

# Why is the nurses' union at Michigan Medicine appealing to the UM Board of Regents?

By Esther Galen  
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*Are you a nurse or health care worker at Michigan Medicine? Contact the WSWs Health Care Workers Newsletter using the form at the end of this article. What are the main issues you face at your workplace? What do you think needs to be done? All submissions will be kept anonymous.*

From the start, the Michigan Nurses Association-UM Professional Nurse Council (MNA-UMPNC) has admitted that the University of Michigan is taking a hard line against the nurses. Despite this, all of the MNA-UMPNC activities have been aimed at directing nurses to make appeals to Democratic and Republican politicians and the UM Board of Regents.

The union urged members to collect and send petitions to the university leadership asking for fair bargaining. In another fruitless activity, the union brought nurses to Board of Regents meetings in May, June and July. The union has not called a strike vote or appealed to other Michigan Medicine workers for a united fight against the hospital management.

## Who are the Regents?

The Regents hold the contract with the Michigan Nurses Association-University of Michigan Professional Nurse Council. They have “general supervision” of the institution and “the control and direction of all expenditures from the institution’s funds (Michigan Constitution).” Democratic and Republican candidates run for election to the board and serve for nine years. As the list below shows, most are lawyers and businessmen. All are wealthy, with incomes that place them entirely outside the world of nurses, who work long hours for inadequate salaries and benefits.

\* Jordan B. Acker (Dem)

Former attorney-adviser to Secretary Janet Napolitano at the Department of Homeland Security working on cyber, immigration and other “homeland security” issues. Member of his family’s law business, Goodman Acker PC.

\* Michael J. Behm (Dem)

President and owner of the law firm Behm & Behm. Chairperson of Business Forward Michigan.

\* Mark J. Bernstein (Dem)

President and managing partner of The Sam Bernstein Law Firm, PLLC, with over 100 employees and two office locations.

\* Paul W. Brown (Dem)

A managing partner at eLab Ventures, a venture capital firm headquartered in Michigan, with offices in Silicon Valley. Previously, vice president of capital markets at the Michigan Economic Development

Corporation (MEDC). On the board of Wolverine Mutual Insurance Company.

\* Sarah Hubbard (Rep)

Vice-chair of the Board of Regents. Former official of the Detroit Regional Chamber of Commerce, then Republican lobbyist in Lansing. As an undergraduate, helped reestablish the University of Michigan Equestrian Team.

\* Denise Ilitch (Dem)

Owner of Ilitch Family Companies, president of Ilitch Enterprises, LLC, daughter of billionaire Little Caesar’s founder Mike Ilitch.

\* Ron Weiser (Rep)

Former state chairman of the Republican Party. Founded McKinley Associates Inc., a national real estate investment company. Served as its chairman and chief executive officer until 2001. From 2001 to 2005, under President George W. Bush, served as US ambassador to the Slovak Republic.

\* Katherine E. White (Dem)

A member of the corporate boards of directors of Old National Bancorp as well as Alta Equipment Group, Inc. Brigadier general in the Army National Guard, currently serving as the deputy commander of the 46th Military Police Command in Lansing.

## What is the “management rights” agreement between the union and the Regents?

Most nurses probably have not seen the “Agreement between the Regents of the University of Michigan and the Michigan Nurses Association and The University of Michigan Professional Nurse Council,” dated October 10, 2018. It establishes that the university is the boss and that the unions accept a managerial dictatorship in the workplace:

ARTICLE 2 (MANAGEMENT RIGHTS) states:

“All management rights and functions, except those which are clearly and expressly abridged by this Agreement, shall remain vested exclusively in the University. Such rights and functions include, but are not limited to:

(1) full and exclusive control of the management of the University, the supervision of all operations, the methods, processes, means and personnel by which any and all work will be performed, the control of property and the composition, assignment, direction and determination of the size and type of its working forces;

(2) the right to determine the work to be done and the standards to be met by employees covered by this Agreement;

(3) the right to change or introduce new operations, methods, processes,

means or facilities, and the right to determine whether and to what extent work shall be performed by employees;

(4) the right to hire, establish and change work schedules, set hours of work, establish, eliminate or change classifications, assign, transfer, promote, demote, release and lay off employees;

(5) the right to determine the qualifications of employees, and to suspend, discipline and discharge employees for cause and otherwise to maintain an orderly, effective and efficient operation.

“Wage slavery” (Karl Marx) is an apt term to describe what the union has agreed to.

### **Michigan Medicine is raking in money**

Michigan Medicine, with vast financial resources, nonetheless refuses to offer a contract that will provide nurses with wage increases to keep up with inflation, end mandatory overtime and employ enough nurses to ensure patient safety.

The hospital is enormously profitable. Michigan Medicine reported a 6.5 percent (\$339.8 million) operating margin for fiscal year 2021. The wealth of the University of Michigan, the “parent company” but also a public institution, improved by \$5 billion in FY 2021 to \$19.5 billion, primarily due to investment returns as financial markets experienced tremendous growth.

Bloomberg News issued a report last month titled “University endowments brace for losses with private equity values tumbling.” It noted that the richest schools—which included UM—had the largest share of their endowments invested not in traditional stock and bond markets, but in riskier but more lucrative private firms, which do not make their financial position known to the public. The University of Michigan has 42 percent of its endowment holdings invested in such private companies.

Bloomberg stated, “Public records show that state schools work with some of the biggest hedge funds, venture capital and private equity firms.” As the economic crisis has intensified this year, with soaring inflation and a decline in financial markets, the university has sought to make up for its investment declines through cuts in spending on nurses and other medical staff.

### **The University of Michigan is a capitalist enterprise**

These financial arrangements show how, even though it is a “public” university, UM is a part of the capitalist profit system. In their agreement with the union, the Regents are very open about stating their role in imposing the awful conditions under which nurses suffer.

The university allows the union to “bargain” for workers as long as the union helps it stay one of the richest universities in the US. That wealth increases the more the university can increase the nurses’ workload and slash wages, even if it creates unsafe conditions for nurses and patients.

There is an incestuous relationship between UM executives and regents, and wealthy donors who contribute large sums to the university. These donors reap tax benefits, but also much more.

A *Detroit Free Press* investigation published February 1, 2018, headlined “University of Michigan Pours Billions into Funds Run by Contributors’ Firms,” states:

“Executives at some of the nation’s top investment firms donated hundreds of millions of dollars to the University of Michigan while the university invested as much as \$4 billion in those companies’ funds...

“Records show the University of Michigan invested in companies at the time owned or co-led by at least four of its nine current committee members [the Investment Advisory Committee]... On top of working capital, their companies, based on industry practice, likely charged millions of dollars in fees and profit-sharing as a price for managing the university’s money; exact figures remain secret.”

Time after time, the Regents voted unanimously to support the private investments worth billions of dollars in companies run by donors, just as they voted to pay the new university president millions, making him the highest paid public official in Michigan.

The *Free Press* published a follow-up investigation on September 14, 2018, reporting: “Wealthy alumni who have sway over the University of Michigan’s \$11-billion endowment have given thousands in campaign donations to members of the university’s governing board.

“A review of state records shows that two members of the university’s elected Board of Regents accepted in total nearly \$30,000 in campaign contributions from donors associated with funds receiving UM investments. In addition, a family who helps guide the university’s investment strategy contributed more than \$29,000 to the board’s longest-serving member.

“A university spokeswoman denied that ‘there has been any wrongdoing on the part of the university or members of our Board of Regents in how we interact with our donors or manage the university’s investments’.”

Obviously, these arrangements continue.

### **The union “strategy” is bankrupt and deliberately misleads nurses**

That’s why the “actions” called by the union are just for show and to convince workers that they have no power. The capitalist system benefits the Regents, as it does the union bureaucrats, with MNA Executive Director Janelle James enjoying an annual compensation of \$188,105.

A dozen executives and board members of the MNA make six-figure incomes. They have nothing in common with rank-and-file nurses, who come home stressed and exhausted and have to worry about paying bills, as inflation eats into their paychecks.

The nurses at Michigan Medicine have been working without a contract since July 1. Month after month, year after year, their union has been collecting dues, supposedly to “represent” them.

The nurses’ union local, the University of Michigan Professional Nurse Council, is part of the Michigan Nurses Association, the state’s largest union representing registered nurses and health care professionals. Nurses at Michigan Medicine pay dues to the MNA of \$62.03 per month, or \$744.36 per year. In addition, they pay dues to the local (amount not specified on the membership form).

Some \$4,615,000 from 6,200 Michigan Medicine nurses’ paychecks go to the MNA each year in the form of dues.

Nurses have a right to ask: Where is this money going? Is the union using the money to fight for them?

The answer is obvious, and nurses must draw the necessary conclusions.

We urge nurses to form a Michigan Medicine rank-and-file committee, independent of the pro-management union, to unite nurses with the rest of the staff in a common fight for decent working conditions and wages, and proper safety standards.

Nurses should demand an immediate strike vote. We suggest they adopt the following contract demands:

- A pay increase of 10 percent per year, plus cost-of-living adjustments (COLA) on a monthly basis so that wages keep up with rising inflation.
- Safe nurse-to-patient ratios. Hire more nurses and support staff. The

hospital must improve conditions so nurses can ensure their own health and safety and that of their patients.

- Halt mandatory overtime and extended on-call hours. Nurses deserve a quality of life that is free from 16-hour shifts and being on-call all hours of the day and night.

- Upgrade protections against COVID-19 and Monkeypox. New and more dangerous COVID variants are rising. Nurses need sufficient PPE, facility upgrades and proper procedures to ensure their health and safety on the job and to protect the health of their patients.



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