

Highlights of conference call:

2:30

Everybody is aware that we made a very simple very basic agreement in May of 2012, um with the hospital industry, that really could appropriately be described as a gentleman's agreement. It did not have an enforcement mechanism. It was a basic commitment that we're going to continue to talk, we're going to talk about the future of healthcare, we're also going to talk about the future of our union and how we try to organize non-union workers, and I think also as people know, it's safe to say that under that agreement, the UHW did every single thing it committed to. We owned every obligation that we made. And we also know that the hospital industry did not meet all of the obligations and responsibilities that they had, and so one of the issues that we've all been talking about for a number of months now is what's going to be different this time as compared to then.

4:30

To the best of my knowledge, the agreement we have now reached with this industry represents the largest scale strategic collaboration between a major industry and a major union, certainly in the state of California, that has ever taken place.

7:25

We will eliminate the ability that hospitals have to campaign negatively about the question of whether or not to join our union, by campaigning about strikes, dues, assessments, constitutions, by-laws, all of the standard things that we say.

12:55

Over the next two years we now have a commitment that the California hospital industry is going to put up 80 million dollars to fix this problem that is fundamental to the standard of living of our members. We're going to put up 20 million dollars and if we are successful in solving the medical programs shortfall by 2016, we will then have an agreement with the industry whereby we will get physical access to another set of institutions employing at least 30,000 non-union workers, and we will have access for no-less than 6 months, we'll be able to be in break-rooms, conference rooms all that kind of stuff. And we will have the code of conduct.

16:23

This agreement with the CHA and all those other health systems represents well-over a majority of the hospital-industry in the state of California. And we think it is very likely that there are still some stragglers out there that when everything comes in that we will have signed agreements with hospitals representing over 70 percent of the hospital industry in the state of California.

24:36

There are some of our current employers that refuse to be part of this, and I would name 3 in particular who are on, kind of the short list of the bad actors. Number one is Cedar-Sinai, number two is prime healthcare, and number three is providence. Each of those

three systems refused to be a part of this agreement for advocacy purposes, for code of conduct purposes, for any purpose whatsoever. And the first thing I think we've got to recognize is that they now are in a clear minority of the industry. They are now outliers, and under this agreement we can continue to have the right to deal with them in any way that we want while we try to forge this other path with everyone else.

30:29

Question: I think you answered my question, I just wanted to know how this agreement would affect negotiations (garbled) in Prime.

Answer: Yeah, no Maggie, and you know, and just to be a little more specific, I think again, once the dust settles, lets give it another week or two, but I think we've got to sit down with the leadership of not just CHA, but all of the major providers and say, what are we going to do with Cedar, Prime, and Providence, because you've got two choices. We're going to continue to be public and to beat them up and to raise all this stuff that drives you crazy, or you're going to figure out how to get these guys to heel. And so you know I think we have to enlist our partners, right, who are now partners at a different level, and saying there's just some behavior that, you know, you guys are now going to interfere with our ability to fix medical, and so, Prem Reddy, like, you know, how are we going to deal with you? Cedar-Sinai, etc, etc. So I think we have to have a separate plan for those places, and I think we should be intentional, and I think that we should be direct with the leadership of the industry.

34:34

Question: Hi, I just wanted to know if CNA is also going to be in this agreement with us, or are they just on the side.

Answer: Uh, they are on the side in the back sucking Hind-wind Louise. They are not part of this and will not be part of this.

35:49

Question: Is there a particular reason why in organizing rights we are focusing only on the 30,000 if everything you've mentioned says that the industry has like half-a-million workers-employees.

Answer: Right, so there's over a half-a-million employees, over 200,000 of them are already organized. This agreement provides for us to engage if we, you know, take advantage of all the parts, you know between 60 and 70 thousand workers, so. You know, we're getting a really big chunk of what is left, and candidly we did not focus on all the rural hospitals, you know across the state, you know we focused on hospitals that are in more populated areas, and a little more on the beaten path, so, you know, it's not everything but it's a very large chunk of what is left. And I think everyone has the sense that they did not do this willingly or easily. This took a lot of struggling, and you know a lot of work.

38:50

Question: when you mention about Prime, Cedars and Providence, and not being a part, and not willing participants, does that still leave the floodgates open so if we decided to put a ballot initiatives (garbled) CEO pay, it would be fair game to be able to move forward from that standpoint?

Answer: So it's totally fair game to go after any of them, what we have committed, Eric, is we're not going to go after them in a way that captures everybody else who did, but you know there's plenty of ways around this, we have plenty of things we can do, and I think what we're going to start by is just making the point that these guys are now, they're just not good citizens, they're bad apples, they're off the, you know they're out of the mainstream, they're outliers, and I think again we have to have a specific strategy for them, but we have made a commitment, and I think people will understand once people say 'look, we're ready to put up 80 million dollars to fix a problem that we all share,' you know, that they do want to know that you're not going to come right back after them, and we have made that commitment.