

FOR IMMEDIATE RELEASE

Sparrow statement

LANSING, MI – Sparrow Hospital has met with MNA/PECSH 18 times since negotiations began on July 28 and significant progress is being made on a number of issues. We continue to bargain in good faith to reach an agreement that is good for patients, caregivers, the community and Sparrow.

Sparrow Hospital remains focused on reaching an agreement that continues to provide competitive wages and benefits to help attract and retain our caregivers.

Some facts about the negotiations and Sparrow’s commitment to our caregivers:

- Currently, Sparrow Hospital has a Memo of Understanding with MNA/PECSH to provide full-time RNs a \$10,000 lump sum bonus for working an extra 12-hour shift each week for eight weeks. Approximately 170 RNs are participating in this program.
- Sparrow Hospital continues to offer bonus shifts at time-and-one-half, plus up to an additional \$20 an hour. Using the average pay rate of an RN, this equates to \$75 per hour.
- Sparrow Hospital has spent \$22 million on overtime, on-call and premium pay for caregivers this year, and nearly \$300 million in overall salary costs, both up by about 10 percent.
- We are grateful to our nurses and all of our caregivers who have stepped up to take care of our patients during the pandemic.
- Sparrow Hospital’s supply costs have risen by 30 percent, or \$25 million, since 2019.
- Sparrow Hospital lost in excess of \$31 million in 2020, this was after receiving substantial federal and state relief funds. Sparrow expects to post an operating loss in 2021 as well.
- While the informational picketing is taking place next week, Sparrow Hospital will continue to operate as usual. The picketing will not interrupt or affect patient care in any way and our patients can continue to rely on us for the high-quality care they are used to receiving.
- Sparrow has the highest respect for all our caregivers, and we value them and the work they do every day to care for patients and families. Like health systems across the country, we continue navigating staffing challenges but remain committed to staffing ratios that are

consistent with, or better than, peer hospitals and meet or exceed legislation mandating caregiver staffing ratios in other states.

- Sparrow has made several proposals to help improve our staffing. We continue to post, approve and interview for positions. We also recruit and retain caregivers by participating in dozens of career fairs each year, recruit at schools around the state, and offer referral, sign-on retention bonuses.
- Sparrow is experiencing increasing healthcare premiums in all of our health care plans, similar to many other employers in the State of Michigan. Sparrow has proposed that in 2022, MNA members continue to pay the same percentage share of the premium as in their current contract.
- Sparrow continually evaluates its wages and benefits to ensure that we are competitive with other similar health systems within the State of Michigan. MNA-represented caregivers receive a competitive compensation and benefit package and we are committed to keeping it that way.

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Sparrow is Mid-Michigan's premier healthcare organization and includes hospitals in Lansing, Carson City, Charlotte, Ionia and St. Johns, as well as Physicians Health Plan, Sparrow Care Network, Sparrow Medical Group, the Michigan Athletic Club, and ALIVE. Sparrow is affiliated with Michigan Medicine through the Sparrow Children's Center and with Michigan State University's three human health colleges. Through these partnerships and the dedication of our 10,000 Caregivers, Sparrow pursues a vision to be nationally recognized as a leader in quality and Patient experience. For more information, visit Sparrow.org.