

December 13, 2013

Dian Palmer, President SEIU Healthcare Wisconsin 4513 Vernon Blvd. Madison, WI 53705

Marty Beil, Executive Director, Wisconsin State Employees Union 8033 Excelsior Drive, Suite A Madison, WI 53717

Dear Ms. Palmer and Mr. Beil:

This letter will respond to your requests to engage in further discussions about the future of our relationship after UWHC's current collective bargaining agreements with your organizations expire.

As you know, as a result of the 2011 Act 10 Legislation, UWHC cannot engage in either formal or informal collective bargaining negotiations with labor unions.

The leadership of UWHC is not responsible for the Act 10 Legislation; however, now that Act 10 is Wisconsin Law we are bound by its provisions and will not engage in activities that violate the spirit and intent of the law.

You have acknowledged that you recognize and appreciate the impact Act 10 will have on the nature of the relationship your respective organizations currently have with UWHC. Though we all seem to have a clear understanding of the impact of Act 10, your organizations continue to demand that UWHC act in a manner that is contrary to the intent of this legislation after the current collective bargaining agreements with your organizations expire.

For example, the recent petition your organizations delivered to the Authority Board requested that UWHC continue to "recognize the unions as the voice of our employees, and to commit to continue policies embodied in collective bargaining agreements." This is something UWHC leaders do not believe is consistent with the letter and spirit of Act 10.

Unfortunately, your repeated attempts to pressure UWHC through a negative public image campaign (i.e. 5000 Strong) to accomplish what you could not achieve through the legislative process, could negatively impact the community's perception of UWHC and the very employees you say you want to protect.

We understand and appreciate your concern for your current members at UWHC. However, you must acknowledge that UWHC treats all of our employees (represented and non-represented) fairly and with respect. We understand that our employees are the backbone of our organization and are the key to important achievements like our Magnet® recognition, which signifies an important accomplishment for UWHC staff nurses and Administrators alike.

Our commitment to UWHC employees is embodied in our **Act 10 Transition Plan**, in which we have articulated our commitments to employees related to economics, staffing and scheduling, and employee voice, and through which we continue our commitment to work directly with employees to advance only the highest standards in care delivery and work environment.

The Future Relationship between UWHC and Outside Labor Unions

That fact that Act 10 prohibits UWHC from recognizing your organizations as the legal collective bargaining representatives for our employees after the current contracts expire is indisputable. The only question that remains is what kind of relationship UWHC *will* have with your organizations in the future.

In attempting to convince us to continue recognizing your organizations you have continuously cited the example of Dane County (and the fact that the County Board of Supervisors has chosen to voluntarily continue their relationship with your organizations). However, Act 10's impact on UWHC varies from other employers (i.e. school districts, municipalities, etc.), in that Act 10 explicitly prohibits UWHC from continuing to engage in collective bargaining with labor unions after our current contracts expire.

Our leadership team is willing to explore any reasonable proposal that involves transforming our current relationship but only if it fits our unique role as UWHC. Furthermore, any future relationship between our organizations must be informal and not predicated on UWHC recognizing your organizations as collective bargaining representatives for our employees.

Finally, if the goal of our organizations (your and ours) is to forge a positive *new* relationship that benefits UWHC, our employees and the communities we serve - it goes without saying that your organization should cease any attempt to mislead the employees and the community through the use of negative public image tactics.

I hope you will thoughtfully consider this reply. I look forward to your response and to a productive discussion about how to transform our relationship in a positive direction for the benefit of UWHC, our employees and the community of Dane County.

Sincerely,

Donna Katen-Bahensky

President and CEO