

Myth	Fact Fair Negotiation
<p>Myth: St. Luke's exaggerated the potential impact of a strike and tried to portray nurses as the "villains."</p>	<p>Fact: St. Luke's deeply values our nurses as vital members of the healthcare team. We operate in an industry with very challenging economics and are being honest when we talk about the potential short- and long-term impacts on the entire organization of the nurses' original decision to strike. We have to be mindful of what our costs are; and a strike of any length would require us to consider whether we can continue to serve our community with the same breadth of services that ensures our quality of care.</p>
<p>Myth: St. Luke's removed union literature from the workplace, prevented members from attending union meetings, prohibited discussions about their contract from the nurse's station area, and intimidated nurses who were discussing their contracts.</p>	<p>Fact: St. Luke's respects the right of the MNA to communicate with its members. In fact, we provide bulletin boards for exactly that purpose. We also welcome MNA leaders to meet with nurses in our break rooms or other non-patient care areas. However, we know that when nurses are on duty, they are fully engaged in caring for their patients, and we have reminded union officials that union meetings should occur when nurses are not working.</p>
<p>Myth: St. Luke's is claiming financial hardship as a way to threaten nurses.</p>	<p>Fact: As we said, St. Luke's is having a very challenging year financially. Any strike would have had significant financial implications and severely impacted our continuity of care. The inability to reach a contract agreement could have led to significant impacts, from changes in the programs and services we offer to threatening our ability to remain independent.</p>
Myth	Fact Fair Compensation
<p>Myth: Switching nurses to a Paid Time Off (PTO) plan would reduce a nurse's ability to take time off.</p>	<p>Fact: St. Luke's believes that a PTO plan with short-term disability insurance is in the best interest of all St. Luke's employees. That's why all employees — except the MNA employees at this point — are transitioning to a combination of PTO and short-term disability. Most nurses would end up with more discretionary time off under a PTO plan because the hours they don't use for sick time can be used for recreation and relaxation away from work. One can't calculate "lost days" without factoring in short-term disability earnings.</p>

<p>Myth: St. Luke's does not offer full-time nursing positions very often.</p>	<p>Fact: Due to benefit costs, it would be economically advantageous for St. Luke's to have a higher percentage of full-time nurses. However, St. Luke's has learned through experience that very few nurses apply for 1.0 Full-Time Equivalent (FTE) positions. Nurse managers frequently post 0.6 to 0.8 FTEs and get a much higher number of applicants. Even when nurses are hired at a 0.8 FTE, we frequently receive requests to reduce FTE, and have granted those requests as a way to enhance employee job satisfaction.</p> <p>St. Luke's also finds that some nurses who choose a lower FTE then elect to work additional shifts at their convenience. Of all 633 St. Luke's nurses, only 29 have chosen to be full time or to flex up to full time. St. Luke's respects their decisions, and we absolutely invite nurses who are interested in increasing their FTE to update their unit shift preference form.</p>
<p>Myth: St. Luke's executives are overpaid.</p>	<p>Fact: The St. Luke's Board of Directors has determined the target for executive compensation to be the median (middle) rate when compared to how much executives are paid for similar work at other similarly sized hospitals. Each year St. Luke's conducts a review by an independent external executive compensation firm to make this comparison. St. Luke's needs to provide market-competitive compensation to all employees to attract and retain top talent.</p>
<p>Myth: Nurses are leaving St. Luke's because they are dissatisfied with their pay and/or benefits.</p>	<p>Fact: While there are individual scenarios in which nurses may leave because they are dissatisfied with their pay, St. Luke's has learned through the exit interview process that this is not often the case. Since 2017, 100% of nurses who answered the question, "Were you satisfied with your pay?" responded "yes" and 92% of the nurses who answered the question, "Were you satisfied with your benefits?" responded "yes." We are proud of the competitive wages and benefits we offer our employees. During the same time period, all nurses who completed an exit interview did not indicate pay and benefits as their primary reason for leaving St. Luke's.</p>

Myth: St. Luke's nurses are not being paid competitively compared to nurses in the rest of the region.

Fact: The new contract that the MNA agreed upon includes yearly salary increases of 3%, 3%, and 2.25% over 3 years, matching the increases of other local and metro-area MNA contracts. In addition, there is a full match to the Essentia wage structure in the second year of the contract.

Even prior to the September 2019 contract, nurses earned above-average wages at St. Luke's. St. Luke's offers competitive wages, shift differentials, bachelor's degree pay, certification pay, bonuses and overtime. The average hourly pay for nurses at St. Luke's during 2018 exceeded \$45 an hour. In addition to this, St. Luke's employees, including registered nurses, pay less for health insurance benefits than employees at other local and regional hospitals. An average St. Luke's nurse who chooses to work full time, with shift differentials, overtime, and holiday pay, will receive \$100,000.

Full-time employment is considered working 2,080 hours per year. Following are examples of three St. Luke's nurses who worked a little less than full time and whose gross wages exceeded \$100,000/year. Gross wages do not include other benefits such as health insurance and retirement contributions. We understand not all nurses choose to work full time, but this is their earning potential if they do.

	Nurse A		Nurse B		Nurse C	
6/26/17-6/24/18	Hours Worked	Wages	Hours Worked	Wages	Hours Worked	Wages
Call Back			17.5	826.04		
Double Time	82.83	7675.42			94	9080.4
Education	36.58	1694.91	32.75	1545.06	6.5	278.43
Holiday - double time	32.25	\$ 2,988.29	16	\$ 1,514.56	18.5	\$ 1,787.10
Insurance Waiver						\$ 600.08
Meeting Time	16.75	\$ 776.03	44.75	\$ 2,117.54	47	\$ 2,270.13
Overtime	71.5	\$ 5,058.29	185.67	\$ 13,488.34	100.25	\$ 7,442.58
Regular	1438.42	\$ 66,641.91	1368.25	\$ 64,608.58	1475.25	\$ 71,254.64
Appreciation Bonus		\$ 275.00		\$ 250.00		\$ 275.00
Wellness Bonus				\$ 172.05		
Total Hours Worked	1678.33		1,664.92		1,741.5	
Personal Days	16	\$ 741.28	16	\$ 757.28	24	\$ 1,159.20
Sick	48	\$ 2,223.84	88	\$ 4,157.04	67.75	\$ 3,272.33
Vacation	183.25	\$ 8,489.97	152	\$ 7,142.16	222.25	\$ 10,819.21
Total Hours Paid	1952.58		1920.92		2055.5	
Additional hourly compensation paid as shift differentials						
Census Bonus	6	\$ 60.00	158	\$ 1,580.00	4.75	\$ 47.50
Evening Differential	900.25	\$ 1,575.90	507	\$ 887.32	999.75	\$ 1,750.01
Night Shift Differential	77	\$ 192.55	1.5	\$ 3.77	108.25	\$ 291.96
Off-Premises Call			57.5	\$ 551.02		
Weekend Bonus	115	\$ 1,437.68	69.5	\$ 868.75	63.75	\$ 796.88
Weekend Differential	627	\$ 783.81	359	\$ 448.76	322	\$ 402.53
Total Gross Wages		\$ 100,554.88		\$ 100,918.27		\$ 111,527.98

<p>Myth: St. Luke's can obviously pay its nurses more – just look at how much they are spending on a new Emergency Department (ED).</p>	<p>Fact: St. Luke's is borrowing the money to pay for a new Emergency Department. The ED is 100% financed by an external loan, and we are making this investment to improve the care and experience of our patients and staff. We must continually reinvest in our facilities, which is one way we deliver on patient expectations.</p>
<p>Myth: St. Luke's made \$34 million in 2018 but they can't afford to hire more nurses.</p>	<p>Fact: St. Luke's had its best year ever in 2018. However, because St. Luke's is a nonprofit organization, our earnings are reinvested in the organization. This year has been challenging for St. Luke's financially. We are facing the same economic pressures that many health care systems are facing along with lower patient volumes in 2019. Despite these headwinds, as of July 2019, we have spent 66% of our net patient revenue year to date on salaries and benefits. This compares to an industry standard of 57.8%.</p>
<p>Myth: St. Luke's nursing directors, managers and supervisors receive bonuses for meeting budgets, which creates a financial incentive to short-staff units.</p>	<p>Fact: Nursing directors, managers and supervisors do not receive incentive bonuses.</p>
<p>Myth: St. Luke's new President & CEO Kevin Nokels was brought to St. Luke's in order to broker a merger with a larger system. He's using these negotiations to help make that happen.</p>	<p>Fact: St. Luke's Board of Directors was clear in the interview process that St. Luke's goal is to remain independent, and St. Luke's independence deeply attracted Kevin Nokels to this role. He appreciates the autonomy of being an independent organization with local decision-making and the flexibility to meet the needs of the community we serve.</p>
<p>Myth</p>	<p>Fact Safe Staffing</p>
<p>Myth: Nurses are not involved in setting staffing levels at St. Luke's.</p>	<p>Fact: Staff nurses, through their unit councils, have been integral in setting staffing levels since 2010. At that time, a process was developed with the MNA through which each unit council (which includes staff nurses) advises nursing management as to the recommended staffing levels for RNs, LPNs, and Nursing Assistants on each unit. If the recommendation cannot be implemented, it gets reviewed at the monthly Staffing & Scheduling Committee meeting, comprised of MNA leadership, nurses and nursing management. Since its inception, through collaboration, every recommendation regarding staffing has been approved.</p>

Myth: St. Luke's recently had 55 open shifts in a 24-hour period.

Fact: This is a statement that misleads the public into thinking patients are not being properly cared for. It's common for all hospitals, including St. Luke's, to have a Registered Nurse (RN) float pool. The purpose of these talented nurses is for them to "float" to the nursing units that need additional help. Whether additional help is needed because of a higher number of patients on a unit or due to staff illness, the float pool RNs will go to the needed unit.

When a float pool nurse receives a shift assignment, their name is transferred from the float pool roster to the unit where they will be working. It then appears that the float pool shift is not filled, but there is no patient care need associated with that open shift.

In addition, if nurses ever feel their unit is not safely staffed, there is an established process devised with the MNA and St. Luke's that is designed to address the concern.