# Michigan Medicine demands nurses accept pay package that is half the rate of inflation

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With the June 30 contract expiration just four weeks away, Michigan Medicine management has made it clear it intends to force through attacks on the pay and staffing levels of the 6,000 nurses who work for the University of Michigan-affiliated hospital system.

The hospital administration said it had hoped to have a tentative agreement by May 20, but that date came and went without a resolution of the major issues facing nurses. Instead, on May 16, Michigan Medicine presented a package of contract terms which would result in a reduction in real income for nurses and does not address the chronic understaffing throughout the Ann Arbor-based health system.

Management proposed annual wage increases for RNs of 5 percent, 4 percent, 4 percent and 3 percent across four years, along with a one-time $1,000 “lump sum” to be paid in 2023. If the current inflation rate of 8.3 percent were to hold over the next four years, these raises would lead to an effective pay reduction of between 4 and 5 percent annually.

The proposed wage cut comes after the May 19 U-M Board of Regents vote to approve spending up to $15 million for work on the 14,000-square-foot home of the university president, which would make it one of the most expensive renovations for a public university president's residence in the country.

UM spokesman Rick Fitzgerald said the cost of the renovation, which is equivalent to $2,500 apiece for every nurse at Michigan Medicine, is being paid with income from investments. “The board wanted to be sure that adequate funding was provided for this project,” Fitzgerald said. There is no such concern to provide “adequate funding” for nurses who provide life-saving health care services.

But the nurses’ union, University of Michigan Professional Nurses Council (UMPNC), which is affiliated with Michigan Nurses Association (MNA), is leading nurses into a blind alley by telling them to appeal to this same board for a decent raise, by turning out in large numbes for the next regents’ meeting on June 16, only two weeks before the expiration of the contract.

In a May 20 bargaining update from the MNA-UMPNC, the nurses union said that management’s wage proposal for Nurse Practitioners (NPs) contained an offer of salaries that are $10,000 to $25,000 less than Physician Assistants (PAs).

The union said, “In their own statements, Michigan Medicine acknowledges that NPs and PAs do comparable work and yet brought a shameful offer that has egregiously disproportionate rates of pay.” According to a study of national trends by the University of St. Augustine, the wages of NPs and PAs are within $1,000 of each other across the country, yet Michigan Medicine “management has chosen to disrespect the profession of Nurse Practitioners with this insulting offer.”

On May 20, Nancy May, Chief Nurse Executive at the University of Michigan Health System—who has an annual salary of $454,480—published a communication asserting that management has proposed no changes to nurses in the Central Staffing Resources (CSR) unit. However, on May 12, a proposal was submitted during bargaining containing language that would remove the guarantee that an appropriate number of CSR nurses would be maintained based on “variable needs.”

If this change were to be accepted by nurses, it would mean further staffing shortages and exacerbate the already dire situation throughout the health care system. The May 20 communication also made it clear that management is offering no solution to the staffing crisis. Committing themselves to nothing, management claimed, “We spent time this week continuing to explore ways that Michigan Medicine can ensure we have staff available to meet patient care needs, while also enabling our nurses to have a work/life balance.”

In other words, while negotiations have been taking place daily for three weeks, there is still no proposal or plan to resolve the number one workplace issue facing nurses at Michigan Medicine.

Additionally, even in the face of what the union itself states is an “insulting” and “shameful” offer, the strategy

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and posture of the MNA-UMPNC has been to block the mass mobilization of hospital staff and to advance an impotent policy of appealing to management and the University of Michigan Board of Regents to be more humane.

The drive for ever-greater profit, however, is an absolute barrier to the rational allocation of financial and human resources, which is required to provide adequate staffing levels and quality care to patients.

Michigan Medicine is one of the largest health care systems in the state. This major US academic medical center has $1 billion in cash reserves and is earning profit margins of as much as 6.5 percent on revenue of more than $5 billion each year. While the hospital administration is demanding that nurses accept a paltry pay increase that will take two years to catch up to the current inflation rate, the top 25 executives at Michigan Medicine earn a combined income of $16,781,466, or an average of $671,258 each.

Rather than mobilize the strength of tens of thousands of Michigan Medicine employees, who all face the same issues as nurses whether they are doctors or support staff, the MNA-UMPNC is calling on union members to participate in a toothless petition drive to the Board of Regents. It is an absurdity to believe that petitioning the board, which includes prominent Detroit business figures, such as Denise Ilitch, daughter of the late billionaire founder of Little Caesar's pizza, Mike Ilitch, will have any impact on the issues facing nurses.

Proof of this fact was demonstrated at the Board of Regents May 19 meeting, the same one that approved the $15 million renovation of the president's mansion. Nurses and families of patients gave stark descriptions of the conditions in the Michigan Medical facilities, including being forced to work 16-hour shifts and then return without adequate sleep for another shift 8 hours later.

One nurse in a surgical intensive care unit who spoke at the meeting said, "Michigan Medicine is not doing enough to retain or hire both nurses or support staff, and those who have been there have been overburdened. Some of us have been there the entire time. I've been in the room when people have died from COVID. … A lot of nurses are going to work at other places because it's more lucrative. My unit alone has had 24 percent of its highly trained and experienced staff leave over the last fiscal year. The executive staff response to the staffing issue has been both patronizing and to blame it on absenteeism."

MNA-UMPNC President Rene Curtis spoke at the meeting and said, "Put yourself in the shoes of nurses. … Please acknowledge our sacrifices with more than words. We need safe working conditions, safe for our nurses and safe for our patients to whom we are devoted. Your nurses and your patients deserve no less."

But the executives who run Michigan Medicine are not and never will be in the shoes of nurses. Instead, they look at them not a professional caregivers who require adequate pay and resources but as sources of profit. The *less* nurses get, the more profit they generate.

The MNA-UMPNC president's pathetic appeal fell on deaf ears. Instead, the chair of the Michigan Medicine subcommittee spoke for the board of regents, muttering some patronizing phrases thanking the nurses "for all of your amazing hard work," before declaring that the Board of Regents was "not involved at the negotiating table" and adjourned the meeting.

The meeting was followed immediately by an even harder line from Michigan Medicine. Despite this, the union is instructing nurses to go back to the Board of Regents for more of the same at the next meeting on June 16. As the phrase goes, "The definition of insanity ..."

Appeals to the conscience of corporate management will go nowhere. Nurses at Michigan Medicine, like workers throughout the entire health care system, are locked in an irreconcilable struggle to defend their interests and the interests of their patients, against the owners and executives who place profits and wealth accumulation about everything else in society.

That is why nurses should follow the lead of their brothers and sisters across the country and form rank-and-file committees of nurses and other hospital employees that will take the conduct of the struggle out of the hands of the union. This committee can then elaborate a plan of action and draw up demands that meet the needs of nurses and staff instead of the financial interests of Michigan Medicine and the other corporations in the health care industry.

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