leaders representing all UNAP locals voted to endorse Clay Pell. The members felt Pell would set a fresh direction for RI and the Labor community.



Member Contact Survey & Raffle of Ipad mini

In an effort to increase the UNAP communication capacity the UNAP surveyed the membership and requested updated email addresses and cell phone numbers. The UNAP received nearly 700 responses. Using all methods available to us to better communicate with our members is critical to a strong and effective Union. The drawing was held on Tuesday, April 1st.



Helene Macedo, RN President of RI Hospital UNAP presents Ipad mini to winner Elaine Gelineau, RN, RIH ER nurse.

Unit Rep Training

100 unit reps attended a Unit Rep/Leadership Training at the UNAP office on April 1. Robert Schwartz, a labor lawyer and author of "The Legal Rights Of Union Stewards" presented.





United Nurses & Allied Professionals

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Providence, RI 02904

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UNAP College Scholarships

Winners to Be Announced

On Facebook!

UNAP On-Line



UNAP Website

The UNAP website features news and activities throughout the UNAP, legisla-

tive and health policy developments, important links, contact information, and much more.

(www.unap.org)

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Speaker Donna McCarten White, RN, PhD,
Thursday May 22, 2014, Crowne Plaza, Warwick, RI
Registration 5:30, Presentation 6:00-8:00pm
Register: online:www.UNAP.org or call (401) 831-3647
Free for UNAP Members..non-member \$25.00

UNAP CEU 2014: 2.0 Contact hours
RISNA / ANCC Approved
ASRT Certified

Use of Opiates &
Other Substances in
an Older Population