



An Important Message From

Bernard J. Tyson

Chairman and Chief Executive Officer

As you know, yesterday our nation celebrated Labor Day. Historically Kaiser Permanente has celebrated this day with accolades of our long track record and outstanding relationship with labor and the continuation of a long-standing tradition of positive labor relations. We formed the Labor Management Partnership with the Coalition of Kaiser Permanente Unions more than 25 years ago, and it has served as our model for partnership, agreements, and working together.

Today, we are unique among employers and proud that we have 16 international unions whose locals represent over 165,000 of our employees through 60 contracts across the organization.

I watched and listened to the Service Employees International Union-United Healthcare Workers leadership hijack the airwaves, deliver a false narrative, and misconstrue what is really happening within negotiations between the Coalition/SEIU-UHW and Kaiser Permanente.

To set the record straight, the leadership of SEIU-UHW caused the split of the Coalition of Kaiser Permanente Unions. Nine of the 12 international unions that made up the Coalition of Kaiser Permanente Unions severed their relationship from the Coalition after several years of conflict related to control of the Coalition and SEIU-UHW's destructive behavior toward Kaiser Permanente. Here are the facts:

- **These 9 international unions, through their union locals, immediately created the new Alliance of Health Care Unions and formed a new partnership with Kaiser Permanente. In addition, they hired Peter DiCicco, the original founding leader and architect of the Coalition of Kaiser Permanente Unions and one of the architects of the Labor Management Partnership.**
- **This new Alliance of Health Care Unions represents 49,000 Kaiser Permanente employees.**
- **The remaining Coalition now has 3 international unions, representing 83,000 Kaiser Permanente employees. Of the 83,000 Kaiser Permanente employees in the Coalition, 68,000 are represented by SEIU-UHW.**

I am very pleased that we have formed a new partnership with the Alliance and that as our partnership continues, we will work together toward the future success of Kaiser Permanente. In addition, we successfully reached a new contract agreement that will keep our employees among the best paid in the market and allow us to balance future raises against our commitment to greater affordability for our members and customers.

Our leadership will continue bargaining with Coalition/SEIU-UHW leadership so we can reach an agreement — hopefully before the end of the month. We know our current proposal is fair, balanced, and consistent with what we have agreed to with the Alliance and the dozens of other agreements we have negotiated with our unions over the past year. As the Coalition/SEIU-UHW leadership is well aware: we hope SEIU-UHW has an ongoing interest in reestablishing a partnership with us into the future. Kaiser Permanente has put multiple options on the table for Coalition/SEIU-UHW leadership to consider and we remain open to these options within the established parameters consistent with all our 60 unions.

Throughout our history, Kaiser Permanente has always sought to work collaboratively with unions representing our employees. Today, more than 165,000 of our employees are represented by 16 international unions — divided into 60 locals, consisting of 60 contracts with Kaiser Permanente. No other company in the country has this number of international unions within its organization. We have managed these relationships throughout our history and will continue our commitment to positive relationships in the future.

We continue to be known as one of the best employers in the health care industry and one of the most labor-friendly organizations of its kind. We are very motivated to reach an agreement, but it must be aligned with our affordability agenda and aligned with our other agreements reached with our partner unions.

Going forward, we will respond more definitively to allegations against our organization's stellar brand and reputation. We have not lost our way. In fact, many say **we are the way** to high-quality, accessible, and affordable care and coverage. We have an incredible workforce and will always treat them with dignity and respect, along with offering market competitive wages and benefits fit for the times.

Thank you.



Bernard J. Tyson

Chairman and CEO of Kaiser Foundation Health Plan, Inc. and Hospitals