



Before the House Committee on Business and Labor  
Support for Senate Bill 1040

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May 10, 2017

On behalf of Kaiser Permanente Northwest (KPNW), I am writing in support of SB 1040, which codifies the current federal law in Oregon statute and protects the right of employers and labor organizations to enter into union security agreements. KPNW has union security agreements in place with over seven labor unions whose members serve our patients and are valuable partners in our team-based care. Union security agreements help to establish a base line of trust between labor and the employer, and in KPNW's experience can improve patient care.

In 1997, Kaiser Permanente (KP) and the Coalition of Kaiser Permanente Unions developed a joint strategy to lead organizational change, create an environment of continuous learning and improvement, and involve the workforce in decision making. Jointly led by KP and the coalition, it is the largest, longest-running and most comprehensive labor management partnership (LMP) in the United States. We have spread workplace innovation and delivered measurable service, quality and operational results for KP members and patients—all while making KP one of the best places to work. Our partnership covers 115,000 union-represented workers in all KP regions, 14,000 managers and 19,000 physicians.

As a not-for-profit health organization, we are always seeking to utilize our budget in the most efficient manner possible. Our LMP programs have had a positive impact on the care and quality we can deliver to the public we serve. The LMP cultivates unit based teams who have taken on projects that focus on reducing waste and improving affordability. These projects are estimated to have saved \$35 million to \$40 million dollars just in 2015.

In KPNW and other KP regions around the country, each member of the LMP participates to improve quality of care and is a valuable member of our care team. This partnership relies on a shared mission and trust and has resulted in a track record of saving dollars and patient lives in the northwest. KPNW supports SB 1040 to codify the current laws under the National Labor Relations Act in Oregon. This creates stability for us as an employer. Most importantly, it ensures we will be able to continue to operate and maintain our LMP to provide the quality of care our members deserve.

Thank you