



April 29, 2005

**To Employees of Whittier Hospital Medical Center:**

Prior to AHMC Whittier Hospital Medical Center LP's purchase of the Hospital, Tenet entered into an agreement with the California Nurses Association (CNA) which provided that a model collective bargaining agreement would become applicable to the RN's if CNA were to win an election among the RN's.

Thereafter, in a private election between Tenet and CNA, which did not involve the National Labor Relations Board (NLRB), CNA won such election by a majority of those RN's voting (but not by a majority of the entire bargaining unit), and Tenet granted recognition to CNA and implemented the previously agreed-upon model collective bargaining agreement.


When we bought the Hospital from Tenet, we agreed to be bound by agreements between Tenet and CNA. Subsequently, however, the principal attorney for the NLRB, the General Counsel, took the positions that such a pre-recognition agreement as was entered into between Tenet and CNA constituted unlawful assistance to unions and that recognition could lawfully be granted without an NLRB election only if a union were to get support of a majority of the entire bargaining unit. We have now been told that the NLRB, consistent with the positions taken by the General Counsel, has either issued, or intends to issue, a complaint against CNA, specifically because CNA failed to obtain support of a majority of the entire bargaining unit.

As a consequence, both because of the unlawful assistance provided CNA and SEIU when Tenet agreed to the model collective bargaining agreement and because of CNA's lack of majority support of the bargaining unit at the private election, our Hospital intends to withdraw recognition from CNA and to discontinue application of the model collective bargaining agreement.

Similarly, the election objections from the non-RN professional unit vote under review by an arbitrator is unlawful. Therefore, further discussions with SEIU regarding the arbitration resulting from objections to the non-RN professional employee election will be discontinued.

We will keep you informed of material developments as they occur, but please rest assured that the Hospital's goal is to continue to provide competitive wages, benefits, and other conditions of employment to its employees.

Sincerely,

  
Howard M. Ternes  
Acting Chief Executive Officer

9080 Colima Road, Whittier, CA 90605  
Tel: (562) 945-3561