

California: Kaiser Permanente workers protest reductions in force

Ramón Valle, D. Lencho
9 September 2009

On the heels of Kaiser Permanente's announcement in mid-August that it will lay off 1,850 unionized workers in California to "streamline operations," members of the SEIU-UHW (Service Employees International Union-United Healthcare Workers) have set up picket lines outside their workplaces to protest the cuts.

Union leaders, however, have organized the pickets to last only two hours, from 11:30 a.m. to 1:30 p.m., on designated days, and are using the protests in an attempt to dissipate the anger of workers over the layoffs by the Oakland, California-based HMO (health maintenance organization) giant.

The cuts will affect about 600 employees in the Southern California counties of Los Angeles, Orange, San Diego, Riverside, San Bernardino, Ventura and Kern. The remaining 1,250 will be laid off in Northern California areas: the Bay Area, the Sacramento region, and the Central Valley area south of Fresno.

Total reductions-in-force represent about 2 percent of the workforce. These include health information clerks, housekeeping staff, local business office workers, medical and transcription secretaries, pharmacy clerks and technicians, and unit assistants. No physicians will be dismissed.

Back in March, the Kaiser announced the layoffs of 860 information technology workers across the country.

Kaiser is one of California's largest employers, with approximately 56,000 non-physician employees throughout the state. In Los Angeles County, sites targeted for picketing have included Kaiser Walnut Creek, Kaiser Sunset Medical Center, Kaiser Santa Clara, and Kaiser Panorama Medical Center.

The SEIU, which represents approximately 50,000 Kaiser workers in a range of job classifications, will announce further picketing in the coming days.

According to the *Los Angeles Times*, Kaiser cited several reasons for instituting the layoffs: rising unemployment, resulting in the loss of health coverage for 36,000 members during the first half of the year alone; the collapse of Medicare reimbursements; and uncertainty regarding the Obama administration plans to revamp the health care system.

But according to a report by Reuters, Kaiser's performance

for the second quarter of the year was outstanding, with a net income of \$620 million, almost double what it made last year. No sooner had it reported its financial well being, than the company announced its intention to eliminate the positions.

The National Union of Healthcare Workers (NUHW), in what might to prove an internecine war between labor bureaucracies, has denounced the SEIU for previously agreeing to the layoffs behind closed doors.

When an employee at a town hall meeting in the city of Walnut Creek asked Kaiser management representatives if the SEIU and the company had reached an agreement to eliminate the positions, Ginger Campbell, acting in her capacity as service area manager, answered with a simple, "Yes."

Something similar apparently happened in Northern California at the San Jose Medical Center, where management acknowledged in public that Kaiser and the SEIU had been secretly bargaining over the layoffs since June. If this is true, the SEIU has been operating in direct contradiction to the much heralded Employment and Income Security Agreement negotiated by the union leaders, while asking their members to protest impending layoffs that they have already agreed to accept.

So far, the SEIU leadership has feebly proposed its own alternatives to the layoffs: voluntary severance pay, job shifting and various efficiency measures.

One Kaiser worker, Lola Jones, was quoted at length in a recent issue of *California Healthcare*: "My concern is if Kaiser is meeting with the unions about considering layoffs, why is it that the workers have *not* been informed by their *union leaders* about this?!"

"What this basically tells me and my fellow workers is that SEIU and Kaiser Permanente are making behind-the-door deals and not honoring our contract that clearly states the proper steps labor and management will have to take before a *layoff* can possibly happen!! How can people be laid off in a union organization and we have not been notified by our union this is going to happen? What are we paying union dues for?!"

Kaiser Permanente workers on the picket lines expressed their concerns, not only for their livelihoods, but also for the welfare of their patients.

Last Thursday in Panorama City, one of the poorest districts

in Los Angeles's San Fernando Valley, about 70 workers braved triple-digit temperatures for a spirited demonstration outside the giant Kaiser Permanente compound. They chanted slogans such as "Kaiser wants cutbacks—We say fight back" and "Quality health care is a right—We're Ready to Fight."

Picketer Nancy Stengel, a Kaiser health care worker, told the WSWS, "The issues here are that Kaiser Permanente is doing a reduction in force, which affects health care, which affects our patients. If we don't have the staff, who's going to take care of the patients when they come in? The workload is great as it is...."

"Kaiser and the union negotiated a 'job security' agreement, which includes an incentive program for voluntary retirement. So there are different programs out there that are going to benefit the workers that are close to retirement, but the ones that are not close to retirement, it's not real helpful. So they have a year to find a position before they're laid off.

"What they're saying is, 'You have a year to find a position, and if you don't find a position, then you're out at the end of the year,' and we're saying that Kaiser's made a lot of money—they doubled the money they made last year. So, why are they escorting so many people out the door?"

Nancy added, "I think we need to have a universal health care system. We need to have a system because our system is broken. That's our problem. We have to do something about the pharmaceuticals charging money that's just unreal.

"I think they need to start doing talks with the actual workers, not so much the companies, the CEOs, the pharmaceuticals. They need to sit down with individual workers and people out there who are fighting for health care. They need to start listening to the ones that do the job and the ones that need the health care. And if they do, they'll 'get it.' They've really got to listen to us.

"Health care shouldn't be a privilege, it should be a right!"

Commenting on some of the conditions she confronts, she said, "I see the interests of my patients.... My patients have to make the decision: are we going to eat this week or are we going to get our meds? But they shouldn't have to make that decision. And that bothers me, when my patients have to figure out how am I going to eat, how am I going to pay my rent, and what about my medicine?"

Verna Hampton is a cashier/receptionist in the ob/gyn department. She collects the money from Kaiser patients when they come in for their appointments.

"I know members that have received their notices, and it's devastating. Kaiser made \$610 million last year, double the revenue that they made (the year before). And there is absolutely no reason why positions should be eliminated.

"They're doing it because they're greedy. It's really sad. They're not thinking about our members. It's going to affect

direct patient care. They're impacting departments! So you can't have it both ways.

"We're going to do this (pickets) twice a week for the next five weeks until Kaiser pushes back from laying our members off."

Ernesto Ruelas also spoke to the WSWS in Spanish:

"I am here because people are being let go unjustly. They laid people off without giving any warning. It was not based on seniority. It was done randomly. Even people who had been working here for 15-20 years were let go; they were thrown out. But there are going to be more layoffs, between 1,700 and 1,800.

"Some have been told that they will lose their jobs in one to three months."

Referring to the Obama administration, Mr. Ruelas said, "What he's doing is impacting us, because all he's doing is giving hospitals more time to look for excuses to lay people off or declare themselves insolvent so they can fire us.

"I wouldn't be able to explain it very well, but they [Kaiser] are noticing the help the government is giving the corporations. They, too, want to declare bankruptcy, or fake that they're going bankrupt in order to get government aid. But we are the ones who'll have to pay for the broken dishes."

He felt handing over trillions of dollars to Wall Street was unjust. "We need money for education. It's our future. However, the money is going to things that don't have any purpose or future.

"The Democratic Party was all right, but right now it seems like it has its hands in the till and is not doing anything for us. It's trying to play innocent with us now."

The determination of the rank and file to fight the layoffs at Kaiser stands in sharp contrast to the backroom dealings of the union leadership. The SEIU is one of the biggest supporters of the Democratic Party and the Obama administration and its planned overhaul of the US health care system. These plans include cuts to the Medicare and Medicaid programs and reductions in care for the vast majority of Americans, while protecting the profits of the health care conglomerates.



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact