Dear Colleague,

For more than a year, UC has worked diligently to reach an agreement with the American Federation of State, County and Municipal Employees (AFSCME) for you and your patient care colleagues. We have offered AFSCME leaders very fair contract proposals; AFSCME rejected them. We even came up with alternative pension reform proposals; AFSCME rejected these too. We have negotiated in good faith throughout the entire bargaining process, which has included state-assisted mediation.

As you know, AFSCME held a two-day strike in May at all five UC medical centers and student health centers. We believe this decision was unfair to the people we are here to serve. We want to thank the overwhelming number of employees who put their patients first and crossed the picket line to come to work.

In our view, this strike was not about patient care, but about AFSCME leadership’s objection to reasonable pension reform — reform that protects the long-term viability of UC’s retirement program so it continues to deliver quality benefits to you and your colleagues when you retire. Eight other unions representing 14 distinct units have agreed to these reforms, which also apply to non-unionized faculty and staff. The reforms are similar to what the state has implemented for other state employees.

In late June, AFSCME leaders requested to meet with UC on July 11, and stated the union would have new proposals to present on pension benefits. At that meeting, the union discussed an arrangement that would give more of an advantage to AFSCME employees than other UC employees. We declined this idea because we believe it would be fundamentally unfair to give the members of one union a better arrangement than that available to members of other unions, as well as non-represented staff.

At this point, we believe that circumstances remain fundamentally unchanged and that an agreement with AFSCME is not forthcoming. Therefore, we are implementing our latest proposal, as we are legally entitled to do.

We would have preferred to reach a settlement, but this implementation provides our patient care staff with fair wage increases and good benefits now, rather than forcing them to wait through stalled negotiations.

We have implemented the following changes for you and your patient care colleagues:

- A guaranteed step increase of 2 percent for eligible employees on or about July 1, 2013 and a guaranteed wage increase of 1.5 percent on or about Oct. 1, 2013. This is in addition to wage increases patient care employees received in each of the last two years.

- The 2013 medical, dental and vision benefits and contribution rates for employees and their families. These excellent benefits are the same as for other UC employees.

- Attractive pension and retiree health benefits, and implementation of UC’s post-employment benefits program which includes:
  - Employees hired before July 1, 2013: UC’s contribution increases from 10 percent now to 12 percent, and employee contributions rise from 5 percent now to 6.5 percent.
• Employees hired on or after July 1, 2013 will receive a slightly modified tier of pension benefits. **This new tier does not apply to employees hired before July 1.**
• Revised eligibility rules for retiree healthcare.

• A paid time off program (PTO) at UC Davis, UC Irvine, UCLA and UCSF medical centers, where it currently applies to non-represented employees. PTO combines vacation and sick leave into one leave bank that allows the employee greater flexibility in using his/her paid leave.

We believe these wages and benefits are fair and responsible. UC is providing pay increases, quality health care benefits, and attractive pension and retiree health benefits that few public and private employers offer. Importantly, our pension reforms protect the financial future of UC’s retirement programs for both current and future workers.

Additional information about negotiations with AFSCME and UC’s proposals is available at [http://ucal.us/PatientCareTechs](http://ucal.us/PatientCareTechs). If you have questions, please contact your local Labor Relations Office at 831.459.2017.

Lastly, thank you for all you do here at UCSC, and for your dedication and service to the people of California. We deeply value your many contributions.

Sincerely,

Renee Mayne

Senior Manager, Employee and Labor Relations