

HOSPITAL
ADMINISTRATION
ORAL HISTORY
COLLECTION

Lewis E. Weeks Series

William A. Rothman

WILLIAM A. ROTHMAN

In First Person: An Oral History

Lewis E. Weeks
Editor

HOSPITAL ADMINISTRATION ORAL HISTORY COLLECTION
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William A. Rothman

CHRONOLOGY

1930 born November 24, Highland Park, MI

1952 University of Michigan, B.A., Geography

1955 Maimonides Hospital, Brooklyn
 Resident in Hospital Administration

1956-1957 Maimonides Hospital, Brooklyn
 Administrative Assistant

1956 Columbia University, M.S., Hospital Administration

1957-1960 Sinai Hospital of Detroit
 Assistant Director

1960-1965 Metropolitan Hospital, Detroit
 Assistant Director

1965-1972 Metropolitan Hospital, Detroit
 Associate Administrator

1972-1973 Metropolitan Hospital, Detroit
 Administrator

1973-1979 Metropolitan Hospital and Metropolitan Hospital West
 Executive Administrator

1979-1981 Metropolitan Hospitals, Detroit and Westland, MI
 Senior Administrator

1982- Gaylord Hospital, Wallingford, CT
 Executive Vice President

MEMBERSHIPS & AFFILIATIONS

American College of Hospital Administrators

Fellow

American Hospital Association

Member

Consultant on Hospital Maintenance Organizations, 1979-1982

Governing Council of the Assembly of Ambulatory and Home Care
Services, 1978-1980

American Public Health Association

Fellow

Association of University Programs in Health Administration

Member

Columbia University, School of Public Health

Preceptor, 1976-1979

Connecticut Association of Rehabilitation Facilities

Member; Board of Directors, Member, 1982-

Connecticut Hospital Association

Member

Detroit Hearing and Speech Center

Member; Board of Directors, Member, 1975-1982; Treasurer, 1977-1982;

Vice President, 1978-1980; President, 1980-1981

Greater Detroit Area Hospital Council

Greater Detroit Area Hospital Personnel Association, Liaison Officer
1962-1963

MEMBERSHIPS & AFFILIATIONS

(continued)

Greater Detroit Area Hospital Credit Association, Liaison Officer
1968-1971

Department Head Coordinating Committee, 1962-1963 and 1968-1971, Member
Association Services subcommittee, 1972-1981, Member

Ad Hoc Committee on Affiliate Associations, 1973-1981, Member

Association Services Budget Committee, 1973-1981, Member

Budget and Finance Committee, 1974-1981, Member

Community Relations Committee, 1974-1982, Chairman

Group Health Association of America

Member; Board of Directors, 1973-1975, Member; Education and
Research Advisory Committee, 1975, Member

Highland Park (MI) College

Health Education Advisory Committee, 1972-1974, Member

Licensed Nursing Home Administrator (Michigan and Connecticut)

Medical Group Management Association

Member

Michigan Hospital Association

Legislative Committee, 1970-1971, Member; Committee on Financing Ambulatory
Care Services, Member; Committee on Psychiatric and Mental Health
Services, 1977-1980, Member

Michigan League for Nursing

Steering Committee for Southeastern Michigan 1966-1977, Member,

MEMBERSHIPS & AFFILIATIONS

(continued)

State Finance Committee, 1966-1977, Member
Michigan Public Health Association
House of Delegates, 1973-1982, Member
Michigan, State of,
HMO Ad Hoc Advisory Committee, 1975
State HMO Commission, 1975-1979
Michigan, University of, School of Public Health
Non-Resident Lecturer and Preceptor, Department of Medical Care
Organization, 1972-82, and Department of Hospital Administration,
1972-1979.
Missouri, University of, Graduate Studies in Health Services
Management, Preceptor
Pittsburgh, University of, School of Public Health, Program in
Hospital Administration, 1971-, Preceptor
Virginia Park Citizens Service Corporation (Detroit)
Advisory Board, 1981-1982, Member
Wayne State University School of Medicine, Department of Community
Medicine, 1974-1982, Adjunct Assistant Professor

BOOKS

A Bibliography of Collective Bargaining in Hospitals and Related Facilities, 1959-1969. Ann Arbor: Institute of Labor and Industrial Relations, 1970.

A Bibliography of Collective Bargaining in Hospitals and Related Facilities, 1969-1971. Ann Arbor: Institute of Labor and Industrial Relations, 1972.

A Bibliography of Collective Bargaining in Hospitals and Related Facilities, 1972-1974. Ithaca, NY: New York State School of Industrial and Labor Relations, Cornell University, 1976.

A Bibliography of Collective Bargaining in Hospitals and Related Facilities, 1975-1978. Springfield, VA: National Technical Information Service, 1980.

Strikes in Health Care. Owings Mills, MD: National Health Law Publishing Company, 1983.

Interviewing for a Career in Health Care. Troy, MI: Hampton Press, 1983.

WEEKS:

Mr. Rothman, I hope we can talk about union activities in hospitals, but before we get started on that, I was looking at your CV and I began to wonder how you happened to decide to go into the health field. I noticed that you took your baccalaureate at Michigan in geography and the next thing I knew you were going to Columbia University to take hospital administration.

ROTHMAN:

There is something missing. I was also pre-med and in those days, one could not really be certain of getting into medical school. I guess you still can't. The requirements, strangely enough, were almost identical for an earth science major as for pre-med. As a matter of fact, I think there was more science needed for earth sciences than there were for pre-med. And that happened to be something that I was interested in.

When I got out of undergraduate school, I applied to medical school and I went to Wayne Medical School. I didn't like it. I quit. The other thing that had occurred to me in the interim was hospital administration. So I quit

medical school and I went to Sinai Hospital as sort of...an internship kind of thing, just to see how hospitals might operate.

The director of Sinai, Dr. Priver, gave me odd things to do to become acquainted with how a hospital operates and to see if I would like administration. I then applied for a hospital administration program and got accepted to Columbia. That's the missing part.

WEEKS:

Was Clement Clay there at that time?

ROTHMAN:

Dr. Clay came during my second year. Dr. Barnett, E. Dwight Barnett, was there.

WEEKS:

I wondered. I don't know Dr. Clay although I have seen him at meetings and heard him and so forth. Gary Filerman of AUPHA spoke very highly of him.

ROTHMAN:

Yes, he was a nice fellow. He became head of the program I think the year after I graduated. He was teaching the last year I was there.

WEEKS:

I sometimes try to connect things, you know.

Then you went to Maimonides as a resident?

ROTHMAN:

As a resident and they hired me as Assistant Administrator.

WEEKS:

Was there any union activity there at that time?

ROTHMAN:

Yes. Maimonides Hospital had a contract with the teamsters union. As far

as I can recall, it was the only health care institution in New York City that was unionized. (Outside of the city system, anyway.) It had been unionized during the war. New York State had a law that non-profit institutions were exempt from unionization. The NLRA had a similar section in it too.

But the board and the administration at the hospital had no problems with the union.

WEEKS:

You just raised a point there in talking about the National Labor Relations Act, up until '74. Was there something in that Act that also relieved these hospitals of unionization?

ROTHMAN:

You mean if you were unionized?

WEEKS:

No. I knew that the National Labor Relations Act didn't apply and the minimum wage, I guess, didn't apply. But was there anything that would prevent unionization in not-for-profit hospitals?

ROTHMAN:

Yes. It specifically excluded it.

WEEKS:

This is what I thought you said and I wanted to stress this.

ROTHMAN:

Yes. Absolutely, it specifically excluded non-profit institutions.

WEEKS:

I was wondering how 1199 got started. A few years later they were pretty strong there.

ROTHMAN:

Right. I don't know whether you read that part of my book but it got started at Maimonides during the time I was there.

That particular time was the McCarthy era. The Teamsters' union was labeled as being Communistic. There was a hue and cry about this all over the country. As I said the employees at Maimonides were members of the Teamsters. There was a fellow named Elliot Godoff who worked at Maimonides as a pharmacist. Elliot belonged to RWDSU. The employees, I guess, got together and decided they wanted to decertify from the Teamsters. At the same time Elliot told them about RWDSU and they said "We want to go into RWDSU because it's already in the health care type of field."

The hospital received what we would now call a notice of decertification, indicating the employees desired to drop out of the Teamsters and join the RWDSU. The hospital had the choice at the time, under the law, of saying it's okay with us if you drop the Teamsters--there is nothing we can do about that--but we have the choice of saying "yes" or "no" to a new union because of the exemption under NLRA and the New York exemption.

So the employees were really taking a risk at this decision. Because of the good relationships that the hospital had had with the Teamsters we couldn't see anything wrong with okaying the employees to join another union.

I think if you look historically, interestingly enough, at how unions got started in the large city hospitals, most of the time it appears--I haven't really sat down and charted that thing--most of the time it appears to have started in the Jewish hospital. I think there is a significance to that in that the people who were represented on the boards at Jewish hospitals were more liberal than other hospitals and accepted this.

So anyway, the Board accepted the employees moving from the Teamsters to

1199 (RWDSU). As I recall, we didn't even have a vote. We probably should have to be sure a majority of the employees agreed.

Then we got a telephone call followed by a telegram from the Teamsters threatening to strike the hospital if the hospital recognized this move by the employees. Our legal counsel at the hospital said it would be an illegal strike if they did this and you don't have to do anything about the Teamsters other than to say okay we accept that the employees want to get out of that union. And so the Board voted to accept the RWDSU and to ignore the threat of the Teamsters. Well, the Teamsters never struck. I guess they sent the telegram to scare us.

So the employees joined RWDSU which ultimately became the 1199 branch. I don't remember if it started out as a Local 1199 or it was melded into this.

WEEKS:

I have been told that it did, but I am not sure.

ROTHMAN:

I don't....I sort of recall that it became 1199 shortly afterwards but maybe they did set it up as 1199. That is how they got into the hospital business.

WEEKS:

I was smiling when you were talking because I raised the question with Victor Gotbaum, with whom I talked last month, about -- after reading your book -- I noticed that many of the strikes were in Jewish hospitals. I told him that I had interviewed Anne Somers sometime before and I discovered that in her youth, after she got out of Vassar, she worked in a sweat shop and finally had gotten into the International Ladies Garment Workers Union, Dubinsky's group. The point that she made was that these early leaders who

were mostly all Jewish, were very socially conscious. This was behind most of their drive and their demands -- the social betterment.

Then I said to Gotbaum, "Is it possible that the unions worked on the Jewish hospitals because they thought that they might respond much better than the non-Jewish, the Gentiles." I don't know whether he thought of that or not but he said it was quite possible.

ROTHMAN:

But if you look at other places throughout the country, it appears anyway, superficially, that the Jewish hospitals were amongst the first to be organized. Whether it is a coincidence or not, I don't know. But it seems that way.

There seems to be a difference here in Detroit, of course. In Detroit, Sinai is one of the non-unionized hospitals. However, when I worked at Sinai Hospital, we were willing to have a union. We had talked in the administration of what would we do if the union came. There was really no anti-union feelings at all--at least in the management.

WEEKS:

They just weren't going out and inviting them in.

ROTHMAN:

And they didn't come.

WEEKS:

That is an interesting point.

Then from Maimonides you went to Sinai here. You just answered the question I was going to ask -- whether there were any unions there when you came.

ROTHMAN:

Not a one.

WEEKS:

By the way, was Max Osnos....

ROTHMAN:

Oh, sure. Max was on the Board. He was president of the Board at Sinai. He was president of the Board at Metropolitan.

WEEKS:

Is he still alive?

ROTHMAN:

Yes. He called me, as a matter of fact, a number of weeks ago.

WEEKS:

I used to work for him years ago, back in the 1940s, when Sam's was one of the leading department stores in town. In fact, I was a union member while I was with him. He was friendly to unions.

ROTHMAN:

Oh, yes he was. Very much so. That is why he was on the board of Metropolitan Hospital. He was put on that board--Metropolitan was a UAW organization really--and Walter Reuther, who was on the board of directors, hadn't really gotten the hospital going, and he put Max on that board as a liberal businessman who was pro-union.

Max, apparently during the sit-down strikes--I think particularly the one in Flint, the big one--once supplied the employees with mattresses and so on.

WEEKS:

I didn't know that. I was working for him about that time too. I was there about thirteen years with him.

ROTHMAN:

Max did that. That would have been in the late 1930s.

WEEKS:

I left there in '47. I didn't know that but I'm not surprised, knowing Max Osnos. He raised a lot of money for Sinai too, didn't he?

ROTHMAN:

Oh, yes.

WEEKS:

That was during the time I was there, when they were raising money. I remember he also helped save the symphony too, you know.

ROTHMAN:

That I didn't know.

WEEKS:

Oh, yes.

ROTHMAN:

I knew he was on the Board of the symphony.

WEEKS:

Sam's fostered Sunday evening concerts by the symphony and the money they paid helped save the symphony. A lot of people looked down their nose at Sam's Cut Rate supporting the symphony. But Max was very liberal....We had fringe benefits there before anybody else did.

ROTHMAN:

I can imagine...He's been very sick.

WEEKS:

Has he? He must be in his early eighties now, isn't he? ... or middle eighties. If you ever talk to him, say "hello" for me. I don't know whether he will remember me or not but I think he will. I learned a great deal

working for him.

ROTHMAN:

That's really how I got introduced into the unions.

I started working at Maimonides, I was still going to school, of course. The way Columbia worked at that time, you went to their program and then in the middle you took your residency and then you came back. Well, Maimonides hired me after my residency so I was working there and going to school simultaneously. This union move began afterwards but I got tossed into running the personnel department at the hospital. I had never been in a personnel department before except to apply for a job. But one day Dr. Katzive who was the administrator told me that I was now the personnel director -- he had fired the personnel director. So I had to take charge of that department. And that is how I really got involved in the whole union business. That's how my interest was sparked, really.

That was the first time I had ever been in negotiations and the first time I had ever really dealt with union leaders.

WEEKS:

That certainly was good preparation for you later....

ROTHMAN:

Absolutely.

WEEKS:

How did you happen to go over to Metropolitan?

ROTHMAN:

Well, what happened there was that one day the medical staff at Sinai Hospital had their annual meeting and they invited as their speaker Dr. Sy Axelrod from the School of Public Health in Ann Arbor. Sy gave a talk about a

new health care delivery process which seemed to be looming on the horizon -- prepaid medical care--it's actually now called HMOs. He described how the system operated.

I had had some small exposure to this at Maimonides Hospital where there was an HIP group. I hadn't known at the time that that was a bad thing, you see! We got along very well also at Maimonides with the HIP people. They were just another bunch of doctors that were good physicians and had their patients in the hospital.

Anyway, Sy talked about this at the medical staff annual meeting and it sounded really interesting to me. So I made an appointment with Sy in Ann Arbor and went up and talked some more about it to him. I said, "Gee, this really sounds good. How does one break into this kind of business?"

He said, "Well, there just happens to be one that's going to start in Detroit."

And he gave me the name of Dr. Len Rosenfeld who had been appointed director of Metropolitan Hospital which was going to be the service branch of the Community Health Association. I made an appointment with Dr. Rosenfeld to just find out some more about how this business worked. He asked me if I was interested in an administrative position at Metropolitan Hospital. I said, "Sure."

I was the lucky candidate that got appointed to the job. That was in 1960. That is how I got into the prepaid medical care business. I was there for twenty-one years.

WEEKS:

Rosenfeld is now down in North Carolina, isn't he?

ROTHMAN:

Yes. He is a professor in health care administration at North Carolina and he is retiring, I guess, tomorrow.

WEEKS:

Is that right? He is one man I have on my list that I would like to talk with sometime. He's had quite a varied career, hasn't he?

ROTHMAN:

Yes, he has.

WEEKS:

My memory of Metropolitan Hospital--I've been trying to think over the last two days what the name of it used to be -- it used to be a tuberculosis center and chest hospital and there used to be a famous chest doctor there by the name of Dr. Hudson. Was his name still around?

ROTHMAN:

No. It doesn't ring a bell.

WEEKS:

In fact, my father-in-law died in that hospital of TB. Metropolitan Hospital....was this owned by the HMO?

ROTHMAN:

No. Metropolitan Hospital was set up as a 501(C)3 institution with its own board of directors. A regular community hospital structure. However, the board really consisted of UAW officials or individuals sympathetic to the UAW like Max Osnos, for example. It was a separate entity from the UAW. The way it got started really was a health care institute adjacent to Solidarity House.

WEEKS:

On East Jefferson?

ROTHMAN:

On East Jefferson in Detroit, which had its own full-time physicians and that group of physicians did physical examinations on UAW members and were paid for by the UAW. Then when Walter Reuther wanted to establish what we call an HMO, he had certain fundamental principles that he wanted to follow. It was established as a combination of the United Mine Workers program, the Kaiser plan and the Saskatchewan Health Plan. He sort of combined the best features of all of those.

Part of the basic premise was that there should be a full-time group of physicians employed on salary, connected with a hospital. So it was only natural that this group of physicians from the Health Care Institute would then form the nucleus of the group that was going to take care of the HMO patients because most of the HMO patients, initially, were going to be UAW members anyhow. So there was that relationship.

So the physicians moved over to Metropolitan Hospital from Health Institute. Metro was purchased by the UAW via a loan from Nationwide Insurance Company. The UAW loaned dollars to the hospital to remodel it into an outpatient and a general hospital. Then the medical staff provided the basic medical care for the members of the HMO--actually the hospital started out before the HMO did and continued that medical care program with the UAW membership. They had individual contracts with different locals to do those physicals and then if some pathology was found and the patient wanted some follow-up of whatever it was that was found at the physical, then the followup care was given on a fee-for-service basis by those physicians.

Then shortly after that--I guess it was five years...the hospital started in 1955 and it was in 1960 when the first CHA patients came into the hospital. That's the point at which the physicians themselves changed to the

HMO type of structure.

WEEKS:

When did it become an option, say, versus Blue Cross as an example?

ROTHMAN:

You mean for the UAW?

WEEKS:

Yes.

ROTHMAN:

The first large group of members in CHA came in on January 1, 1961. The first people who joined were the employees of CHA and Metropolitan Hospital...2000 members or something like that in July, 1960. But there was something like 12,000 people who became members on January 1, '61.

WEEKS:

So when this was set up...of course this would affect mostly Detroit area people...did the union set up any other HMOs around?

ROTHMAN:

The UAW? No.

WEEKS:

As I recall, this started out, as you have just told me, with a board appointed by whom? Did the union appoint the board?

ROTHMAN:

The board of the hospital? You must remember that the HMO was a separate entity from the hospital.

WEEKS:

I see. The hospital had a board and the HMO had a board.

ROTHMAN:

Right. There was some duplication.

WEEKS:

Which board set the general policy? Or the policies for the HMO were set by the HMO board?

ROTHMAN:

That's right and for the hospital by the hospital board. As I say there was some duplication of members.

WEEKS:

But in other words, the hospital acted as an arm of the HMO and probably carried out the general policies of the HMO.

ROTHMAN:

Well, the hospital had a contract with the HMO because much of the reimbursement of the hospital depended on the HMO. It was obviously a close relationship always between the two and it still is.

WEEKS:

Did the hospital take any outside patients?

ROTHMAN:

Oh, sure.

WEEKS:

So you were operating as a hospital and contracting with the HMO for their patients.

ROTHMAN:

Right. It started out that most of the patients were fee-for-service patients and when I left there last year probably 75% of the patients were HMO patients and 25% fee-for-service. Of those 25%, a large percentage of them had been HMO members and for one reason or another, changing jobs, losing

jobs, and whatnot, didn't have HMO membership any more but continued to use the physicians in the hospital for their medical care on a fee-for-service basis.

WEEKS:

In other words, you had a medical staff that was partly HMO and partly private practice then.

ROTHMAN:

That's right.

WEEKS:

This worked out all right? As far as the staff operation is concerned?

ROTHMAN:

Yes. Oh, sure. That really wasn't any difficulty.

WEEKS:

But your HMO physicians were salaried.

ROTHMAN:

All of the physicians were salaried.

WEEKS:

Even the private physicians?

ROTHMAN:

No, but the private physicians played a very minor role in that hospital.

They gradually disappeared and there was really just full-time and consulting staff.

WEEKS:

You have to forgive me for asking all of these obvious questions. They must seem obvious to you, the answers at least. When a physician worked for the HMO, he could also take on private patients?

ROTHMAN:

No.

WEEKS:

No? I'm just wondering where these private patients came from.

ROTHMAN:

They just came from anywhere. They wanted to have an appointment with a physician at Metropolitan Hospital. But if you were to call up and make an appointment and if you were not an HMO patient, then it was fee-for-service.

WEEKS:

So the monies all went to the hospital? And the doctors worked on salary.

ROTHMAN:

Yes.

WEEKS:

Now in the back of my mind somewhere, it seems to me that I can remember hearing that the HMO was run by, we'll say its own management, but after a while...did Blue Cross take over that?

ROTHMAN:

Yes. They took over the HMO. It went through three stages. It started out as CHA, then it became the Metro Health Plan of Blue Cross/Blue Shield, and then a few years ago, it became the Health Alliance Plan....a separate entity. It really evolved through three stages. Metropolitan Hospital stayed the same until three years ago when they became part of...well, became managed by Henry Ford Hospital.

WEEKS:

They have a management contract, do they?

ROTHMAN:

That's right.

WEEKS:

It seems to me there is a satellite in Westland, is it?

ROTHMAN:

There is a satellite hospital. There are a number of clinics too.

WEEKS:

Is there any connection between that and the Henry Ford Hospital satellites?

ROTHMAN:

Not the satellites, per se, but all of the satellites belong to Metropolitan Hospital and there is a management contract at Metropolitan Hospital with Henry Ford Hospital, so....

WEEKS:

Then Henry Ford Hospital has its own satellites?

What prompted this management contract of Henry Ford, do you think?

ROTHMAN:

When the Health Alliance Plan was formed, it was formed as a coalition of interests of the UAW, Metropolitan Hospital, Henry Ford Hospital, and the Ford Motor Company. Ford Motor Company had commissioned a feasibility study done by Kaiser Family Services on whether Ford Motor should start its own HMO. Kaiser came back and said that it would not be a viable kind of operation unless the UAW and Metropolitan Hospital were in on any new kind of movement, because of the strength of the UAW within the Detroit metropolitan area.

So in order to get a program going, it was a compromise that this new structure would take place.

WEEKS:

I wonder why Ford Motor Company wanted to go into the HMO business?

ROTHMAN:

Because they had such good experience across the country.

WEEKS:

Was it reducing their costs?

ROTHMAN:

It was reducing their costs. It was reducing the lengths of times their employees were off work. And they generally had a very favorable experience with it and it was good business.

WEEKS:

So, these forces got together and it would be natural for Ford Motor Company to turn to Ford Hospital, I suppose, for management advice.

ROTHMAN:

They deny that it's the same organization. Henry Ford II was president of Henry Ford Hospital. You can't get too much closer. There is that tie.

WEEKS:

Where does Sy Axelrod enter the picture? Didn't he have something to do with the HMO a few years ago?

ROTHMAN:

No. He was medical director of another HMO in town. My daughter took her residency there. CHS--Comprehensive Health Services of Detroit.

WEEKS:

What was that composed of mostly? What was that group?

ROTHMAN:

An IPA type HMO.

WEEKS:

Where did they get their membership? Any particular group?

ROTHMAN:

Most of their members are Medicare or are Medicaid. It is a viable HMO.

WEEKS:

When you were at Metropolitan with that HMO, did you have Medicaid enrollees?

ROTHMAN:

Not until the last three or four years.

WEEKS:

Has this proven to be a good thing for the government?

ROTHMAN:

No question in my mind that it sure has.

WEEKS:

How about the people themselves, the beneficiaries, do they have better access to care this way?

ROTHMAN:

I think it is the way to go.

WEEKS:

It would seem to me. I don't know whether it's possible for Medicare, under certain circumstances, to be enrolled too, isn't it?

ROTHMAN:

Oh, sure. You can have a ratio of Medicare enrollees. Most of the HMOs until just recently have shied away from that because of the reimbursement problems.

WEEKS:

Of course we are right in the midst of a great change there too....new

Medicare laws are something nobody quite understands, or knows what is going to happen.

I guess we ought to talk about your unions. When did it all begin?

ROTHMAN:

I went there in 1960 and that is when the first union started at Metro. It was OPEIU. (It was OEIU at that time.) When I came the overtures had already been made to the employees and obviously management, the board of directors, did not discourage people from joining unions (unlike most other hospitals). A vote was taken through the state labor mediation board. There was OPEIU and there was another union which I can't remember -- I think it was AFSCME -- and no union. OPEIU won overwhelmingly. That was for the non-professional employees. It was essentially the clerical staff and the housekeeping staff, maintenance workers, aides--diet aides, nurse aides, housekeeping aides--the whole level of non-professional employees.

The first contract was in 1960. Shortly after that, five or six years or so, the practical nurses got organized in what was an independent union which, if I recall, became the Michigan Licensed Practical Nurses Association. That was just for the LPNs. The RNs organized around the same time through the MNA which is a branch of ANA. Then the laboratory and x-ray technicians started an independent union. Then the International Plant Guard Workers signed up the security force.

The physicians never formed a union. Though the relationship of the physicians to the hospital was such that I think that if you really wanted to superimpose the provisions of the NLRA on what the doctors were doing, the doctors were essentially a union too.

WEEKS:

Was there any house staff there?

ROTHMAN:

There was a house staff, yes. But they were not unionized. House staff disappeared after three or four years. Right now there is no house staff.

WEEKS:

This all happened before. Did you have a strike before '75?

ROTHMAN:

No.

WEEKS:

The three week strike was in '75, as I remember.

ROTHMAN:

Right. No there was no strike prior to that time. That was the only strike they had ever had at the hospital.

WEEKS:

The reason I remembered it was because of the NLRB amendments in '74 which lengthened the structure.

ROTHMAN:

You are right because section 8G played an important part in the strike.

WEEKS:

Would you like to describe the strike? How it came about, and what you did about it, and how you entered into it.

ROTHMAN:

Yes. It was an unfortunate occurrence.

We never had any problems between the administration and the union prior to that. Around 1973 or 1974 the union leadership was dominated by people who belonged to the Socialist Labor Party. There was a young lady who was an

employee at the hospital who was chairman of the union and (allegedly) belonged to the Socialist Labor Party. There was a fellow who had worked at the UAW and had either been discharged from the UAW or had some kind of battle with them. He became the business manager of Local 42 of OPEIU. So he had a personal vendetta against the UAW.

When the contract was being renegotiated, and there was nothing that was going to stop them from attempting to embarrass the UAW. It was one of those situations where no matter what management was willing to offer in negotiations, they wanted to have a strike. So if, let us say, they would come in with fifty pages worth of demands and the administration would say "Fine, you can have them all," then they would come in with another fifty pages. Just so that ultimately they could go on strike.

So it was obvious that there was nothing that was going to stop the workers from going out. And these two individuals, very bright people, knew their constituency very well, knew how to get them aroused to the point of going on strike--put out all kinds of scurrilous underground literature and so on--all of course unsigned. They were bound and determined to have a strike and they had a strike.

It went into mediation. Mr. Tanzman, who is retired as the head of the local federal mediation service, handled the mediation. The employees actually ended up with less than we had originally offered them. The hospital got along very well during the strike. The interesting thing I think that happened that really showed the union that they had done the wrong thing was that they had expected that the UAW patients would honor the picket lines and would be sympathetic to the union. It didn't work that way.

We had more patients coming to the outpatient department than we normally

did. Normally there was a pretty high failure rate for the outpatient services. We had almost no failure rate during that strike. We had people cross the picket lines. As a matter of fact, as I remember, Doug Fraser even came in for something. The general attitude of the members of the HMO was: "We're sick, we're going to get care." And "What this union is asking for is ridiculous and you shouldn't be striking a health care institution anyhow. Particularly one that is ours..."

WEEKS:

You spoke of mediation. Did they go through the regular steps, with regular notices and everything?

ROTHMAN:

As I mentioned before, section 8G played a role in this because they really made a mistake with the notice. They gave 10 days notice that they were going on strike. However, they didn't give 10 days notice that they were going to picket. And 8G is pretty specific in saying that both of them required notice. So we filed an unfair labor practice charge based on it. The strike ended before any unfair labor practice charges were heard on either side. So we don't know the outcome of what would have happened on that. And of course, this was just at the time that NLRA was amended. So it might have been fun to see what the interpretation would have been. That happened in August of '74 and the strike was in the spring of '75.

There were innumerable arbitration hearings and lots of grievances came out of this strike mostly on recall. They were heard not through the courts but via regular arbitration channels. Like all multiple arbitration cases--things that came in simultaneously--half of them went to the hospital and half of them went to the union.

WEEKS:

Did all of the people go out when they struck?

ROTHMAN:

All of the OPEIU People went out with the exception of the boiler operators. The union gave the boiler operators permission to continue working.

WEEKS:

How about your in-patient census? Did that go down?

ROTHMAN:

Yes. We did that deliberately. As I remember, we closed one floor of the hospital in order to consolidate our forces.

WEEKS:

What did you do about provision of food and housekeeping services and all of that sort of thing?

ROTHMAN:

Most of what is in my book is what we did, as a matter of fact. We stocked up on everything. We had a contingency plan specifically for that strike. We stocked up on food and non-perishable things. During the strike we delivered many of our own supplies. Some of the vendors delivered to us--dairy products and perishables were delivered, as I remember--for the most part by vendors--in the middle of the night. But we drove our own trucks and we rented U-Hauls to deliver other items such as laundry.

WEEKS:

Where did you get the workers to take of these things?

ROTHMAN:

We had our own transportation system for the non-striking employees. The supervisory/administrative staff pitched in to cover for those out on strike.

I swept floors. I was in the housekeeping department.

WEEKS:

As I remember, you made one point in your book about the contingency plan--I think you were suggesting that the contingency plan was sort of a sensitive area--that you didn't want to be too obvious about putting your contingency plan into effect before the strike because this would be sort of signalling the fact that you expected a strike, and that you didn't care whether they struck or not.

ROTHMAN:

Well, the details of the contingency plan we weren't broadcasting. We thought it was important for the employees to know that we had a contingency plan and that something was going to be done and that we anticipated the place would still run.

WEEKS:

Couldn't shut it down.

ROTHMAN:

Right. And that we full anticipated operating. There are legal ramifications for when and what you do before a strike. We were not going to hire scabs, and we didn't. We had volunteers. My kids worked, for example. And families of other members of the administration volunteered. Our volunteer service did not work, as a matter of fact. And we specifically did not want them to work. I think in another situation we probably would have wanted them to be there and a lot of them probably would have. But being a UAW institution, we didn't think that that was particularly right. It worked out very well, I must say. I wouldn't want to run a hospital like that all of the time, however!

WEEKS:

When you were speaking about the nurses having a contract through the Michigan Nurses Association...was that at the time when Mrs. Guy was there?

ROTHMAN:

Yes. Joan Guy was the president.

WEEKS:

I talked with her a month or so ago and she said that she thought that they had been a party to about 55 different contracts throughout the state for nurses. What did you find in negotiating with the Michigan Nurses Association?

ROTHMAN:

They no longer have a contract here incidentally. MNA was decertified...and interesting enough, the nurses now have joined the UAW. The UAW represents the nurses. I don't think the MNA was particularly good as negotiators. They hired some outside people to assist them and then ultimately they hired a full-time lady to assist them who was an attorney. She was much better than the outsiders.

WEEKS:

Maybe I should ask you what their demands were. I have an idea that their demands are a little different from.....

ROTHMAN:

Oh, well, nurses are interested in other things, sure. I remember they wanted at one time to have the ethics clause of the ANA put into the contract. I refused to allow it in the contract because I wasn't dealing with the ANA, I was dealing with the MNA. And there was nothing I could do, for example, if the ANA decided they wanted to change their ethics clauses....I couldn't negotiate with them. So I told them it was all right to have an

ethics section in the contract as long as we worked it out together. If it happened to be the ANA's we weren't going to call it that...because I wouldn't have it.

They are interested in things like having committees to talk about staffing problems, talk about quality of care problems, relationships with other professionals--particularly physicians. I think these are legitimate kinds of requests. Nursing is an art like doctoring is an art and you can't delineate in writing subjective kinds of things. I think it is fine to have a joint nursing-management kind of meeting to talk about those kinds of things. As far as staffing is concerned, I don't think that is subjective, I think that's objective and I think that's management's prerogative. And our contract so stated.

WEEKS:

I would like to try an idea on you. It seems to me in talking with Mrs. Guy and I also talked with Faye Abdellah....

ROTHMAN:

At Columbia.

WEEKS:

Yes, sure, she went to Columbia. She taught there for a while, too. She's now Deputy Surgeon General, you know.

I had met her before when she was connected with the National Center for Research and Development. I came away with the feeling that nurses are not quite sure of their role. They are not quite satisfied with their role.

Dr. Abdellah gave me the impression at least that nurses were more interested in their role as professionals than they were, possibly, in money. Of course we are all interested in money to some degree. But that their big

hangup was probably due to the fact that maybe physicians didn't treat them as professionals--they treated them more as hand-maidens--and they felt that nurses should have--and they used this naughty word--should be able to diagnose nursing needs and that physicians should be able to turn a case over to them and say, "Nurse, here is a case of so-and-so, you know how best to plan and carry out the nursing care of this." Rather than itemize everything that they should do.

Then, of course, the nurses are faced with a lot of competition in the other professions now. A lot of women are going into other fields. Medicine--more than half of the students in the new schools are women. We know they are going into pharmacy. We know they are going into hospital administration. We know they are going into many other fields. So the nurse is rather frustrated. She doesn't know whether she is in the right field or if she is being given proper credit for what she knows in her profession. Am I anywhere near right on that?

ROTHMAN:

Oh, I think that what you are saying is true. I happen to agree with the nurses. I think that nursing is a separate art as the case with doctoring. Nurses don't know how to do what physicians want to do and vice versa. Nor do doctors know anything about nursing. I think the nurse has been thought of by most of the physicians anyway as just a tool to assist them. I think that nurses should be able to do the nursing that they think is necessary as long as it doesn't countermand something that the doctors are attempting to do. I think they have an absolute right to be deciding this is what has to be done in this particular case. Hopefully they will work together with the physicians.

I think that the doctors coming out of medical school now are looking at nurses in a different light than the doctors coming out when I went to medical school. And I think it's about time. The nurses have never been particularly aggressive or assertive in their demands until just recently. They are sort of feeling their way to see what they can do.

I think the ANA has also seen the problem of whether they can be an organization to represent all of nursing's problems and at the same time be a negotiator for them. I think that dual capacity has caused problems for them and might have delayed some of the kinds of things that you were talking about. I think probably it is one of the reasons why the Metropolitan Hospital nurses decertified the MNA as their representative and picked an aggressive union like the UAW. And of course a lot of them are turning to the AFT now--the American Federation of Teachers.

The AFT has done a pretty good job with teachers. Of course they are professionals. And probably could do a nice job representing nurses.

WEEKS:

Just as an aside for a moment. I was wondering if you have any opinions as an administrator on the educational mix-up in nursing -- the two, three and four year....

ROTHMAN:

You know I gave my opinion on that back in the early 1960s. I was at the White House Conference on Nursing and at that meeting there was somebody from the ANA who was expressing the theory of how they should get rid of all the two year programs and have only four year programs. And I blasted that then.

It seems to me that you don't have to have four years of training to do a lot of nursing things. You might have a four year training to become an

administrative nurse or to become a specialized nurse of some kind. I think we have proven through the years that some nurses who are two or three year nurses are as good if not better than some four year nurses. I don't think you can judge (again subjective things) on how much didactic training one has received. I happen to feel that the letters after a persons name are not a judge of the quality of that individual.

I think it is exactly the case here. I'm sure there are good two and three year programs and there are crummy two and three year programs--the same as there are good and bad four year programs. I think the nurses are attempting to limit the number of nurses that are coming out by just going on this four year program kick.

Now there is a good question whether there are enough nurses or not enough nurses and I really don't know the answer to that. Nursing administrators have always been saying there are not enough nurses.

WEEKS:

I am sure this is a question we are going to keep talking about for the next twenty years. Some of these people have very strong opinions. As you say, they believe all nurses should have a four year training. Some of them say why don't we abolish the LPNs and have a two year nurse and a four year nurse--have different letters after their names.

ROTHMAN:

Those kinds of nurses--LPNs and nurse aides--really came about as an invention during the second world war because there weren't enough RNs. It is a good question to ask whether those people are needed. We found in Metropolitan Hospital when we started a system of decentralized nursing where the RN was required to do everything for the patient that we were able to hire

RNs more frequently and retain them longer because they actually were doing things they were trained to do in nursing school. The job wasn't broken into pieces. There were nurses when we started that program who would have preferred to sit at the desk and write up charts and talk on the telephone, and not see a patient.

WEEKS:

I have a niece who has raised her family and is now back in nursing and she wants to nurse. So she is happy to be working in a recovery room where she really can take care of people. She doesn't want a desk job. She doesn't want to shuffle papers.

ROTHMAN:

That is one of the problems I think we have with nursing. Nursing unions address this question and I think it is a legitimate question to address.

You see, the other question that I think they could address but I think is a management prerogative is how many of these folks do we need. It is an unanswerable question. Nurses, when addressing that question, have a tendency to say, well, there aren't enough of us and we've got too much to do. If you have too much to do then I think management has to say, this is what we expect you to do. From here to here only and if you haven't got time to do beyond that then that is a managerial problem that has to be solved.

I think nurses are like all other people, you are always overworked. I'm always overworked.

WEEKS:

Before we leave this nursing, I would like to ask you one more question. As an administrator at Metropolitan, did you have in-service training for nurses coming on?

ROTHMAN:

Oh, yes.

WEEKS:

Did you find that nurses coming in had various degrees of skills depending on where they came from?

ROTHMAN:

Oh, sure. They had to learn to do things according to our policy.

WEEKS:

So you had to teach them what your policy was and what they were expected to do.

ROTHMAN:

Absolutely.

WEEKS:

That has been my experience in looking around, is that there is no such thing as a RN. They differ.

Your move to Connecticut was just recent.

ROTHMAN:

Right...in March.

WEEKS:

Have you run into any union problems out there?

ROTHMAN:

It is a non-organized hospital. The other hospital in town had a strike. Only once in the eighty year history of Gaylord Hospital has an attempt been made to organize the workers.

WEEKS:

So you can just sit back and enjoy it.

Looking at this--I think in your book--maybe I can't quote exact figures from memory--but it seems to me that you estimated that there are probably less than 10% of the hospital personnel in the country that are organized.

ROTHMAN:

I can't remember the number but it is a small number. It is growing though.

WEEKS:

Of the number of hospitals that are organized in some way or other, only a very small portion of those have ever had a strike. That would be a fair generalization to make?

ROTHMAN:

Yes. I think one of the reasons the numbers are small is that most hospitals, of course, are small. And hospitals in the South, like all industry in the South, are not organized.

WEEKS:

Although 1199 tried to go down to the Carolinas, didn't they?

Does it seem likely to you that in the future there will be more of a movement to unionize hospitals?

ROTHMAN:

I think so.

WEEKS:

Would this be for natural reasons? Quite often you hear talk about the industrial unions are losing a lot of their members through economic conditions. Now are they going to go out and try to pick up some new members?

ROTHMAN:

Sure. Get new business. You are talking about an industry -- I've heard

quotes that health care is the second biggest industry in the country in terms of employment. Generally it is an untapped source of personnel who are nonunionized who basically are earning wages that are lower than the rest of the community. They are, therefore, a good source of revenue for industrial unions. I think that is one of the reasons we are going to see unions moving in.

I think that hospital workers deserve to be represented by somebody if they desire to.

WEEKS:

We have been talking mostly of hospitals but how is the field of nursing homes and home health agencies. Are they likely to be unionized?

ROTHMAN:

Nursing homes are unionized, of course. Never having worked in a nursing home, I don't know the percentage of people organized. (I happen to have a nursing home license, incidentally.) As a matter of fact, they may even be riper for organizing because, one, they have more unskilled workers than hospitals as a percentage of the number of employees; and two, their management is not generally as well trained as hospitals'. So I think we'll see a lot more of them organized.

Other health agencies seem to be organized on a spotty basis (like the VNAs). Red Cross Blood Banks are organized and the lab techs seem to be following in on this. I don't think we'll ever see much of it in the doctors' offices. But I think these community health agencies probably will be unionized. Nurses work there who belong to the ANA and the VNA say they are out to organize their members. So there is an impetus there.

The lab people see what is going on and a number of other sub-professional

groups are getting pushed by their national organizations to organize.

WEEKS:

I was wondering in one of my wilder spurts of imagination if it were ever going to be possible for the nurses--I've been intrigued by the nurses--we'll say that all the nurses in Michigan are members of the Michigan Nurses Association and the ANA--would it ever be possible for a state organization such as that to set minimum standards of pay and certain conditions of work that would apply to all nurses whether they worked in a doctor's office, or whether they worked in an outpatient clinic, or whether they worked in a hospital?

ROTHMAN:

They could set standards but the question is, could they assure them? I doubt it but, if they have enough pull into the state legislature, I guess they could get it.

WEEKS:

That's the way they would almost have to do it would be through legislation. It seems to me that nurses have sort of an inferiority complex and they want the public to think better of them.

We talked about these other unions coming in to organize the health people. Who do you expect, if you can think of any one group, who is most likely to move in?

ROTHMAN:

Well, now we see the AFT doing that and I think that they will continue to make inroads.

WEEKS:

Will they organize other than nurses, do you think?

ROTHMAN:

Oh, I can see them organizing other professionals, not nonprofessionals. Social workers for example might fall into that category. The UAW seems to be interested. The UAW, of course, has organized a lot of nurses in industrial clinics and I think they might organize those in hospitals and other health care facilities -- particularly if we see the economy continuing as it is. I think they might do a nice job at it.

The Teamsters have organized some nurses and some nonprofessionals but they have been in that for years. And they don't seem to be interested in making further inroads. I don't know if they would continue to try to expand. I still think we'll see AFSCME and the Service Workers, OPEIU in that kind of movement.

I think the interesting thing to look at for the future, however, would be the ramifications of the amendments as far as appropriate bargaining units is concerned. I think that may be a control on what happens with other unions getting in. No one really has settled that problem. There have been conflicting opinions through NLRB and through the courts on what is an "appropriate" unit. If ultimately NLRB or the courts make a definitive limitation on the number of units then I think we won't get as many unions involved. It would seem more appropriate that those unions having a foot in the health care field door are going to be the dominant ones anyway...like 1199 or like AFGSME or like the service employees.

If proliferation of units is acceptable, then I think we are going to get the whole gamut of unions.

WEEKS:

This is the point I was wondering. From the viewpoint of an administrator

it would certainly be better to work with one union on an industrial basis. But it looks, so far, as though the nurses are trying to organize themselves and these various workers -- all these unions are creeping in....

ROTHMAN:

Metropolitan had five unions. There are some good things and some bad things from an administrative standpoint dealing with one or a multitude of unions. If you have a lot of them you sort of play one off against the other. If you have one you have the threat of the whole gang going out on strike at one time.

WEEKS:

From a union standpoint you would think it would be better. They would have more control if they had one union. They would have more pressure they could put on the administration.

Somewhere, I think it was in your book, I heard of someone, some hospital had communication workers organized.

ROTHMAN:

Yes, they had a strike in Kentucky that I wrote about in the book.

WEEKS:

That was the one in Pikesville.

You might be interested in reading Karl Klicka. Do you know him?

ROTHMAN:

Oh, yes.

WEEKS:

Karl's experiences down there in the mountains. They had a different hospital in Pikeville. The troubles he had I guess no man should have.

You may have touched on this in your book and I may have missed it because

I haven't read every bit of it -- what is going to happen in the multi-hospital systems and the chains of different kinds? Is it going to be possible for an industrial union to dominate a chain?

ROTHMAN:

I think it would. Sure. Metropolitan is a multi-hospital system, of course, and we just took it for granted that one contract for one organization was for all of the organizations. Of course, they thought that too and the contract would read that if you open up anything else you are going to be covered under it.

Some of these national corporations -- I think obviously might be different because the dominating union in a particular geographic area might be the one to deal with. But I think that a multi-hospital center in a given metropolitan area is simply going to have the same union.

WEEKS:

There really is no union that is national, is there?

ROTHMAN:

Well, 1199 has been attempting to do that and now it looks like that is falling apart mostly because of 1199 politics. There is a question now on whether that is really going to materialize -- it really looked like it was last summer.

WEEKS:

Mr. Davis was the firebrand there for a long time wasn't he?

ROTHMAN:

Yes.

WEEKS:

But in your book it seems to me that he was organizing in the East and

down the coast to the Carolinas and so forth.

ROTHMAN:

Right. Now there is 1199 in Michigan. They haven't got it too much farther west.

WEEKS:

What I was wondering, in some of these proprietary chains that are spread out over many parts of the country, would somebody like 1199 get strong enough some day to take in the whole....

ROTHMAN:

I think they might.

WEEKS:

So what we might look for in the future is an industrial type union to cover all of the different levels of employees and maybe spread with the spread of systems.

ROTHMAN:

Yes. I could see that being done. One of the things that intrigues me and came out of writing this book was the influence that 1199 had in changing the reimbursement mechanisms in New York State. A couple of those strikes really were settled because of the state legislature changing the reimbursement policies to non-profit hospitals and the city hospitals by having 1199 use its political influence in the state. This paid off not only for the hospitals and 1199 but particularly for the poor. The poor tried to get good medical care in New York and had difficulties until the reimbursement issue was settled.

I think it is interesting to speculate on your theory of what they might do on a national basis to help solve some of the problems that face hospitals

in reimbursement, cost containment, productivity, and everything else. The people who are running Local 1199 understand hospital reimbursement and understand hospital and medical reimbursement problems and how it differs from clinical/industrial kinds of reimbursement.

WEEKS:

There isn't the point there that the union can demand more money and so the employer can raise its prices.

ROTHMAN:

That's right. They know that it takes some kind of political maneuvering in order to get those bucks in. And they were successful in doing that in New York.

WEEKS:

So in other words, if they can increase the hospital's revenue they can get an increase in pay.

ROTHMAN:

Absolutely.

WEEKS:

Lowell Bellin made a point, when I talked with him a couple of years ago, Lowell Bellin said he thought there was a definite movement of Medicaid patients and indigent people, other indigent people, moving from the city-owned hospitals to the not-for-profit hospitals where they hadn't been able to get in before. And that possibly they were getting better care because some of the city hospitals were in pretty bad shape for a long time. I guess they still are. Do you think this is likely? Is this going to make a change?

ROTHMAN:

We were talking about 1199 and its influence on Medicaid and that was a number of years ago, obviously. Things have changed considerably since then in other states but we are looking at the whole problem now, of limitations on Medicaid handed down by the federal government, and certain restrictions on payment to hospitals and to doctors. Getting the unions to work along with the hospital administration might certainly allow for something that is going to help everybody.

The bigger the union the more political impact it has and if they are affected by increased costs the same as everybody else, I think they may very well fight for their constituency.

One of the biggest problems I had in dealing with unions, at least initially, was getting them to understand how reimbursement of hospitals takes place. Once they understood that then it was easier to talk dollars with them. And if it got to the point where they had to go to Lansing I think we would have had some dandy people on our side. We were always able to solve it without having to deal with it like New York. But it's perfectly obvious in New York that the unions were the ones that got the thing rolling.

WEEKS:

As a management ploy, did you have any way of communicating with the union? I mean such as occasional meetings or such to let them know about operational problems?

ROTHMAN:

Oh, sure.

WEEKS:

You kept them informed?

ROTHMAN:

Oh, I think you always have to keep the union in on what you are doing.

WEEKS:

Other than your negotiations I mean...at other times. In other words, keep a constant line open?

ROTHMAN:

Oh, yes. They would get copies of annual financial reports. They have to understand what the situation is. They have to know how the hospital is having its difficulties in getting its dollars.

WEEKS:

Did you use your public relations personnel at all to create a good feeling between the hospital and the union by going to the public?

ROTHMAN:

We really didn't have much of a public relations department.

WEEKS:

You had to do that yourself?

ROTHMAN:

Right. I use it in Connecticut. Use our public relations people to put out newsletters to employees.

WEEKS:

Are you also channeling stuff to the newspaper?

ROTHMAN:

Oh, yes. I think hospitals have to do a lot of marketing. You know there is a difference between marketing and PR.

WEEKS:

Yes. But the public has to understand what you are doing. I had that experience when I first went to the University. I worked on a study of

progressive patient care in Howell, Michigan. We used the county newspapers every week to explain different things so you could go down the street and somebody would know -- this was in the early days of intensive care -- they would know what an intensive care unit was or what a self-care unit was and they could explain it and talk about it. It was the easiest way to sell the thing. To keep them informed. We had no difficulty at all.

One thing I wanted to ask you about, in this National Labor Relations Act amendment of 1974 and with all the notices of intent to terminate and intent to strike and all this sort of thing -- I think in your book you mentioned a couple of instances at least where there would be what I would call a wildcat strike. I mean a strike where there was no organization. Where the employees were just...

ROTHMAN:

Milling around.

WEEKS:

Yes. And they would finally walk out for some reason. There isn't anything you can do to those people is there...if they are not organized?

ROTHMAN:

If they are not organized? No, not really if they are not organized you can't except to enforce the hospital's disciplinary rules on such a thing. If they are an organization unto themselves you can. If they are an unrecognized organization by a hospital you can...as long as they are representing something then section 8G comes in which says you have to give 10 day notice of picketing. But they just happened to be a bunch of loosely connected individuals, probably not.

WEEKS:

Do you know of any instances where people have broken the rules of the '74 amendments? Have they suffered any penalty of any kind?

ROTHMAN:

Yes. Unions have been fined. Actually, individuals have been fined.

WEEKS:

Leon Davis went to jail, too, didn't he?

ROTHMAN:

That's right. I can't remember whether Leon went to jail before or after the 1974 amendments.

WEEKS:

I think it was before, probably, but I don't know. I'd like to ask him about that.

Another thing I forgot to ask you, excuse me for getting out of continuity...In the Metropolitan strike, the three week strike they finally went back to work, as I remember, and you said they got less than they were asking for, or got less than you were willing to give them in the first place, probably. What happened to that union later on? Did it survive?

ROTHMAN:

Oh, yes. We still have a contract there. The leadership I talked about finally disappeared and that really put an end to those difficulties. The union local went into trusteeship. Things have changed since then and I understand it's a more rational type of organization to deal with. Not being there now, I don't know. I understand they came pretty close to having a strike this year.

WEEKS:

Are they connected with the AFL/CIO?

ROTHMAN:

Yes.

WEEKS:

Practically all these unions are, aren't they...the bigger ones?

ROTHMAN:

Yes. And the UAW is going to be now.

WEEKS:

At the top of AFL-CIO is there any concerted action to consolidate the union's activities, the various AFL-CIO activities toward the health field or can't the AFL-CIO do that?

ROTHMAN:

No. The only thing they really came up with recently is a non-raid provision where one AFL-CIO union is trying to organize another AFL-CIO won't compete.

WEEKS:

In other words they can't raid somebody who has already got their tent up. But there is apparently no planning body that is looking at this field which, as you said, is the second largest industry in the country.

ROTHMAN:

From a union standpoint? Not that I know of. Not being a union man I don't know.

WEEKS:

But it would seem that they are losing an opportunity.

ROTHMAN:

Right. Not from what I've read.

WEEKS:

Did you ever meet Leon Davis? Or Sweeney?

ROTHMAN:

No. The only one I ever knew was Elliot Godoff and he is dead.

WEEKS:

As an administrator, what did you find as an alternative to strikes? When you realize that something is boiling up, how would you handle that as an administrator? Would you try to talk to these people? I mean would you approach them and say, "What's the problem?" Or would you have to go into formal negotiations before it could work?

ROTHMAN:

I think a strike almost never comes off unless it is part of failed negotiations. Generally you are always in negotiations and I think as a negotiator you have to have a feeling on whether these people really want to go on strike or not. They can always go ahead and vote to go on strike, that's a perfunctory thing.

WEEKS:

That is the ultimate threat.

ROTHMAN:

Yes. But you have to have a feeling--you can't describe it--you just have to have that feeling--these people want to or don't want to go on strike. And over what issue. And you've got to find out what that issue is.

If you've had good relationship with the leadership of the union you'll find out.

WEEKS:

Can you informally approach them?

ROTHMAN:

Yes. I don't think there is any contract any place in the entire country in any business or industry that isn't settled without informal contact between management and the union leadership.

WEEKS:

It almost has to be on a one to one basis sometimes.

ROTHMAN:

Sometime during the negotiations that happens everywhere. If you are on a good relationship with those people I think both sides are going to find out what is the ultimate point that each side is going to reach. If you see difficulties, you can use an arbitrator, use a mediator. If the mediator is good, he or she is going to find that out for you too.

You might not have that relationship between business and the union. Or it could be new management or new union leadership so they haven't gotten together and then the mediator does a dandy job of finding out for you.

I think that the best method of avoiding a strike is the Minneapolis method of writing into the contract that you aren't going to have a strike for X years after the contract expires. I wrote a chapter about that. If that period of time is sufficiently long enough it's going to give you time to try to work out those differences either through mediation or arbitration or some other methods. By long enough, I mean a couple of years beyond the termination of the rest of the contract. I think that is the best method invented.

WEEKS:

I think you mentioned fact-finding as one of the ways...say you hear some rumbles and you talk to Joe the union leader and you say "What's the problem?" Do you offer your fact-finding help with the information that you

can give them?

ROTHMAN:

You just tell the Feds that that is what you want. Under the amendments, a fact-finding board can be set up, usually. I pointed out in there that it doesn't say absolutely. In our case here they never set up a fact-finding board. It is really up to the local FMCS to decide whether such a thing is necessary or not. You can agree between management and the union that this is the way to go, too. But it can't be unilateral.

WEEKS:

So then with that the next step would be to go into mediation or arbitration or whatever.

ROTHMAN:

Yes, but that still won't avoid the strike. The only thing that will really avoid the strike is that clause that says no strike for a given period of time after the rest of the contract clauses have expired.

WEEKS:

So you come to the period where there is no withholding it any more and they give you a ten day notice.

Incidentally, Joan Guy said -- I said something about a ten day notice -- and she said that they had always given a ten day notice even before this.

And I said, "Well, why ten?"

The gist of it was that the average stay was less than ten days in short term hospitals. On the average you would get rid of most of your patients and, if need be, you could say we won't admit any more inpatients. So you would have very few patients in the hospital unless you had a lot of long term people.

ROTHMAN:

That's interesting. It never occurred to me to ask why ten days.

WEEKS:

Maybe that was just an arbitrary date but it works in pretty well with the average stay. So at least she felt that the average short term hospital would have sufficient notice to take care of most of their patients and that if somebody had to stay in there longer then I guess the nurses would volunteer to take care of those even if the nurses were striking -- would volunteer to take care of the people who could not be moved.

ROTHMAN:

In some cases, but not in all. The Michigan people might do that. Usually in most nursing strikes they have agreed to man the intensive care units.

WEEKS:

Another thing, maybe there is no meaning to these things but I sometimes look at them and wonder -- in this new Medicare law, 97-248 isn't there a provision in there that it is not an allowable cost for money spent to oppose a unionization?

I'll look it up but whatever the answer is, the very fact that it becomes a question means to me that there is quite a lot of opposition on the part of hospitals to unionize.

ROTHMAN:

Oh, surely. I think that there is no question about that. Most managers are anti-union anyhow. But I think moreso within the hospitals because it's a new thing. One of the really hard problems in hospital administration is getting the managerial employees, the supervisors, department heads, second

level management to understand how to deal with their workers, whether it is union or non-union. Whether it is union or non-union, you are going to handle the employees the same way anyway. And trying to get these people to know what to do and how to handle grievances. And if you have a union, how to not make anti-union statements, and how to deal with these people, the shop stewards and so on. It is a big task teaching them this because most of them have been brought up in a non-union atmosphere. They never had to deal with this.

WEEKS:

I can understand that. As a case in point, you say your new hospital in Connecticut is not unionized. Are you saying that the best way to prevent unionization is to treat the people as well as you can and as thoughtfully as you can?

ROTHMAN:

Absolutely. I think there is no question about that. You allow them to have a grievance procedure. You let the employees have the best benefits you can afford. You try to have open communications with the workers. But at the same time, supervisors have to supervise..

WEEKS:

And there are certain limits...

ROTHMAN:

That's right. I think that there really isn't a difference in managing under either system from the front-line supervisors standpoint.

WEEKS:

But all hospitals that oppose unions aren't as nice as that, are they? Don't they sometimes use other tactics?

ROTHMAN:

That's true.

WEEKS:

But I agree with you. It would seem to me that the best thing you could do is to make it as good a place to work as possible and make people feel good.

ROTHMAN:

I think that most hospital administrators that are anti-union are anti- because they don't understand a union and they have never had experience with them and it is fear of the unknown.

WEEKS:

If you are running a hospital and you have a union and you have a contract, we'll say for three years, looking at the other side of the argument -- for the financial picture, isn't it better to know what your expenses are going to be?

ROTHMAN:

I think there are a number of advantages from an administrative point of view. I've written a couple of papers on that. That's certainly one of them, if is easier to budget, except that third year. And I think it gives the employee a sense of belonging to something and they have an organization themselves which gives them well, it makes a better worker. It also allows better communications, formalizes the communications. It formalizes the grievance procedure. It formalizes the system of being able to tell each employee exactly what his benefits are. It standardizes lots of things and it also allows fairness, if it is being managed right anyway, allows fairness to everybody. Everyone will be treated the same.

WEEKS:

Looking at the budgeting picture which you mentioned in the third year, a budget is not something that happens overnight -- here you are faced with this third year, do you wait until that ninety days until you hear whether they are going to want to terminate the contract or not? Which is the normal things? How can you begin that third year to get some idea of what your budget is going to have to be to meet new demands?

ROTHMAN:

You've got to see what the going rate in the community is and you have to predict what is going to happen as far as those rates are concerned and economically within the whole area. So talking with an economist is helpful. I think you budget according to what you think you are going to have to give. You also budget costs of changes in fringe benefits. It would seem apparent that you are going to have to do that. There might be some things that you might be giving that you don't have to budget for. Then you try to stay within that budget. A budget is not a sacred document. Obviously if you are a good manager and a good negotiator, you are going to do it.

WEEKS:

What I was concerned about in this whole picture is where small groups are organizing and come into negotiation without advice of good financial people or advice of good economists -- a bigger union you would expect is going to have that kind of back up.

ROTHMAN:

Well, if you as management do it right, you are going to have the edge on those unions or if it is a big union, you have to have at least the information that they are going to have. So either way, if you are going to be responsible administratively, you are going to want to have that

information and you are going to want to tell the board what's the basis of doing anything.

WEEKS:

It takes a lot of skill and experience doesn't it? It seems to me that there aren't many people who have been exposed to it as much as you have. Of course, there have been many contracts written and many strikes and so forth.

Did your interest in union negotiations start back at Maimonides?

ROTHMAN:

Yes.

WEEKS:

How did you decide to go into these bibliographies? You know there is a lot of scholarship and.....

ROTHMAN:

I always had in mind writing a book about the negotiation process and so I just started gathering materials and I was talking to Roy Penschansky one day and he suggested I might as well make good use out of the material I had gathered and put it into a bibliography. Roy is really the one who got me going.

WEEKS:

He has left Michigan now, hasn't he?

ROTHMAN:

Not that I know of.

WEEKS:

I haven't seen him in quite a while. His interest -- he was at Harvard before he came to Michigan, wasn't he -- did his interest start back then I wonder?

ROTHMAN:

His book has a chapter in it on how unions got started which I told him was incorrect.

WEEKS:

Roy is quite a strong character, I'll say that.

We have talked about the future of unionization. I was trying to come with an idea of why strikes occur and I figure that probably for new unions, strikes were mostly for recognition. Would that be a fair statement?

ROTHMAN:

Sure.

WEEKS:

Of course, wages and working conditions are always there but then after a union is established, a strike is more likely to be for wages and working conditions?

ROTHMAN:

I think economic issues are probably the predominant reason for a strike.

WEEKS:

I think you answered the question: Do most administrators fear unions?

ROTHMAN:

Yes, I think so.

WEEKS:

Is this the reason they resist them?

ROTHMAN:

I think they resist them because they think that they are going to be giving up some of their rights as managers and that they are going to be giving the whole store over to the workers. That's because they don't

understand unions. They don't understand how to deal with a union because they have never had to do it before, or they have had a bad experience with them. They are managers. It's a manager's prerogative to give up nothing, or share nothing.

WEEKS:

I have always been intrigued by the balance of influence between the administrator and the board. I have always felt that a smart administrator might be able to guide his board to make policy decisions that he wanted. This has to be the picture because the trustee, although he has authority and although he is supposed to set policy and although he is the administrator's boss -- the board is -- nevertheless, a smart administrator can make the board feel that they had some ideas and set them up as policy, which are his ideas.

What happens in labor negotiations? Most boards are composed of business men or professional people who have made a success in another field and they come here and they are supposed to set policy for this administrator to carry out. What happens when...Most of these people would be anti-labor wouldn't they?

ROTHMAN:

That is hard to say.

WEEKS:

Depending on the board, yes. But assume, here are men who are running businesses of some magnitude. Would it be fair to say that they might be a little bit afraid of unions, unless they have unions in their own business?

ROTHMAN:

Yes, I think that is fair to say.

WEEKS:

How did you work with your board?

ROTHMAN:

Well, you have got to remember that the board of Metropolitan Hospital was union.

WEEKS:

Yes, you were a different....

ROTHMAN:

....a different breed of cat. Although they acted responsibly as far as their managerial role was concerned, I'm sure it is different in other places. I'm at a place now where the board is more the kind that you are talking about. And we don't have a union there so it is hard to say.

My experience in Brooklyn was one where they were business men but they happened to be rather liberal. I think that most boards would take into consideration what is it that we can afford, what is it that is happening in this community and should we be better than everybody else or as good or someplace in the middle? And I think that they have to use the administrator to guide them in that proper direction. And if you are a responsible administrator you are going to tell the board that this is what you think ought to be done and here are the reasons why, and hopefully they are going to side with you. It's a curious job being an administrator anyway.

WEEKS:

Let's assume a situation here. Now you are in negotiations with the union and there is a very likely threat of a strike coming out of this. You are working with your board. Your board normally meets say once a month. Do they have a committee that...

ROTHMAN:

They have a personnel committee.

WEEKS:

A personal committee who might work closely with you. Does anyone in the personnel committee sit in on the negotiations or does just administration sit in?

ROTHMAN:

I wouldn't recommend any board people sitting in on negotiations. I also wouldn't recommend that the administrator sit in on the negotiations either.

WEEKS:

Who represents you then? Your attorney or your personnel man?

ROTHMAN:

Right. Somebody who is good at negotiating. But if the union knows that somebody else is out there who has to okay whatever it is that is decided the same as somebody in that union has to decide too, then negotiations proceed better.

WEEKS:

In other words, the man who is at the negotiating table says well, I kind of like the idea but I've got to go back and talk to my boss.

ROTHMAN:

Right. Then if you really get into a jam the boss can come there and say this is the way it is going to be.

WEEKS:

You would appear at the negotiating table?

ROTHMAN:

At certain times. When you are really in a tight jam to say, "Yes, this guy is telling you the truth."

WEEKS:

How does the board enter into this? Say you are at the point where you want to go in.

ROTHMAN:

The board shouldn't enter into it, I don't think. The board never entered into ours except in the strike situation. And in the strike situation the board came and sat with the union and said, "These guys know what they are doing. You aren't going to get anything different by talking to us." Those people not at the table who are higher up have the role of backing up the guy who is at the table saying he really represents us and what he says is what I'm saying.

WEEKS:

I suppose in a case like what you had at Metropolitan, where it was a union dominated board, the people who are considering striking might feel that they could go over management's head.

ROTHMAN:

I'm sure it happened. I know it happened.

WEEKS:

Then the board has to be smart enough to say...

ROTHMAN:

Get out of here...

WEEKS:

Rothman is the man who is heading up this administration, talk to his people not to us.

ROTHMAN:

That's right. Otherwise it undermines the whole system.

WEEKS:

Does the board understand that well?

ROTHMAN:

Some members do and some members don't.

WEEKS:

I have seen it happen in other matters in a hospital board of trustees where people would try to go to the board member at his home and he would be silly enough to listen to them--rather than say you have got to go through channels, whatever the channel happened to be.

ROTHMAN:

Well, that board member has to be put straight.

WEEKS:

Here is another situation. It just occurred to me: Did you have a rotating board?

ROTHMAN:

They were mostly the same people -- self perpetuating.

WEEKS:

That is the easiest kind of board to educate. At least once you have educated them, they are there. Did you find that you had to educate these new board members? If you had a new board member come on?

ROTHMAN:

Yes. I have new board members, for instance, now. Next Wednesday we will have an orientation session.

WEEKS:

I know some cases where board members have been retired persons that they have sort of made themselves nuisances by hanging around the hospitals.

Rather than say, "What can I do to help?"

ROTHMAN:

You have got to worry about them.

WEEKS:

Does your present board work through committees?

ROTHMAN:

Yes.

WEEKS:

Do they have an executive committee also that really does the work?

ROTHMAN:

Yes.

WEEKS:

It seems so simple when you come down to organization if we could just learn it. Just recently I have been reading Alfred Sloan's, My Years at General Motors, in which he describes setting up the organization and the reporting system and how to get all the units together. I thought then, this could be a hospital system, it could be anything, the principles are the same.

I think I have run out of questions. Are there any words of wisdom that you want to add?

ROTHMAN:

Not that I can think of. We have pretty well covered everything, I guess. If you think of anything you can call me.

Interview in Oak Park, MI

December 30, 1982

INDEX

Abdellah, Faye G. 27

AFL-CIO 44

AFSCNE (American Federation of State, County and Municipal Employees) 20,36

AFT (American Federation of Teachers) 29,35

ANA (American Nurses Association) 20,27,34,36

Ann Arbor, MI 10

ALPHA (Association of Programs in Health Administration) 2

Axelrod, Solomon 9-10,18

Barnett, E. Dwight 2

Blue Cross 13

Budgeting 52

Carolinas 33

Clay, Clement 2

Columbia University 1,2,9

Comprehensive Health Service of Detroit 18

Connecticut 32,42,50

Davis, Jecn 38,46

Detroit 6

Dubinsky, David 5

1199 labor union 3,5,33,38,39,40,41

Flint, MI 7

Ford Motor Company 17,18

Gaylord Hospital 32

General Motors Corporation 7

Godoff, Elliot 4,46
Gotbaum, Victor 5
Guy, Joan 26,27,48
Health Alliance Plan 16,17
Health Institute 12
Health Insurance Plan of Greater New York (HIP) 10
Health Maintenance Organization (HMO) 10,12,14-19
Henry Ford Hospital 16,17-18
Hospital board 56-60
ILGWU (International Ladies Gartment Workers Union) 5
International Plant Guard Workers Union 20
IPA (Individual Practice Association) 18
Jewish hospitals 5-6
Kaiser Permanente 12
Kentucky 37
Klicka, Earl 37
LPN (Licensed Practical Nurse) 20,30
Maimonides Hospital, Brooklyn 2-3,4,5,6,9,10
Medicaid 19
Medicare 19-20
Metro Health Plan of Blue Cross/Blue Shield 16
Metropolitan Hospital, Detroit 7,9,10,11,14-16,17-19,20,30,31,38,44,56
 Satellites 17
 Westland,MI branch 17
Michigan 39,49
Michigan Licensed Practical Nurse Association 20

Michigan Nurses Association 26,29
Michigan, University of 1,53
My Years with General Motors 60
National Center for Health Services Research and Development 27
National Labor Relations Act 3,4,20,23,43-44
National Labor Relations Board 21,36
Nationwide Insurance Company 12
New York City 3,41
New York State 4,39
North Carolina 10-11
Nurse aides 30
Office Employees International Union (OEIU) 20
Office and Professional Employees International Union (OPEIU) 20,24
Osnos, Max 7-9,11
Penchansky, Roy 53-54
Pikesville, KY 37
Prepaid medical care 10
Priver, Julian 2
Progressive patient care (PPC) 43
Red Cross Blood Bank 34
Registered nurse (RN) 20
Retail, Wholesale, Department Store Union (RWDSU) 4,5
Reuther, Walter 7,12
Rosenfeld, Leonard 10
Sam's Inc. 8-9
Saskatchewan plan 12

Sinai Hospital, Detroit 2,6
Sloan, Alfred 60
Socialist Labor Party 21-22
Solidarity House 11
Somers, Anne 5
Sweeney, John J. 46
Teamsters union (IBT) 2-3,4,5,36
Union negotiations 56-60
United Auto Workers (UAW) 7,11,12,17,22,25,29,36,45
Vassar College 5
Visiting Nurse Association 34
Wayne University Medical School 1
White House Conference on Nursing 29