



UCSF Benioff Children's Hospital
Oakland

Office of the President

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Administration
747 52nd Street
Oakland, CA 94609

Office: (510) 428-3051
Fax: (415) 514-3523
nicholas.holmes@ucsf.edu

Councilmember Igor Tregub
Berkeley City Councilmember
District 4, City of Berkeley
2180 Milvia St, Berkeley, CA 94704

Dear Councilmember Tregub,

Thank you for reaching out regarding the workforce integration of UCSF Benioff Children's Hospitals. We share your commitment to the stability, growth, and well-being of our employees and recognize the important role union representation plays in supporting them. Since 2014, UCSF has been investing in enhanced health services at Benioff Children's Hospital Oakland, and our workforce is critical to delivering quality care to children and families every day.

UCSF Health's integration of BCH Oakland is focused on delivering even better health care for Oakland's children. Before integration, BCH Oakland and UCSF's broader pediatric system operated separately, leading to unnecessary barriers for families – from redundant systems to fragmented referrals. Integration eliminates these hurdles by unifying call centers, aligning clinical pathways, and simplifying access to care. East Bay families should not have to navigate two systems to schedule appointments and receive the care their children need. Integration ensures they don't face these challenges and allows us to expand the services available to the East Bay community.

Expanding and Improving Health Care. This integration is critical to delivering UCSF's \$1.6 billion investment in BCH Oakland, which will modernize facilities, expand services, and strengthen the hospital's role as a leading center for pediatric care in the East Bay for decades to come. But the future requires more than new buildings; it requires a unified system of care, operations, and workforce support.

Please allow me to correct a few misconceptions:

1. **Integration will strip workers of their current union representation and contract protections under NUHW**

Response: When employees transitioned to UC employment on July 6, they joined the public-sector UC system and the UC-wide labor structure. This result is required by California law and PERB precedent and it is consistent with how other transitions—such as UCSF Health's acquisition of Saint Francis and St. Mary's—have been handled. Employees are now represented by AFSCME, UPTI, Teamsters, CNA, and CRI/SEIU.

2. **Integration will force more than 1,200 employees to switch unions without consent, despite a recent third-party election where 98% of participants voted to remain with NUHW**

Response:

UCSF Health first affiliated with BCH Oakland in 2014, becoming its sole member and assuming key governance and leadership responsibilities. This transition has been years in the making and is guided by legal, financial, and operational frameworks within the UC system. As part of this integration, employees at UCSF Benioff Children's Hospital Oakland have transitioned to UC employment, joining the same public-sector unions that represent their colleagues across the Bay and thousands of public employees across California. This transition supports long-term growth, aligns our teams under a single system, and strengthens our ability to serve children and families with high-quality, coordinated care.

3. **Integration will result in average annual take-home pay cuts of \$10,000 and, in some cases, exceeding \$30,000, due to higher healthcare premiums and reduced retirement benefits**

Response:

Salaries are not being reduced. Some employees may see changes in take-home pay because UC benefits are structured differently, with employees sharing in the cost of retirement and health coverage. Because the University of California is a state institution, the employee pension contribution is consistent with public agencies across the state. All BCH Oakland employees will transition to a more valuable retirement plan with a benefit that is at least 56% more per year of service than their current benefits.

Supporting Our Workforce Through this Transition with Valuable Benefits. We recognize that transitions on this scale can be challenging. That's why UCSF Health is making real investments to support our Oakland workforce, including a \$2,200 one-time transition payment, recognition of prior service for retirement benefits, and reciprocity between pension plans.

Moreover, the integration plan connects employees to more valuable long-term benefits available through UCSF Health, including access to broader health plan options, and participation in performance-based bonuses through the UCSF Health Incentive Award Program (IAP). Integration also provides enhanced retirement security with portable contributions, earlier retirement eligibility, and lifetime retiree health insurance coverage for eligible employees.

4. **Integration will erode worker morale and retention, leading to potential early retirements, resignations, and a diminished pool of experienced caregivers**

Response:

Nearly all employees have chosen to remain through integration. A federal judge declined the union's request for a temporary restraining order to stop the transition. Following that decision, the National Union of Healthcare Workers

(NUHW) ended its open-ended strike, and employees returned to work on June 30.

Despite NUHW's efforts to discourage participation, nearly all the 2,800 impacted employees have signed their UC employment packets, officially joining the University of California today. Recognizing the long-term intent of the affiliation, NUWH previously negotiated severance provisions in the event of a transition of this nature. As of today, only a small number of employees have elected to take that severance.

Integration strengthens the hospital's ability to retain and attract top talent. Joining UCSF provides employees access to a more valuable pension, expanded benefits, and the support of a world-class academic health system, all of which make UCSF one of the most attractive healthcare employers in the state and the country.

This financial and operational stability is critical to retaining skilled staff and ensuring continuity of care for the families who rely on BCH Oakland. UCSF Health has among the lowest clinical turnover rates in the nation—a reflection of the environment we strive to create for our teams.

5. Integration threatens pediatric healthcare access for East Bay residents by making it easier for UCSF to centralize services in San Francisco.

Response:

Integration is about expanding pediatric services in the East Bay—not moving them. No one is being forced to work in San Francisco. Work location assignments are governed by collective bargaining agreements. Terms around floating, reassignment, and job location are defined in union contracts and cannot be changed unilaterally. Integration will not increase workload or add travel to San Francisco for BCH Oakland staff.

UCSF Health is proud to invest in Oakland's future, proud to strengthen pediatric services across the Bay Area, and proud to support both our patients and our people through this next chapter.

We look forward to working with you and our partners across the East Bay to make this vision a reality.

Sincerely,



Nicholas Holmes, MD, MBA
President, UCSF Benioff Children's Hospitals
Senior Vice President, Children's Services, UCSF Health