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Arbitrator rules against CPMC on RN benefits worth 'millions'

San Francisco Business Times - by [Chris Rauber](#)

A federal arbitrator ruled Monday that RNs represented by the California Nurses Association at San Francisco's [California Pacific Medical Center](#) are eligible for a rollback of extra health-care benefits charges, which "could run into the millions of dollars," the nurses union said March 18.

The ruling by arbitrator John Kagel said CPMC parent [Sutter Health](#) illegally violated the terms of their contracts by "unilaterally raising fees and co-pays on health-care benefits," according to the union.

The decision came four days before CNA nurses at California Pacific and seven other Sutter hospitals in the Bay Area are set to go out on a 10-day Good Friday strike to protest a variety of issues, including benefits and patient safety. "It's a huge victory for nurses, and it does illustrate why nurses are looking to get stronger contract language regarding patient safety and protecting their own health care," said Bonnie Castillo, RN, CNA's Sutter division director in charge of labor representatives at 18 hospital campuses in Northern California, including San Francisco's CPMC.

Castillo said Sutter has implemented similar health-care benefit changes at other facilities in the region, and that Sutter workers represented by at least one other labor union also have arbitration scheduled on this issue. "This decision is pretty much binding," Castillo said, adding that an appeal is virtually impossible in such cases. "They have to make restitution at this point."

CPMC, not surprisingly, has a different take on the situation.

"As usual, the union is distorting things for its own purposes," said CPMC spokesman Kevin McCormack, adding that "nowhere in this ruling does the arbitrator say our conduct was either 'illegal' or amounted to 'price gouging.' The ruling simply pointed out that while we have the right to change co-pays, we failed to give prior notice to the union before doing so."

McCormack said the San Francisco hospital offers nurses "premium-free health-care coverage for themselves and their families, something only around 8 percent of all companies in the U.S. offer."

At a time of rapidly escalating health-care costs, he said, "we felt that increasing co-pays from \$10 to \$15 while still offering fully premium paid health coverage to employees was a small step to try and hold these costs under control."

CNA is blowing the ruling out of proportion on the eve of its planned 10-day walkout "to draw attention to their cause," McCormack said.

At issue are increased fees and co-pays imposed in January 2007, according to the union, which said evidence presented during arbitration showed that CPMC, part of the Sacramento-based Sutter nonprofit network, "reduced nurses' access to care by raising co-pays, prescription drug costs, and hospitalization co-pays by up to 43 percent in some cases," and up to \$250 in others, in violation of negotiated union contracts. CNA said Sutter had argued during arbitration that the changes didn't have a "material" effect on the nurses' health benefits, "a claim that was dismissed in the ruling."

The union represents about 700 RNs at CPMC's California campus and the affiliated St. Luke's Hospital campus in San Francisco; it does not currently represent nurses at the multi-site hospital's Pacific and Davies campuses, Castillo said, noting that St. Luke's status is under negotiation.

According to CNA, facilities employing about 4,000 RNs in the union will conduct their third, and longest, strike in recent months against Sacramento-based Sutter, starting Friday. Thousands of RNs recently struck Sutter Bay Area facilities in two-day walkouts in October and December. At some hospitals, the walkouts were also extended by lockouts, when the facilities hired replacement workers on longer contracts than the two days of the strike itself.

Sutter facilities affected by the strike votes include both St. Luke's and CPMC in San Francisco, [San Leandro Hospital](#), [Alta Bates Summit Medical Center](#) in Berkeley and Oakland, [Mills-Peninsula Health Services](#) in Burlingame and San Mateo, Castro Valley's [Eden Medical Center](#), Antioch's [Sutter Delta Medical Center](#) and [Sutter Solano Medical Center](#) in Vallejo.

Potential strike votes at three other Sutter facilities -- [Marin General Hospital](#) in Greenbrae, [Novato Community Hospital](#) and [Sutter Santa Rosa Medical Center](#) -- were stymied by a serious illness that struck a key union organizer, said CNA spokesman Shum Preston. As a result, those votes couldn't be rescheduled in time to coordinate with strike plans at the other Sutter facilities.