



Media Statement

SENIOR LIVING NONPROFIT, SAINT THERESE, COMMENTS ON POTENTIAL STRIKE AT NURSING HOMES

President & CEO provides updates on actions nonprofit has taken

Saint Louis Park, Minn. (February 22, 2024) – Following the announcement on Tuesday afternoon of a potential strike of union healthcare workers at Saint Therese of New Hope and six other Twin Cities nursing homes on March 5, Saint Therese President & CEO Craig Abbott issued the following statement about the efforts the nonprofit organization has undertaken to improve pay, benefits and the overall employee experience for its team members.

“The mission of Saint Therese is ‘to do ordinary things with extraordinary love,’ and our Minnesota-based nonprofit has been focused, and worked tirelessly, on building an environment that promotes faith-based, person-centered care and support, enabling all we serve to live well. We’ve not only centered our efforts on exemplary care and service for our residents, but we’ve also been hyper-focused on ensuring that Saint Therese is a great place to work.

To that end, for the past 18 months we have proactively invested millions in improving wages and benefits at all of our senior living communities, including a special emphasis at our New Hope campus, which has the largest employee base and has membership in the SEIU Union.

Saint Therese, like all providers across the State, 100 percent supports livable wages, comprehensive benefit offerings and safe work settings that ensures a high quality of life for our seniors, families and valued employees. During the 2023 legislative session, we joined providers from across the State of Minnesota in efforts to create long term solutions aimed at paying our workers a livable wage.

Despite our industry's tireless efforts, the Legislature chose to provide only one-time funding to support our nursing homes. In short, the temporary resources are insufficient to pay for the cost of ongoing wages and benefits. It's unfortunate that the unions chose not to align efforts with the provider community as part of these rigorous efforts.

Given these realities and presumed legislative outcomes, and our deep care and support for our caregivers, Saint Therese took proactive steps starting in July 2022. Here are a few of the specific actions we have taken and investments we have made as an organization over the past 18 months:

- In July 2022, well in advance of this recent union action and months ahead of the 2023 legislative session, we formed an internal workforce advisory council, including employees and union members, to work on initiatives aimed at enhancing our employee experience.
- Starting in October 2022, Saint Therese invested \$7.5 million annually across our organization to improve wages and benefits. At New Hope alone, that investment was in excess of \$3 million. We've had to lean on our limited and depleting reserves for this investment, as our industry has yet to receive tangible long-term funding solutions from the State of Minnesota.
- In October 2022, our frontline workers received, on average, a 31 percent average wage increase, exclusive of bonuses. At our New Hope campus, on average, we pay our nursing assistants \$24.26 per hour.
- Saint Therese offers a comprehensive health and benefits plan, of which we contribute, on average, 75 percent of the total premium cost. Additionally, we have and continue to offer robust retirement benefits and in late 2022 Saint Therese proactively increased the employee contribution amount up to eight percent with a four percent employer match. To be clear, these benefits are something Saint Therese offers to all of our employees; they are not offered or paid for by the SEIU for its members in the bargaining unit at New Hope.
- We value professional and personal balance for our workforce and have modified our Paid Time Off program by empowering our employees to use their Paid Time Off either for time off or for their own economic purposes.
- Even during an industry-wide workforce shortage, we haven't relied on a supplemental staffing agency for nursing assistants for more than a year at our New Hope community. While the

Minnesota statewide caregiver vacancy rate in Minnesota is roughly 20 percent; the current staff vacancy rate across all Saint Therese communities is four percent.

- Finally, we are proud to maintain a 5-Star rating from CMS for our staffing levels at our New Hope campus. Our staffing levels have been, and continue to be, above the state averages and above the contemplated federal staffing mandates. And our staff turnover is below the national and state averages.
- Those investments don't end there as we continue to invest resources ensuring that we stay competitive in this dynamic marketplace.

Unfortunately, and in spite of the countless hours devoted to enhancing our employee experience and the significant financial investments that Saint Therese has made, a strike action may occur. While sensitive and understanding of these concerns, we have been, and continue to be, focusing significant time, energy and financial resources to ensure that we are doing the right thing for our valued team members.

We have been in negotiations with the union for more than seven months, and given ongoing posturing and unrealistic demands, we knew that a strike could potentially result. For that reason, we have developed detailed plans to ensure the care of our residents is not affected by a strike. Because, as always, the care of our residents is our top priority.”

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About Saint Therese: Founded in 1964, Saint Therese prides itself on its rich tradition of providing exceptional care for seniors in and around Minneapolis-St. Paul. It has locations and services in New Hope, Brooklyn Park, Woodbury, a new location in Corcoran (opening in 2024), IHM Senior Living Community in Monroe, Mich and Ascend Rehabilitation (our rehabilitation therapy, health and wellness division). Most communities provide the full continuum of care from independent living, assisted living, memory care, skilled nursing and transitional care. It also has a location specializing in hospice and palliative care in Shoreview. It is a nonprofit, 501(c)(3) senior care organization.

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