California Legislature

October 29, 2021

Mr. Greg Adams, Chairman and CEO Kaiser Foundation Hospitals and Health Plan, Inc. One Kaiser Plaza Oakland, CA 94612

Dear Mr. Adams:

The pandemic has proven the value and resiliency of our health care delivery systems and the brave efforts of our nurses and health care providers as they endeavor to save lives, protect our communities, and help reopen schools and businesses. Kaiser's significant role in this effort cannot be understated, and for that we are sincerely grateful.

Kaiser and the United Nurses Associations of California/Union of Health Care Professionals (UNAC/UHCP) have shared a long lasting partnership that has strengthened the health care system by ensuring fair wages and benefits for nurses and other professionals that continue to perform heroic efforts caring for their patients.

We strongly support the collective bargaining process and respect the negotiations that are currently underway between Kaiser and the UNAC/UHCP and the other members of the Alliance of Health Care Unions. However, we are very much concerned with Kaiser's demands to establish a two-tier wage structure for new employees. We understand this issue has been the primary reason these negotiations have stalled during a period when good labor and management relations are critical to address the increased demand for quality health care services throughout California.

Installing a two-tiered hiring and wage system would undermine this relationship. Specifically, this system will likely create workplace divisions that would contribute to higher turnover rates and make it more difficult to recruit and retain skilled health care professionals.



In closing, we respect the process of collective bargaining and trust that Kaiser's history of partnership with its labor partners will lead to an agreement that avoids any disruption to healthcare delivery, which is critical to ensuring an expeditious recovery from the pandemic.

Sincerely,

TONI G. ATKINS

Senate President pro Tempore

ANTHONY RENDON

Speaker of the Assembly