UNITED STATES OF AMERICA
BEFORE THE NATIONAL LABOR RELATIONS BOARD
DIVISION OF JUDGES
SAN FRANCISCO BRANCH OFFICE

SATELLITE HEALTHCARE, INC.

and Cases 20-CA-340738

SERVICE EMPLOYEES INTERNATIONAL UNION, UNITED HEALTHCARE WORKERS – WEST

McKenzie Langvardt, Esq., for the General Counsel.
Michaela Posner, Esq. and *Corey Sherman, Esq.,* for the Charging Party.
Erin O. Sweeney, Esq., for the Respondent.

DECISION

STATEMENT OF THE CASE

BRIAN D. GEE, Administrative Law Judge. This case was tried before me by Zoom on March 19, 20, and 21, 2025. Based on a charge filed by the Service Employees International Union, United Healthcare Workers—West (the Union) on April 22, 2024,[1] which was amended on August 15, the General Counsel[2] issued a complaint and notice of hearing (the complaint) on September 16, alleging that Satellite Healthcare, Inc. (Respondent or Satellite), made coercive statements in violation of Section 8(a)(1) of the National Labor Relations Act (the Act) and withheld annual merit wage increases from union-represented employees in violation of Section 8(a)(1), (3), and (5). Respondent filed a timely answer, denying all substantive allegations.

At trial, the parties were afforded the right to call, examine, and cross-examine witnesses, to present any relevant documentary evidence, to argue their respective legal positions orally, and to file post hearing briefs. Based on a careful review of the entire record, including the post hearing briefs and my observation of the1 credibility of the witnesses, I make the following

[1] All dates are for the year 2024, unless stated otherwise.
[2] On February 3, 2025, President Donald J. Trump appointed William B. Cowen Acting General Counsel, replacing former General Counsel Jennifer Abruzzo. On January 7, 2026, Crystal S. Carey was sworn in as the General Counsel. For conciseness, I refer to General Counsel Carey, Acting General Counsel Cowen, former General Counsel Abruzzo, and counsel for the Acting General Counsel Langvardt collectively as the General Counsel.

FINDINGS OF FACT[3]

I. JURISDICTION

Respondent is a California nonprofit corporation with offices and places of business in California, including in Vallejo, San Francisco, Rohnert Park, Folsom, Morgan Hill, Blossom Valley/San Jose, Gilroy, Milpitas, San Leandro, Santa Teresa, and Watsonville. It has been engaged in business as a healthcare institution providing hemodialysis treatment and medical care. During the calendar year ending December 31, 2023, Respondent derived gross revenues in excess of $250,000 and purchased and received goods or services valued in excess of $5000 at its California facilities which originated outside the State of California. I find that, during all times material to the complaint, Respondent was an employer engaged in commerce within the meaning of Section 2(2), (6), and (7), and was a healthcare institution within the meaning of Section 2(14). I also find that, at all times relevant to the complaint, the Union was a labor organization within the meaning of Section 2(5). (R. Ans., Jt. Exh. 2–8, Tr. 17–30.)[4] Based on the foregoing, the National Labor Relations Board (the Board) has jurisdiction over this matter, pursuant to Section 10(a) of the Act.

II. PRIOR LITIGATION

This is the second of two ULP complaints against Respondent in connection with various Satellite clinics in Northern California. The first decision was *Satellite Healthcare, Inc*., JD(SF)-08-025, 2025 WL 1014425 (April 2, 2025).[5] I presided over that hearing, which involved the same parties and same representing law firms.[6] In *Satellite I*, I found that Respondent committed multiple violations of the Act, including making coercive statements in violation of Section 8(a)(1) and withholding annual merit wage increases from newly organized employees in 2023 in violation of Section 8(a)(1), (3), and (5). On February 9, 2026, the Board adopted those findings and conclusions, as Respondent filed no timely exceptions to the decision.

Alongside the administrative litigation, the Board petitioned for injunctive relief in *Coffman v. Satellite Healthcare, Inc*., 24-CV-07424-RFL. On December 23, U.S. District Court Judge Rita F. Lin granted the Board's petition and issued an interim order.

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[3] Abbreviations used in this decision are as follows: "GC Exh." for General Counsel's exhibits; "R. Exh." for Respondent's exhibits; "Jt. Exh." for joint exhibits; "Tr." for citations to the hearing transcript; and "R. Ans." for Respondent's answer.

[4] To aid review, I have included certain citations to the record in my findings of fact. The citations are not, however, necessarily exclusive or exhaustive, as my findings and conclusions are based on my review and consideration of the entire record.

[5] The parties refer to that decision as *Satellite I*, and so will I.

[6] In the instant proceeding, the parties moved for the admission of numerous exhibits and transcript pages from *Satellite I* as joint exhibits. I granted that motion.

III. STATEMENT OF FACTS

A. Background Facts[7]

Respondent operates more than 90 dialysis centers located across seven states, California, Hawaii, Texas, Tennessee, New Jersey, Georgia, and South Carolina.[8] This matter pertains to 11 facilities spread across the broader San Francisco Bay Area and its environs. Between 2022 and 2024, the Union filed representation petitions for these and other Satellite facilities seeking to become the collective-bargaining representative of mixed bargaining units (e.g., registered nurses and technicians) and/or nonprofessional units (e.g., technicians and other nonnurse positions).

The parties stipulated that the following individuals were Section 2(11) supervisors and/or Section 2(13) agents of Respondent during the periods stated below. Joanne Antonio—asst. center manager from March 12, 2018, to August 6, 2023, and center manager from August 6, 2023, through the time of the hearing. Zafirah Nisha—center manager from September 18, 2022, through the hearing. Lucille Nowakowski—center manager from July 10, 2023, through June 21, 2024. The parties also stipulated that Ana Silveira, the Operational Excellence and West Division president for U.S. Renal Care from January 1, 2024, through the hearing was an agent of Respondent within the meaning of Section 2(13).[9] (Jt. Exh. 58.)

Satellite's Practice for Evaluations and Merit Pay Before the Union's Arrival. For more than two decades, employees received merit increases in the spring. This process followed a regular schedule, beginning in the preceding fall when company leadership formulated the budget for merit increases at each facility. In early March, after employees completed their self-evaluations,[10] managers submitted their recommendations for the amount of the raises. Second-level managers reviewed those recommendations before making final approvals. In early April, managers conducted one-on-one meetings with employees to discuss their job performance during the prior year and to tell them how much they would be getting. In mid-April, employees started receiving their merit raises. Respondent followed this process from the early 2000s through 2022. (GC Exh. 4, Tr. 65–71, 85–91, 107–112, 120–130, 145–148.)

For the amount of each employee's raise, all or nearly all eligible employees received some percentage increase. Clinic Manager Mary Ann Mercado explained that she always gave employees increases—the amount of raises was never zero. This was confirmed by Clinic Manager Peralta and former Gilroy Assistant Clinic Manager Michael Badilla. Badilla testified that it was, "standard practice that every April. . . you're getting an[] evaluation and with that evaluation comes a merit raise."

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[7] The facts in this section are largely taken from pp. 2–6, 8–9 of *Satellite 1*, where specific citations to the earlier record can be found. To the extent that there are additional facts based on the instant record, I have included those citations.

[8] See History of patient-centered care | Satellite Healthcare, last checked on February 12, 2026.

[9] In the website About - U.S. Renal Care, it is represented that U.S. Renal Care began providing administrative services to Satellite in 2023. Website last checked on February 12, 2026.

[10] Employees' submission of a self-evaluation had no effect on their merit raise. "There was [an] optional self-evaluation, but that wasn't mandatory," Badilla explained. When asked whether self-evaluations were required, he answered: "Absolutely not. I mean, a lot of my employees would not fill out self-evaluations, and they still got merit increases. (Tr. 65–66.)

Managers' recommendations were to be based on set criteria, such as the allotted budget for merit increases (e.g., raises based on a 3-percent average), each employee's performance in the prior calendar year (e.g., 2022 raises based on performance in 2021), "external competitiveness" (e.g., competition for these positions from competitors in the dialysis industry), "internal equities" (e.g., fairness given what other employees within the facility are being paid), and the "compensation-ratio" or "compa-ratio" (a calculation based on the employee's pay rate in relation to the midpoint for that position). There was also a ceiling for increases which managers could not exceed without getting approval from upper management.

These detailed instructions notwithstanding, center managers typically took a generalized approach to determining the amounts for merit raises. Starting with the year's budgeted amount, managers would give high performers a bit more and low performers a bit less. "I was instructed that pretty much everyone starts at a baseline of three percent," testified Badilla. "[I]f I felt someone needed to get four percent, I would syphon that extra percent, one percent from someone else that the manager deemed," he credibly testified.[11] This resulted in the majority of merit raises being within a narrow range. Additionally, all eligible employees would receive a merit increase of some amount, even poor performers. Badilla shared the example of a poor performer at Gilroy who was about to be discharged. He wanted to deny her a merit increase but company management prohibited that: "I was instructed by Linda Black, a regional director, that everyone must get a minimum of one percent. [The bad employee] had to get something."[12] Accordingly, employees expected to receive a merit increase of some amount every March or April. (Tr. 75–78, 88–89, 93, 130–131, 149–150.)

The Union Organizing Campaign and Respondent's ULPs. In fall 2022, the Union began its organizing campaign at Satellite's clinics in the broader San Francisco Bay area. This resulted in the election and certification of the Union at four initial facilities (San Francisco, Blossom Valley, Gilroy, and Morgan Hills) in late 2022 and early 2023.[13]

[11] Badilla explained the reality is that clinic managers are too busy to create highly individualized evaluations using all of the factors at their disposal. "I think that [performance evaluations are] just to kind of help the manager maybe write stuff out. A lot of the times the manager's super busy, including myself when I was a manager. . . it's hard, you know, everything's piled up on you." (Tr. 88–89.)

[12] Jt. Exhs. 27–33 are charts summarizing the merit increases granted to employees at the four initial clinics in 2021 (before the Union) and 2022 (after the Union). While some of the charts show variance as to the number of employees who received merit increases and the amounts of those increases, there was little explanation why. For example, did an employee receive a smaller increase because they were maxed out on their wage scale and received a lump sum in lieu of a wage increase? Did an employee receive no increase because they were hired after the cutoff date or because they had performance problem? Because these and other questions went unanswered, I could not draw any conclusions about the bases for those merit variations.

[13] For these representation cases, the information comes from R. Ans., Jt. Exh.58, and the electronic representation case files, of which I have taken administrative notice.

Clinic and Case number	Dates of Election, Certification, and Demand for Bargaining	Bargaining unit
San Francisco 20–RC–306221	Election 12/28/22 Certification 1/24/23 Demand for Bargaining 1/4/23	Included: Certified Hemodialysis Technician; Environmental Services Technician; Patient Care Technician Trainee; Certified Clinical Hemodialysis Technician; Certified Clinical Hemodialysis Technician – Advanced. Excluded: All other employees, confidential employees, managers, guards, and supervisors as defined in the Act.
Blossom Valley 32–RC–306314	Election 12/28/22 Certification 1/10/23 Demand for Bargaining 1/4/23	Included: IC RN3s, Intermediate; IC RN4s, Advanced; Social Workers; MSW I; RNs; Staff – PD; Nephrology Dietitians I; Certified Clinical Hemodialysis Technicians (CCHT); Certified Clinical Hemodialysis Technicians (CCHT), Advanced; Certified Clinical Hemodialysis Technicians (CCHT), Master; Patient Care Technician Trainees; Environmental Services Techs; and LVNs. Excluded: Center Managers, office clerical employees, guards, and supervisors as defined by the Act.
Gilroy 32-RC-306319	Election 12/28/22 Certification 1/10/23 Demand for Bargaining 1/4/23	Included: Home RN4s, Advanced; Home RN5s, Expert; IC RN3s, Intermediate; IC RN4s, Advanced; Social Workers; MSW II; Nephrology Dietitian Is; RNs, Staff - PD; Certified Clinical Hemodialysis Technicians (CCHT); Certified Clinical Hemodialysis Technicians (CCHT), Advanced; Certified Clinical Hemodialysis Technicians (CCHT), Master; Patient Care Technician Trainees; and Environmental Services. Excluded: center managers, office clerical employees, guards, and supervisors, as defined by the Act.
Morgan Hill 32–RC–306334	Election 12/28/22 Certification 1/9/23 Demand for Bargaining 1/4/23	Included: IC RN3s, Intermediate; IC RN4s, Advanced; Social Workers; MSW III; Nephrology Dietitians I; Certified Clinical Hemodialysis Technicians (CCHT); Certified Clinical Hemodialysis Technicians (CCHT), Advanced; Certified Clinical Hemodialysis Technicians (CCHT), Master. Excluded: Center Managers, office clerical employees, guards, and supervisors as defined by the Act.

Through the remainder of 2023 and into 2024, the Union organized employees at seven more facilities in Northern California.

Clinic and Case number	Dates of Election, Certification, and Demand for Bargaining	Bargaining unit
Vallejo 20–RC–313698	Election 4/21/23 Certification 5/1/23 Demand for Bargaining 5/3/23	Included: RN Staff – Per Diem, RN Clinical Nurse I, IC RN3 Intermediate, IC RN4 Advanced, and IC RN5 Expert; Certified Hemodialysis Technician; Environmental Services Technician; Patient Care Technician Trainee; Certified Clinical Hemodialysis Technician; Certified Clinical Hemodialysis Technician – Advanced. Excluded: All other employees, confidential employees, managers, guards, and supervisors as defined in the Act.
Milpitas 32–RC–317128	Election 6/16/23 Certification 6/26/23 Demand for Bargaining 2/16/24	Included: IC RN 5 Expert, IC RN4 Advanced, RN Clinical Nurse II, RN Staff Per Diem, Certified Clinical Hemodialysis Technician (CCHT), Certified Clinical Hemodialysis Technician (CCHT) Advanced, Certified Clinical Hemodialysis Technician (CCHT) Per Diem, Patient Care Technician Trainee, LVN, LVN Per Diem, and Environmental Services Technician. Excluded: Center Managers, Assistant Center Managers, confidential employees, office clerical employees, guards, and supervisors as defined by the Act.
Folsom 20–RC–318296	Election 6/28/23 Certification 7/27/23 Demand for Bargaining 8/8/23	Included: Home RN2- Intermediate; IC RN3 - Intermediate, Nephrology Dietician I; RN Staff - Per Diem, Certified Clinical Hemodialysis Technician (CCHT); Certified Clinical Hemodialysis Technician (CCHT) - Per Diem; Licensed Vocational Nurse (LVN) - Per Diem. Excluded: Center Managers and all other employees, confidential employees, managers, guards, and supervisors as defined in the Act.
Rohnert Park 20-RC-318817	Election 6/21/23 Certification 8/2/23	Included: IC RN3 – Intermediate; IC RN4 – Advanced; Nephrology Social Worker (MSW I); Nephrology Dietician I; Nephrology Dietician II; Certified Hemodialysis Technician; Environmental Services Technician; Patient Care Technician Trainee; Certified Clinical Hemodialysis Technician; Certified Clinical Hemodialysis Technician – Master; Certified Clinical Hemodialysis Technician –

	Demand for Bargaining 7/15/23	Advanced; Certified Clinical Hemodialysis Technician – less than 1 year. Excluded: Manager, Center 2 – Advanced, all other employees, confidential employees, managers, guards, and supervisors as defined in the Act.
Santa Teresa 32-RC-322156	Election 8/24/23 Certification 10/23/23 Demand for Bargaining 9/14/23	Included: IC RN1 Trainee; IC RN3 Intermediate; and IC RN4 Advanced; Certified Clinical Hemodialysis Technician (CCHT); Certified Clinical Hemodialysis Technician (CCHT) Advanced; Certified Clinical Hemodialysis Technician (CCHT) Master; Certified Clinical Hemodialysis Technician (CCHT) (Night); and Environmental Services Technician (EST). Excluded: Center Managers and Assistant Center Managers, confidential employees, office clerical employees, guards, and supervisors as defined by the Act.
San Leandro 32–RC–323982	Election 9/29/23 Certification 12/11/23 Demand for Bargaining 3/8/24	Included: RN, Staff-Per Diem, IC RN3 Intermediate; IC RN4 Advanced; IC RN5-expert; Clinical Hemodialysis Technicians (CCHT); Certified Clinical Hemodialysis Technicians (CCHT)-Per Diem; Certified Clinical Hemodialysis Technicians (CCHT) Advanced; and Environmental Services Technicians (EST). Excluded: Managers, Center 2-Advanced, and Managers, Center Assistants, Clinical Administrative Coordinators, Biomedical Technicians, Biomedical Technicians-Per Diem, confidential employees, office clerical employees, guards, and supervisors as defined by the Act.
Watsonville 32–RC–334333	Election 2/21/24 Certification 3/4/24 Demand for Bargaining 3/8/24	Included: IC RN2; IC RN3 Intermediate; IC RN4 Advanced; IC RN 5 Expert; MSW III; Nephrology Dietitian I; Nephrology Dietitian II, Certified Clinical Hemodialysis Technician (CCHT); CCHT Advanced; CCHT Master; CCHT Per Diem; and Patient Care Technician (PCT) Trainee. Excluded: Center Managers, Assistant Center Managers, confidential employees, office clerical employees, guards, and supervisors as defined by the Act.

Following the advent of these organizing efforts, Respondent committed numerous violations of the Act. In *Satellite I*, I found that Respondent made multiple coercive statements (including blaming the withheld merit increases on the Union and on collective bargaining), discharging an open union leader, withholding merit increases in 2023 unilaterally and

discriminatorily, unilaterally changing terms and conditions (including rules regarding breaks and signing in and out), and delaying in providing information.

B. Bargaining Over the 2024 Merit Wage Increases.

The parties began first-contract bargaining on September 18, 2023. The Union's chief negotiator was Jason Capell, while outside counsel Tom Davis generally served as Respondent's lead negotiator. Respondent's bargaining team also included outside counsel Erin Sweeney. Around that time, the Union presented its opening, comprehensive economic proposal. In it, the Union sought to do away with merit increases and replace them with wage and benefit increases. (Jt. Exh. 58, Tr. 18–19, 53–54.)

On December 28, 2023, Sweeney emailed Capell to inform the Union about some changes that Satellite was making to the evaluation process, such as the timeline for self-evaluations, manager evaluations, and performance conversations. As to merit increases for 2024, Sweeney stated Respondent's position: they were not given automatically, were not based on fixed criteria, and that each center manager exercised discretion in deciding whether employees received increases and for what reasons. Based on this, she asserted, "Satellite intends to maintain the status quo for represented employees' wages and will negotiate in good faith with the Union." This, she concluded, could affect when and how unit employees were informed about wage increases. The email contained no language explicitly stating that merit increases would not be granted. (GC Exh. 2.) Capell interpreted this email to mean only that Respondent was going to make some changes in the timeline for the evaluations and merit pay, and that the parties would discuss further in bargaining. On January 2, he replied by asking Sweeney if this meant that employees would be informed about wage increases sometime after the usual date in early April. Capell added he would get back to her if the Union had any other questions or concerns. (GC Exh. 2, Tr. 21–22.)

On February 14, during an in-person bargaining session, the Union (Capell and employee Mike Badilla) and Satellite (Davis and Sweeney) had a sidebar discussion, away from their bargaining committees. Capell stated the Union's take on the status quo: Satellite had an established evaluation process which resulted in merit increases every April, and that it had to maintain that system unless and until the parties agreed otherwise. As to managerial discretion over the amounts given to individuals, Capell said that the Union waived bargaining over that:

> And you know…as far as whatever minimal discretion these managers may or may not have in the process, we again, made it clear that the Union was willing to waive its right to bargain over those, you know, limited amount of discretion and that the Employer should move forward.

(GC Exh. 2, Tr. 24–26.)

By email dated March 8, Davis made clear that, to Respondent, "status quo" meant no merit increases for represented employees. He summarized his comments from the February 14 sidebar: Satellite intended to maintain the "status quo" and was ready and willing to bargain over the merit system. He added that, since the process involved "a large measure of discretion," merit

increases "cannot be unilaterally implemented even if they might be characterized as consistent with past practice." Davis requested that the parties discuss merit increases within a broader context of the ongoing negotiations and economics at the bargaining session the following week.[14] (Jt. Exh. 1, GC Exh. 2.)

On March 13, during their in-person bargaining session, Capell emailed Davis to reiterate that, since employees expect evaluations and merit increases every spring, Respondent should continue doing that. If any employee views their evaluation as inadequate or inaccurate, the Union reserved the right to bargain over that. Mid-session, Capell and Badilla met for a sidebar with Davis and Sweeney. Davis repeated that Satellite could not grant merit increases in 2024 due to the wide discretion built into the system, that it intended to maintain the status quo, and that it was ready and willing to bargain over merit pay. Capell again waived the Union's right to bargain over the amount increases:

> Tom kept saying the same thing, that he was trying to claim that it was illegal for the Employer to move forward because of that discretion. You know, at that point, we knew that discretion. . . was minimal. There was specific formulas that managers had to adhere to. They were trained on that. You know. . . their budgets were determined by higher-ups. ¶ I mean, and again, what discretion they did have, we would—were willing to waive that.

Capell added that he did not view that sidebar as a formal contract proposal, since that deviated from the parties' process. Normally, the parties submitted proposals in written form, labeled them as "Employer proposal" or "Union proposal," presented them to the entire bargaining committee, and engaged in an open discussion. (Jt. Exh. 1, Tr. 26, 56–57.)

On March 20, Capell emailed Davis to follow up on his belief that Respondent was going to make a formal proposal on merit pay. On March 29, Davis replied that their March 13 sidebar discussion was the proposal. He added that, during the sidebar, Respondent proposed placing the merit process on "pause" while they bargained over the Union's comprehensive economic proposal. Davis stated that the company rejected the Union's "proposal" for 2024 merit increases because the broader contract negotiations over the Union's economic proposals—which contained wage increases unrelated to merit pay—could lead to both wage increases and merit pay that year.[15] (GC Exh. 3.)

Capell viewed Davis' email as a bad-faith tactic designed to create the false impression that Satellite was bargaining in good faith over merit pay:

> The sentence that says, "we are prepared to bargain over that proposal if the Union has counterproposals," that statement is just not made in good faith. I mean. . . at that point, by the time we received this email, the Employer had had nearly a year and a half to provide an economic proposal. So to try and pin the Union in a corner just weeks before it owes its employees wage increases, it just

[14] Respondent had yet to present any economic proposals, and would not until early 2025. (Tr. 52.)
[15] This point is farfetched, as Respondent had yet to even submit its initial economic proposals—and would not until the following year.

> not made in good faith. . . . Tom says over and over again, he's willing to bargain. Of course he's going to say that, because if he said the opposite, he's violating the NLRA.

(Tr. 52–53.)

Following these emails, the Union engaged in no further discussions with Respondent about merit pay. In the Union's view, Respondent was legally obliged to continue the established practice of paying merit increases in April 2024; continuation of that practice was not something the Union had to win back in bargaining. The Union therefore waited for Respondent to make its initial economic proposals—which did not occur until 8 months later in early 2025. (Tr. 53–54, 57–59.)

In 2024, Respondent issued no merit wage increases to unit employees at the facilities located in San Francisco, Blossom Valley, Gilroy, Morgan Hill, Vallejo, Milpitas, Rohnert Park, Folsom, Santa Teresa, San Leandro, and Watsonville. In contrast, it did pay merit increases to non-unionized employees there and system wide. (Jt. Exh. 58.)

Respondent's Communications with Employees About the 2024 Merit Program. On January 2, Satellite announced a timeline for performance evaluations and merit payments in 2024. In the company newsletter, The Orbit, Respondent stated that employee self-evaluations would be due in January, manager evaluations would be due by February 9, consideration of merit issues would be performed by March 1, managers would conduct their conversations with employees in March through early April, and employees would receive their merit increases in their April 5 paychecks. This timeline was largely consistent with its past practice. (GC Exh. 4, Tr. 108–109.)

In a February training deck, Satellite instructed managers on various aspects of the program, such as who was eligible, factors to consider when calculating merit, submitting recommendations to upper management, and how to communicate decisions to employees. Categorically excluded from merit increases were new employees hired after January 1, individuals on performance improvement plans, and union-represented employees unless determined otherwise in collective bargaining. (GC Exh. 7.)

On March 21, Respondent's human resources department emailed all employees to remind them about annual performance and merit. The notice provided that managers would discuss merit decisions but only with "eligible employees" and that merit increases would be in the paychecks dated April 5 but only for "eligible employees." (GC Exh. 8.)

In April, Gilroy Center Manager Lucille called tech Badilla into her office for his evaluation. She told Badilla that his work was great, he was a good leader, and he was familiar with the procedures and principles of dialysis, but he would not get any merit increase in 2024 because "the Gilroy Clinic is. . . a location that is unionized." She said that Satellite could not give raises because it had to maintain the "status quo." Nowakowski also said that Badilla would not get an increase because he failed to submit a self-evaluation. Badilla knew this was false

since, as a former supervisor, he knew that self-evaluations played no part in merit decisions.[16] (Tr. 69–74.)

In April, Blossom Valley Tech Nealsen Pe Benito met with Center Manager Joanne Antonio in her office to receive his performance evaluation. After giving it to him, Antonio said she was unable to give him a merit increase in 2024 because the employees are "union" and "currently bargaining."

In Folsom, the bargaining unit includes a job classification called "Home Therapy Nurse" (HTN). HTNs teach patients how to perform dialysis on themselves at home. In April, Center Manager Tammy Demetri held an in-person meeting with the HTNs at Folsom. Regional Center Manager Rachel Cruz and Virginia DeJesus, the other Folsom Center Manager, participated by telephone. During the meeting, HTN Noeli Escovilla asked if they were going to receive merit increases in 2024. DeJesus answered that there would not be any that year "because we are in the status quo."[17] Escovilla countered that her understanding of the words "status quo" meant that Satellite had to keep in place the practices that existed before the employees elected the Union and that nothing was supposed to change. DeJesus merely replied, "that's what leadership told us to say." (Tr. 143–144, 149–150, 156–157.) There was no evidence to show that either Demetri or Cruz contradicted DeJesus' statement.

Later that month, Satellite and U.S. Renal held a joint town hall and dinner in Elk Grove, California, for all employees in the Central Valley, North San Francisco Bay, and Sacramento regions. Present were senior managers and leaders from both companies. Satellite's upper managers included Jay Grussing,[18] Cruz, DeJesus, and Demetri. Approximately 30 to 40 employees attended; they were paid for the entire two-hour program. After the dinner, the managers introduced themselves, introduced U.S. Renal, and invited employee questions. Escovilla asked why employees had not received their 2024 merit increases. Ana Silveira, the Division President of U.S. Renal, answered, "you are in bargaining. We told you that that was going to happen." (GC Exh. 11, Tr. 150–154. 157–158, 164–167.) There was no evidence to show that any of the other upper managers in attendance contradicted Silveira's statement. [19]

San Leandro Tech Raymond Berdos Jr. expected to receive a performance evaluation and a merit increase since that is what occurred every year of his employment with Satellite from 2013 through 2023. When that did not happen, he asked Center Manager Zafirah Nisha in mid-May about it. She said that there would be no increases that year due to ongoing bargaining with the Union—merit pay was "frozen" because of that.[20] (Tr. 85–89, 92–92.)

[16] Badilla's testimony was uncontradicted by any Respondent witness.
[17] This was not alleged as a ULP.
[18] Respondent's website lists Grussing as its Vice President of Regional Operations. See Leadership Team - Satellite Healthcare last checked on February 12, 2026.
[19] Escovilla's testimony was uncontradicted by any Respondent witness.
[20] Berdos' testimony was uncontradicted by any Respondent witness.

IV. CREDIBILITY

A credibility determination may rest on various factors, including "the context of the witness' testimony, the witness' demeanor, the weight of the respective evidence, established or admitted facts, inherent probabilities and reasonable inferences that may be drawn from the record as a whole." *Hills & Dales General Hospital*, 360 NLRB 611, 617 (2014), citing *Double D Construction Group*, 339 NLRB 303, 305 (2003); *Daikichi Sushi*, 335 NLRB 622, 623 (2001). In making credibility resolutions, it is well established that the trier of fact may believe some, but not all, of a witness's testimony. *NLRB v. Universal Camera Corp.*, 179 F.2d 749 (2d Cir. 1950).

The Board has agreed that "when a party fails to call a witness who may reasonably be assumed to be favorably disposed to the party, an adverse inference may be drawn regarding any factual question on which the witness is likely to have knowledge." *International Automated Machines,* 285 NLRB 1122, 1123 (1987), enfd. 861 F.2d (6th Cir. 1988). This is particularly true where the witness is the Respondent's agent. *Roosevelt Memorial Medical Center,* 348 NLRB 1016, 1022 (2006). Moreover, an adverse inference is warranted by the unexpected failure of a witness to testify regarding a factual issue on which the witness would likely have knowledge. See *Martin Luther King, Sr., Nursing Ctr.*, 231 NLRB 15, 15 fn. 1 (1977) (adverse inference appropriate where no explanation as to why supervisors did not testify); *Flexsteel Industries*, 316 NLRB 745, 758 (1995) (failure to examine a favorable witness regarding factual issue upon which that witness would likely have knowledge gives rise to the "strongest possible adverse inference" regarding such fact). Adverse inferences may also be drawn based on a party's failure to introduce into evidence documents containing information directly bearing on a material issue. See *Metro-West Ambulance Service, Inc.*, 360 NLRB 1029, 1030 fn. 13 (2014).

Respondent presented no witnesses at the hearing. (Tr. 190.) While none of the General Counsel's witnesses were subject to opposing testimony, I nonetheless closely examined their testimonies for accuracy, reliability, and truthfulness. I found the testimony of current employees Michael Badilla, Raymond Berdos Jr., and Nealsen Pe Benito to be highly credible. Each of them listened carefully to questions and answered without hesitation, even in instances where their answers could appear to be harmful to their position. The content of their testimonies was corroborative and painted a consistent pattern of action by Respondent's managers. Additionally, as current employees, their testimony tends to be particularly reliable because it goes against their pecuniary interests. *Gold Standard Enterprises*, 234 NLRB 618, 619 (1978); *Georgia Rug Mill*, 131 NLRB 1304, 1304 fn. 2 (1961); *Gateway Transportation Co.*, 193 NLRB 47, 48 (1971); *Federal Stainless Sink Div. of Unarco Industries*, 197 NLRB 489, 491 (1972). I also found former employees Katherine Nies and Noelani Escovilla to be credible because they answered questions—both direct and cross-examination—frankly and without hesitation. Additionally, their testimony was corroborated by the current employees.

I generally credit the testimony of Union Assistant Director Jason Capell. His tendency to joust with Respondent's counsel and sidestep some of her questions caused me to believe he was not entirely forthcoming at times. But I found his testimony about bargaining and communications between the parties to be credible. As to his testimony about the February and March sidebars, notably the Union's willingness to waive its right to bargain over the amounts of

merit increases, that was uncontradicted by any Satellite witness. Respondent did not call either Davis or Sweeney, who litigated the case, to testify. I have, therefore, fully credited Capell's testimony as to the sidebar conversations.

In *Satellite I*, I credited General Counsel witnesses Badilla, Dennis Torres, Mark Calma, Alber Li, Eugene Dela Pena, Eric del Campo, and Cathy Mendoza. On some key points, I did not credit Cristina Cortez, as her recall and attention to detail was faulty. As for Respondent witness Sally Tesorero, I did not credit her on several key points, based on her tendency to give canned answers and to exaggerate claims about the degree of discretion she exercised when deciding merit increases. (*Satellite I*, pp. 18–19.)

V. ANALYSIS

A. Respondent's Alleged Coercive Statements

Complaint paragraph 6 alleges that Respondent made coercive statements in violation of Section 8(a)(1). The test for such allegations is whether, under all circumstances, Respondent's statements reasonably tended to restrain, coerce, or interfere with employees' rights guaranteed by Section 7. *Mediplex of Danbury*, 314 NLRB 470, 472 (1994). The General Counsel must prove such allegations by a preponderance of the evidence.

In support of paragraph 6(a), Home Therapy Nurse Neoli Escovilla credibly testified about the town hall dinner in April. In response to her question about 2024 merit raises, admitted agent Silveira said, in front of more than 30 employees, there would be none because, "you are in bargaining. We told you that that was going to happen."

For paragraph 6(b), tech Nealsen Pe Benito credibly testified that Center Manager Antonio told him that he would not get any merit increase in 2024 because the employees are "union" and "currently bargaining."

As to paragraph 6(c), tech Michael Badilla credibly testified that in April, Center Manager Nowakowski gave him a good performance evaluation but then said that he would not receive any merit increase because "the Gilroy Clinic is. . . a location that is unionized."

In support of paragraph 6(d), tech Raymond Berdos Jr. credibly testified that Center Manager Nisha told him that there would be no merit increases that year due to ongoing bargaining with the Union and that merit increases were therefore "frozen."

It is well-settled that employers violate Section 8(a)(1) by blaming the employees' selection of a union for the withholding of expected wage increases or other specific employment benefits. *Illiana Transit Warehouse Corp.*, 323 NLRB 111, 114–115 (1997) (employer's statement that expected benefits, such as annual wage increases, would be frozen until a contract was negotiated was an unlawful threat of loss of benefits and less favorable treatment if the union were elected); *Cemex Construction Materials Pacific, LLC*, 372 NLRB No. 130, slip op. at 5, 75-76 (2023), reconsideration denied 372 NLRB No. 157 (2023) (unlawful for general manager to blame union and the upcoming election for the withholding of annual cost of living increases). That is precisely what happened here: Respondent blamed the employees' selection of

the Union for the loss of their merit wage increases. This sent the chilling message that the payback for selecting a bargaining representative was the loss of their regular merit wage increases. *Rural/ Metro Medical Services*, 327 NLRB 49, 59 (1998).

Respondent did not challenge the accuracy of the testimony but rather sought to paint the managers' comments as lawful explanations about collective bargaining and its obligation to maintain the status quo. This defense lacks merit. Respondent's obligation to maintain the status quo required it to continue the merit wage program[21], not to unilaterally withhold it. *Rural/ Metro Medical Services*, supra at 50 (employer statement that it had to withhold merit increases due to the union "would not be an accurate description of actions that could be lawfully taken as part of the collective bargaining process"). To the contrary, Respondent's threats were a heavy-handed effort to dampen its employees' enthusiasm for unionizing. *Airgas USA, LLC*, 373 NLRB No. 102, slip op. at 9 (2024) (where the Board found that similar employer statements were "calculated to erode the unit employees' support for the Union"). Moreover, while these threats may have been most impactful to the employees at the 11 represented clinics, they would obviously chill all Satellite employees contemplating representation. Unrepresented employees had to ask themselves: is unionizing worth it? The impact of these threats was heightened by the fact that the unrepresented employees at those same clinics did receive their increases. Berdos explained that, while the prior years' merit increases were small, they were something—and every little bit matters: "Me it's like not so good for us especially [since] we work in the [San Francisco Bay area]. We're expecting even if it's only cents, but it really affects your hourly and…your rate after eight [hours]. At least maybe gives you $10, $15 more, but it's nothing. So its really depressing, you know?" (Tr. 93.)

Based on the foregoing, I find merit to all allegations in complaint paragraph 6.

B. The Alleged Discriminatory Withholding of Merit Increases

Complaint paragraph 7 alleges that Respondent violated Section 8(a)(3) by withholding merit wage increases in 2024 at the 11 facilities in retaliation for the employees' union and protected concerted activities and that this action was inherently destructive of employees' Section 7 rights.

An employer violates Section 8(a)(3) if it withholds merit increases from its represented employees, while granting those increases to unrepresented employees, in retaliation for them selecting a union as their collective-bargaining representative. To establish a prima facie case, the General Counsel must demonstrate union activity by the employees, employer knowledge of that activity, an adverse employment action, and sufficient evidence of employer animus. If the General Counsel does that, then the burden shifts to the employer to show that it would have taken the same action even absent the employees' union activity. *Arc Bridges, Inc*., 362 NLRB 455, 457 (2015), enf. denied 861 F.3d 193 (D.C. Cir. 2017)("*Arc Bridges II*")(citing *Wright Line*

[21] More specifically, to continue the fixed aspects of the program (e.g., its general outline and its timing) and bargain over any discretionary aspects (e.g., the amounts of the raises). *Daily News of Los Angeles*, 315 NLRB 1236, 1239 (1994)(*Daily News II*). Additionally, as in *Airgas*, Respondent has failed to establish its claim that Section 8(a)(5) prohibited it from granting these merit increases. 373 NLRB No. 102, slip op. at 9.

Industries, 251 NLRB 1083, 1089 (1980), enfd. 662 F.2d 899 (1st Cir. 1981), cert. denied 455 U.S. 989 (1982)).

In the instant case, the evidence squarely demonstrated that Respondent withheld the 2024 merit increases from unit employees because of their union activity. Applying the *Wright Line* factors, the union activity that was known to Respondent was the employees' organizing campaign and election of the Union on various dates in 2022 and 2023. The adverse employment action was discontinuing its established practice of granting eligible employees merit increases every spring. There was ample evidence of animus. First and foremost, corporate leaders, center managers, and agents expressly linked unionizing with the withheld merit pay. This is direct evidence of animus. *Airgas USA, LLC*, 373 NLRB No. 102, slip op. at 4 (2024) (finding the employer's statements that employees lost their wage increases due to their support for the union as "the most direct evidence of animus and go directly to Respondent's motive for failing to grant the. . . wage increase"); *Times Wire & Cable Co.*, 280 NLRB 19, 31 (1986) (employer violated Section 8(a)(3) by withholding expected wage increase to employees and "by attributing the loss of the increase to the Union"). Second, Respondent denied increases to represented employees but granted them to unrepresented employees. *Constellium Rolled Products Ravenswood*, 371 NLRB No. 16, slip op. at 4 (2021) (evidence of disparate treatment "strong evidence of animus"). Third, the many accompanying ULPs committed here and in *Satellite I* support inferring animus. *Atlanticare Mgmt., LLC*, supra at 20 (animus based on, inter alia, the discharge of a known union supporter and respondent's demonstrated animus toward the employees' union activity.) Fourth, Respondent's departure from its established practice of granting merit increases to all eligible employees every April. *Medic One, Inc*., 331 NLRB 464, 475 (2000) (employer's departure from a past practice supports inferring a discriminatory motive). Finally, animus was established by Nowakowski's pretextual claim to Badilla that he was denied a merit raise in 2024, in part, because he failed to turn in a self-evaluation. It was established that self-evaluations were voluntary and that the failure to submit one had no impact of the grant of merit increases. *Lucky Cab Co*., 360 NLRB 271, 274 (2014) (pretextual actions supporting inferring animus).

The burden thus shifted to Respondent to demonstrate that it would have, not just could have, withheld the merit increases absent any union activity. It failed to do so. In its brief, Respondent raised two defenses. First, there was no causal connection between the unit employees' union activity and the denial of their merit increases. To the contrary, there was overwhelming evidence of this causal connection. Second, no benefit was ever removed, since Respondent merely proposed "pausing" the merit increases. There is no credence to this—the adverse employment action was Respondent's denial of merit increases in or around April (and continuing through at least the date of the hearing in 2025). I find no merit in either defense.

Based on the foregoing, I find that Respondent violated Section 8(a)(3) by withholding the 2024 merit increases from represented employees at the organized clinics in response to their union activity.

Additionally, I find that Respondent engaged in conduct that was inherently destructive to the exercise of Section 7 rights. When an employer deliberately withholds an existing benefit

from unionized employees, the Board has found such conduct to be "inherently destructive" of Section 7 rights and thus a violation of Section 8(a)(3), even absent any discriminatory motive.[22] *Arc Bridges, Inc*., 355 NLRB at 1222, 1223 (2010), enf. denied 662 F.3d 1235 (D.C. Cir. 2010); accord *NLRB v. Great Dane Trailers, Inc*., 388 U.S. 26, 34 (1967). The Board has held that withholding benefits from unionized employees in deviation of an established practice is a violation of Sections 8(a)(3). See, e.g., *Aluminum Casting & Engineering Co*., 328 NLRB 8, 14 (1999), enfd. in relevant part, 230 F.3d 286 (7th Cir. 2000) (employer withheld annual wage reviews from unionized employees in deviation of established practice of granting wage increases, not to avoid violating the Act but to punish employees).

C. The Alleged Unilateral Withholding of Merit Increases in 2024

Complaint paragraph 8 alleges that Respondent violated Section 8(a)(5) by withholding merit wage increases from unit employees at the 11 clinics without first providing the Union notice and the opportunity to bargain.

An employer violates Section 8(a)(5) of the Act if it changes a condition of employment without first offering the employees' bargaining representative notice and the opportunity to bargain. *Lee's Summit Hospital*, 338 NLRB 841, 841 fn. 3 (2003). "A wage increase program constitutes a term or condition of employment when it is an 'established practice . . . regularly expected by the employees.'" *Mission Foods*, 350 NLRB 336, 337 (2007) (quoting *Daily News of Los Angeles*, 315 NLRB 1236, 1236 (1994) (*Daily News II*), enfd. 73 F.3d 406 (D.C. Cir. 1996), cert. denied 519 U.S. 1090 (1997)) (ellipses in original). Factors relevant to the determination whether a wage increase is an established practice include "the number of years the program has been in place, the regularity with which raises are granted, and whether the employer used fixed criteria to determine whether an employee will receive a raise, and the amount thereof." *Rural/Metro Medical Services*, 327 NLRB 49, 51 (1998).

In the immediate case, the record shows that annual merit increases were an established term and condition of employment. Employees received merit increases every spring for more than two decades. The process involved employees submitting their self-evaluations, meeting with managers to discuss their job performance, and receiving their increases every April. Respondent's determination of the amounts included consideration of set criteria. Employees could always expect to receive some level of increase, and that amount would be at or near the budgeted average. These facts established a regularly recurring pattern. See, e.g., *Mission Foods*, supra at 337 (practice in effect for at least 4 years); *Lee's Summit Hospital*, supra at 841 fn. 3 (practice in effect for 4 years); *Daily News of Los Angeles*, 304 NLRB 511, 514 (1991) (*Daily News I*) (practice in effect for at least 3 years), remanded on other grounds 979 F.2d 1571 (D.C. Cir. 1992), supplemented by *Daily News II*.

Respondent was therefore obligated to refrain from changing its merit program without first offering the Union notice and the opportunity to bargain. That did not happen. Instead, through Sweeney's December 28, 2023 email to Capell, Respondent told the Union that it had

[22] If the Board agrees that Respondent discriminatorily or unilaterally withheld the increases, it may be unnecessary to address this inherently destructive theory. *Airgas USA LLC*, 373 NLRB No. 102, slip op. at 4, fn. 7.

already decided that, absent the Union winning them back through bargaining, merit increases would be withheld from unit employees in 2024. Respondent sought to justify this based on its false conception of the "status quo." Davis reiterated Respondent's position in the February and March sidebars. It was this discontinuation that constituted the unlawful change. Additionally, to the extent that there was one portion of the merit system that involved some level of discretion, the specific amounts given to individuals, Respondent was required to bargain with the Union over that. See *Mission Foods*, supra at 337 (finding employer obligated to maintain fixed elements of structural wage increase and negotiate with the union over discretionary element); *Daily News II*, supra at 1236 (finding employer obligated to maintain annual merit increase "[n]otwithstanding the element of discretion retained by the [r]espondent in setting the amount of merit raises"); and *Central Maine Morning Sentinel*, 295 NLRB 376, 376 (1989) (finding employer obligated to maintain annual wage increase even though the amount was discretionary). On that issue, Capell stated in the February and March sidebars that the Union waived its right to bargain over the amounts. There was, therefore, nothing stopping Respondent from carrying out the merit program as usual.

I find Respondent's defenses unpersuasive. First, contrary to its claim, Respondent's merit pay program was a longstanding practice: they were given every spring for more than 20 years, involved the same steps for employees, were based on set criteria, and routinely resulted in some amount of increase. Second, Respondent's claim that it bargained with the Union about the merit program was unsupported by the record, as explained above. Third, there is no merit to Respondent's claim that it would be liable for a ULP whether it granted or withheld the merit increases. The Board debunked that notion of "Hobson's choice" more than three decades ago in *Hyatt Regency Memphis*[23]:

> At first glance, it might appear that the employer is caught between the proverbial "devil and the deep blue sea." . . . We find little merit in such arguments. The cases make crystal clear that the vice involved in both the unlawful increase situation and the unlawful refusal to increase situation is that the employer has changed the existing conditions of employment. It is this change which is prohibited and which forms the basis of the unfair labor practice charge.

In the instant case, the annual merit wage program was the existing condition of employment, and Respondent unlawfully discontinued it without first bargaining with the Union.

Based on the foregoing, I find that Respondent had an established past practice of granting employees merit increases every spring based on fixed criteria and was not privileged to unilaterally change this system once the bargaining unit employees elected the Union as their collective-bargaining representative. *Atlanticare Mgmt., LLC*, 369 NLRB No. 28, slip op. at 3 (2020)(citing *United Rentals*, 349 NLRB 853, 854 (2007)). I therefore find merit to this allegation.

[23] 296 NLRB 259, 286 (1989), quoting *NLRB v. Dohan Eagle, Inc*., 434 F.2d 93, 98 (1970).

CONCLUSIONS OF LAW

1. Respondent Satellite Healthcare, Inc., is an employer engaged in commerce within the meaning of Section 2(2), (6), and (7) of the National Labor Relations Act (the Act).

2. Service Employees International Union, United Healthcare Workers—West (the Union) is a labor organization within the meaning of Section 2(5) of the Act.

3. Respondent, by its supervisors and/or agents, engaged in unfair labor practices in violation of Section 8(a)(1) of the Act by the following conduct:

a. In April 2024 by telling employees that Gilroy unit employees would not receive merit increases because they were unionized.

b. In April 2024 by blaming the Union for the 2024 merit increases being withheld from represented employees.

c. In April 2024 by telling employees at the town hall dinner and meeting that there would be no merit increases because Respondent and the Union were engaged in bargaining.

d. In May 2024 by telling employees that the merit increases for the San Leandro unit employees would be frozen because of ongoing negotiations between Satellite and the Union.

4. Respondent violated Section 8(a)(3) and (1) of the Act in April 2024 by discriminatorily withholding annual merit wage increases from employees represented by the Union at the San Francisco, Blossom Valley, Gilroy, Morgan Hill, Vallejo, Milpitas, Rohnert Park, Folsom, Santa Teresa, San Leandro, and Watsonville clinics.

5. Respondent violated Section 8(a)(5) and (1) of the Act in April 2024 by changing conditions of employment by unilaterally withholding annual merit wage increases from employees represented by the Union at the San Francisco, Blossom Valley, Gilroy, Morgan Hill, Vallejo, Milpitas, Rohnert Park, Folsom, Santa Teresa, San Leandro, and Watsonville clinics.

6. The above unfair labor practices affect commerce within the meaning of Section 2(6) and (7) of the Act.

REMEDY

Having found that Respondent engaged in certain unfair labor practices, I recommend that the Board order it to cease and desist and to take certain affirmative actions designed to effectuate the policies of the Act.

Specifically, I recommend that Respondent be ordered to cease and desist from withholding the 2024 merit wage increases the bargaining unit employees at the clinics located in San Francisco, Blossom Valley, Gilroy, Morgan Hill, Vallejo, Milpitas, Rohnert Park, Folsom, Santa Teresa, San Leandro, and Watsonville. I further recommend that Respondent be ordered to cease and desist, in any like or related manner, from interfering with, restraining, or coercing employees in the exercise of rights guaranteed by Section 7 of the Act.

Having found that Respondent violated Section 8(a)(5) and (3) by unilaterally and discriminatorily withholding from represented employees their 2024 merit wage increases, I recommend that Respondent be ordered to make those employees whole for any loss of earnings and other benefits, as well as any other direct or foreseeable pecuniary harms, suffered as a result of the unlawful discrimination against them. Backpay shall be computed as in *Ogle Protection*

Service, 183 NLRB 682 (1970), enfd. 444 F.2d 502 (6th Cir. 1971), plus interest as prescribed in *New Horizons*, 283 NLRB 1173 (1987), compounded daily as prescribed in *Kentucky River Medical Center*, 356 NLRB 6 (2010).

I also recommend that Respondent be ordered to compensate unit employees for any adverse tax consequences of receiving lump-sum backpay awards, and to file with the Regional Director for Region 20, within 21 days of the date the amount of backpay is fixed, either by agreement or Board order, a report allocating the backpay awards to the appropriate calendar years for each employee. *AdvoServ of New Jersey, Inc*., 363 NLRB 1324 (2016). I further recommend that Respondent be ordered to file, within 21 days of the date the amount of backpay is fixed, either by agreement or Board order or such additional time as the Regional Director may allow for good cause shown, a copy of each backpay recipient's corresponding W-2 form(s) reflecting the backpay award.

I do not grant the General Counsel's requests for a notice reading, a posting of the Explanation of Rights, or distribution of the notice by text, as those enhanced remedies were not shown to be warranted. The standard Board remedies discussed above will effectively cure the unfair labor practices found, making these enhanced remedies unnecessary. I also do not grant the General Counsel's request for an extension of the certification at the affected facilities, as it was neither alleged nor shown that Respondent failed or refused to bargain in good faith.

On these findings of fact and conclusions of law and on the entire record, I issue the following recommended[24]

ORDER

The Respondent, Satellite Healthcare, Inc., its officers, agents, successors, and assigns, shall

1. Cease and desist from

(a) Coercively telling employees that union-represented employees would not receive merit wage increases due to the Union and/or otherwise blaming the Union for the withholding of merit wage increases.

(b) Withholding the 2024 merit wage increases from union-represented employees in retaliation for them electing the Union or any other labor organization as their collective-bargaining representative.

(c) Unilaterally changing the conditions of employment of its unit employees by withholding their 2024 annual merit wage increases without first notifying the Union and giving it the opportunity to bargain.

[24] If no exceptions are filed as provided by Sec. 102.46 of the Board's Rules and Regulations, the findings, conclusions, and recommended Order shall, as provided in Sec. 102.48 of the Rules, be adopted by the Board and all objections to them shall be deemed waived for all purposes.

(d) In any like or related manner interfering with, restraining, or coercing employees in the exercise of the rights guaranteed by Section 7 of the Act.

2. Take the following affirmative action necessary to effectuate the policies of the Act.

(a) Before implementing any changes in wages, hours, or other terms and conditions of employment of unit employees, notify and on request bargain with the Union as the exclusive collective-bargaining representative of employees in the following bargaining units:

San Francisco facility. Included: Certified Hemodialysis Technician; Environmental Services Technician; Patient Care Technician Trainee; Certified Clinical Hemodialysis Technician; Certified Clinical Hemodialysis Technician—Advanced.

Blossom Valley facility: Included: IC RN3s, Intermediate; IC RN4s, Advanced; Social Workers, MSW I; RNs; Staff – PD; Nephrology Dietitians I; Certified Clinical Hemodialysis Technicians (CCHT); Certified Clinical Hemodialysis Technicians (CCHT), Advanced; Certified Clinical Hemodialysis Technicians (CCHT), Master; Patient Care Technician Trainees; Environmental Services Techs and LVNs.

Gilroy facility. Included: Home RN4s, Advanced; Home RN5s, Expert; IC RN3s, Intermediate; IC RN4s, Advanced; Social Workers, MSW II; Nephrology Dietitian Is; RNs; Staff- PD; Certified Clinical Hemodialysis Technicians (CCHT); Certified Clinical Hemodialysis Technicians (CCHT), Advanced; Certified Clinical Hemodialysis Technicians (CCHT), Master; Patient Care Technician Trainees; and Environmental Services.

Morgan Hill facility. Included: IC RN3s, Intermediate; IC RN4s, Advanced; Social Workers, MSW III; Nephrology Dietitians I; Certified Clinical Hemodialysis Technicians (CCHT); Certified Clinical Hemodialysis Technicians (CCHT), Advanced; Certified Clinical Hemodialysis Technicians (CCHT), Master.

Vallejo facility. Included: RN Staff – Per Diem; RN Clinical Nurse I; IC RN3 Intermediate; IC RN4 Advanced, IC RN5 Expert; Certified Clinical Hemodialysis Technician (CCHT); Certified Clinical Hemodialysis Technician (CCHT) Advanced; Certified Clinical Hemodialysis Technician (CCHT) – Per Diem; and Environmental Services Technician.

Milpitas facility. Included: IC RN 5 Expert, IC RN4 Advanced, RN Clinical Nurse II, RN Staff Per Diem, Certified Clinical Hemodialysis Technician (CCHT), Certified Clinical Hemodialysis Technician (CCHT) Advanced, Certified Clinical Hemodialysis Technician (CCHT) Per Diem, Patient Care Technician Trainee, LVN, LVN Per Diem, and Environmental Services Technician.

Rohnert Park facility. Included: IC RN3—Intermediate; IC RN4 – Advanced; Nephrology Social Worker (MSW I); Nephrology Dietician I; Nephrology Dietician II; Certified Hemodialysis Technician; Environmental Services Technician; Patient Care Technician Trainee; Certified Clinical Hemodialysis Technician; Certified Clinical Hemodialysis Technician—

Master; Certified Clinical Hemodialysis Technician—Advanced; Certified Clinical Hemodialysis Technician—less than 1 year.

Folsom facility. Included: Home RN2- Intermediate; IC RN3 - Intermediate, Nephrology Dietician I; RN Staff - Per Diem, Certified Clinical Hemodialysis Technician (CCHT); Certified Clinical Hemodialysis Technician (CCHT) - Per Diem; Licensed Vocational Nurse (LVN) - Per Diem.

Santa Teresa facility. Included: IC RN1 Trainee; IC RN3 Intermediate; and IC RN4 Advanced; Certified Clinical Hemodialysis Technician (CCHT), Certified Clinical Hemodialysis Technician (CCHT) Advanced, Certified Clinical Hemodialysis Technician (CCHT) Master, Certified Clinical Hemodialysis Technician (CCHT) (Night), and Environmental Services Technician (EST).

San Leandro facility. Included: : RN, Staff-Per Diem, IC RN3 Intermediate; IC RN4 Advanced; IC RN5-expert, Clinical Hemodialysis Technicians (CCHT), Certified Clinical Hemodialysis Technicians (CCHT)-Per Diem, Certified Clinical Hemodialysis Technicians (CCHT) Advanced, and Environmental Services Technicians (EST).

Watsonville facility. Included: IC RN2; IC RN3 Intermediate; IC RN4 Advanced; IC RN 5 Expert; MSW III; Nephrology Dietitian I; Nephrology Dietitian II, Certified Clinical Hemodialysis Technician (CCHT); CCHT Advanced; CCHT Master; CCHT Per Diem; and Patient Care Technician (PCT) Trainee.

(b) Make whole the affected bargaining unit employees at the facilities in San Francisco, Blossom Valley, Gilroy, Morgan Hill, Vallejo, Milpitas, Rohnert Park, Folsom, Santa Teresa, San Leandro, and Watsonville for any loss of earnings and other benefits suffered as a result of the unilateral the unilateral withholding of annual merit increases in 2024, and for any other direct or foreseeable pecuniary harms suffered, in the manner set forth in the remedy section above.

(c) Compensate all affected employees at the facilities in San Francisco, Blossom Valley, Gilroy, Morgan Hill, Vallejo, Milpitas, Rohnert Park, Folsom, Santa Teresa, San Leandro, and Watsonville for the adverse tax consequences, if any, of receiving lump-sum backpay awards, and file with the Regional Director for Region 20, within 21 days of the date the amount of backpay is fixed, either by agreement or Board order, a report allocating the backpay award to the appropriate calendar years for each employee.

(d) File with the Regional Director for Region 20, within 21 days of the date the amount of backpay is fixed by agreement or Board order or such additional time as the Regional Director may allow for good cause shown, a copy of each backpay recipient's corresponding W-2 form(s) reflecting the backpay award.

(e) Preserve and, within 14 days of a request, or such additional time as the Regional Director may allow for good cause shown, provide at a reasonable place designated by the Board or its agents, all payroll records, social security payment records, timecards, personnel records

and reports, and all other records, including an electronic copy of such records if stored in electronic form, necessary to analyze the amount of backpay due under the terms of this Order.

(f) Post at its facilities located in San Francisco, Blossom Valley, Gilroy, Morgan Hill, Vallejo, Milpitas, Rohnert Park, Folsom, Santa Teresa, San Leandro, and Watsonville copies of the attached notice[25] marked "Appendix" in English and any other language deemed appropriate by the Regional Director. [26] Copies of the notice, on forms provided by the Regional Director for Region 20, after being signed by the Respondent's authorized representative, shall be posted by the Respondent and maintained for 60 consecutive days in conspicuous places, including all places where notices to employees are customarily posted. In addition to physical posting of paper notices, notices shall be distributed electronically, such as by email, posting on an intranet or an internet site, and/or other electronic means, if the Respondent customarily communicates with its employees by such means. Reasonable steps shall be taken by the Respondent to ensure that the notices are not altered, defaced, or covered by any other material.

(g) Within 21 days after service by the Region, file with the Regional Director for Region 20 a sworn certification of a responsible official on a form provided by the Region attesting to the steps that the Respondent has taken to comply.

Dated, Washington, D.C. February 23, 2026.

Brian D. Gee
Administrative Law Judge

[25] Based on the facts involved in these cases, e.g., bargaining for all facilities was conducted jointly and Respondent's admission that employees at the different facilities share information with each other, I recommend that a single Notice be posted at all 11 facilities involved in this complaint.

[26] If the facilities involved in these proceedings are open and staffed by a substantial complement of employees, the notice must be posted within 14 days after service by the Region. If the facilities are closed or not staffed by a substantial complement of employees due to the Coronavirus Disease 2019 (COVID-19) pandemic, the notice must be posted within 14 days after the facilities reopen and a substantial complement of employees have returned to work. If, while closed or not staffed by a substantial complement of employees due to the pandemic, the Respondent is communicating with its employees by electronic means, the notice must also be posted by such electronic means within 14 days after service by the Region. If the notice to be physically posted was posted electronically more than 60 days before physical posting of the notice, the notice shall state at the bottom that "This notice is the same notice previously [sent or posted] electronically on [date]." If this Order is enforced by a judgment of a United States court of appeals, the words in the notice reading "Posted by Order of the National Labor Relations Board" shall read "Posted Pursuant to a Judgment of the United States Court of Appeals Enforcing an Order of the National Labor Relations Board."

APPENDIX

NOTICE TO EMPLOYEES
POSTED BY ORDER OF THE
NATIONAL LABOR RELATIONS BOARD
An Agency of the United States Government

The National Labor Relations Board has found that we violated Federal labor law and has ordered us to post and obey this notice.

FEDERAL LAW GIVES YOU THE RIGHT TO

Form, join, or assist a union
Choose representatives to bargain with us on your behalf
Act together with other employees for your benefit and protection
Choose not to engage in any of these protected activities.

WE WILL NOT threaten employees by saying that they would be denied merit wage increases because they unionized, because of collective bargaining, and/or otherwise blame Service Employees International Union, United Healthcare Workers—West (the Union) for the withholding of merit wage increases.

WE WILL NOT withhold merit wage increases from employees because they joined or otherwise supported the Union or any other labor organization.

WE WILL NOT change employees' terms and conditions of employment, such as withholding merit wage increases, without first notifying the Union and giving it an opportunity to bargain.

WE WILL NOT in any like or related manner interfere with, restrain, or coerce employees in the exercise of the rights guaranteed them by Section 7 of the Act.

WE WILL, before implementing any changes in wages, hours, or other terms and conditions of employment of unit employees, notify and on request, bargain with the Union as the exclusive collective-bargaining representative of our employees in the following bargaining units:

San Francisco facility. Included: Certified Hemodialysis Technician; Environmental Services Technician; Patient Care Technician Trainee; Certified Clinical Hemodialysis Technician; Certified Clinical Hemodialysis Technician—Advanced.

Blossom Valley facility: Included: IC RN3s, Intermediate; IC RN4s, Advanced; Social Workers, MSW I; RNs; Staff – PD; Nephrology Dietitians I; Certified Clinical Hemodialysis Technicians (CCHT); Certified Clinical Hemodialysis Technicians (CCHT), Advanced; Certified Clinical Hemodialysis Technicians (CCHT), Master; Patient Care Technician Trainees; Environmental Services Techs; and LVNs.

Gilroy facility. Included: Home RN4s, Advanced; Home RN5s, Expert; IC RN3s, Intermediate; IC RN4s, Advanced; Social Workers, MSW II; Nephrology Dietitian Is; RNs; Staff- PD; Certified Clinical Hemodialysis Technicians (CCHT); Certified Clinical Hemodialysis Technicians (CCHT), Advanced; Certified Clinical Hemodialysis Technicians (CCHT), Master; Patient Care Technician Trainees; and Environmental Services.

Morgan Hill facility. Included: IC RN3s, Intermediate; IC RN4s, Advanced; Social Workers, MSW III; Nephrology Dietitians I; Certified Clinical Hemodialysis Technicians (CCHT); Certified Clinical Hemodialysis Technicians (CCHT), Advanced; Certified Clinical Hemodialysis Technicians (CCHT), Master.

Vallejo facility. Included: RN Staff—Per Diem; RN Clinical Nurse I; IC RN3 Intermediate; IC RN4 Advanced, IC RN5 Expert; Certified Clinical Hemodialysis Technician (CCHT); Certified Clinical Hemodialysis Technician (CCHT) Advanced; Certified Clinical Hemodialysis Technician (CCHT)—Per Diem; and Environmental Services Technician.

Milpitas facility. Included: IC RN 5 Expert, IC RN4 Advanced, RN Clinical Nurse II, RN Staff Per Diem, Certified Clinical Hemodialysis Technician (CCHT), Certified Clinical Hemodialysis Technician (CCHT) Advanced, Certified Clinical Hemodialysis Technician (CCHT) Per Diem, Patient Care Technician Trainee, LVN, LVN Per Diem, and Environmental Services Technician.

Rohnert Park facility. Included: IC RN3—Intermediate; IC RN4—Advanced; Nephrology Social Worker (MSW I); Nephrology Dietician I; Nephrology Dietician II; Certified Hemodialysis Technician; Environmental Services Technician; Patient Care Technician Trainee; Certified Clinical Hemodialysis Technician; Certified Clinical Hemodialysis Technician—Master; Certified Clinical Hemodialysis Technician—Advanced; Certified Clinical Hemodialysis Technician – less than 1 year.

Folsom facility. Included: Home RN2- Intermediate; IC RN3 - Intermediate, Nephrology Dietician I; RN Staff - Per Diem, Certified Clinical Hemodialysis Technician (CCHT); Certified Clinical Hemodialysis Technician (CCHT) - Per Diem; Licensed Vocational Nurse (LVN) - Per Diem.

Santa Teresa facility. Included: IC RN1 Trainee; IC RN3 Intermediate; and IC RN4 Advanced; Certified Clinical Hemodialysis Technician (CCHT), Certified Clinical Hemodialysis Technician (CCHT) Advanced, Certified Clinical Hemodialysis Technician (CCHT) Master, Certified Clinical Hemodialysis Technician (CCHT) (Night), and Environmental Services Technician (EST).

San Leandro facility. Included: : RN, Staff-Per Diem, IC RN3 Intermediate; IC RN4 Advanced; IC RN5-expert, Clinical Hemodialysis Technicians (CCHT), Certified Clinical Hemodialysis Technicians (CCHT)-Per Diem, Certified Clinical Hemodialysis Technicians (CCHT) Advanced, and Environmental Services Technicians (EST).

Watsonville facility. Included: IC RN2; IC RN3 Intermediate; IC RN4 Advanced; IC RN 5 Expert; MSW III; Nephrology Dietitian I; Nephrology Dietitian II, Certified Clinical Hemodialysis Technician (CCHT); CCHT Advanced; CCHT Master; CCHT Per Diem; and Patient Care Technician (PCT) Trainee.

WE WILL make whole union-represented employees at the facilities located in San Francisco, Blossom Valley, Gilroy, Morgan Hill, Vallejo, Milpitas, Rohnert Park, Folsom, Santa Teresa, San Leandro, and Watsonville for any loss of earnings and other benefits, as well as any other direct or foreseeable pecuniary harms, resulting from the unlawful withholding of their 2024 merit wage increases, plus interest.

WE WILL compensate the employees at the facilities located in San Francisco, Blossom Valley, Gilroy, Morgan Hill, Vallejo, Milpitas, Rohnert Park, Folsom, Santa Teresa, San Leandro, and Watsonville who were affected by the unlawful withholding of the 2024 merit wage increases for the adverse tax consequences, if any, of receiving lump-sum backpay awards, and WE WILL file with the Regional Director for Region 20, within 21 days of the date of the amount of backpay is fixed, either by agreement or Board order, a report allocating the backpay awards to the appropriate calendar years for each employee.

WE WILL file with the Regional Director for Region 20, within 21 days of the date the amount of backpay is fixed by agreement or Board order or such additional time as the Regional Director may allow for good cause shown, a copy of each backpay recipient's corresponding W-2 form(s) reflecting the backpay award.

WE WILL post this notice at our facilities located in in San Francisco, Blossom Valley, Gilroy, Morgan Hill, Vallejo, Milpitas, Rohnert Park, Folsom, Santa Teresa, San Leandro, and Watsonville for a period of 60 days. In addition, WE WILL post the notice electronically, including email, and by any such means as we generally use to communicate with you.

SATELLITE HEALTHCARE, INC.

Dated _____ _____
(Employer)

By

_____ _____
(Representative) (Title)

The National Labor Relations Board is an independent Federal agency created in 1935 to enforce the National Labor Relations Act. It conducts secret–ballot elections to determine whether employees want union representation and it investigates and remedies unfair labor practices by employers and unions. To find out more about your rights under the Act and how to file a charge or election petition, you may speak confidentially to any agent with the Board's Regional Office set forth below. You may also obtain information from the Board's website: www.nlrb.gov.

Phillip Burton Federal Building
450 Golden Gate Ave, 3rd Floor, Suite 3112
San Francisco, CA
(415) 356-5130, Hours of Operation: 8:30 a.m. to 5:00 p.m.

The Administrative Law Judge's decision can be found at www.nlrb.gov/case/20-CA-340738 or by using the QR code below. Alternatively, you can obtain a copy of the decision from the Executive Secretary, National Labor Relations Board, 1015 Half Street, S.E., Washington, D.C. 20570, or by calling (202) 273–1940.

THIS IS AN OFFICIAL NOTICE AND MUST NOT BE DEFACED BY ANYONE

THIS NOTICE MUST REMAIN POSTED FOR 60 CONSECUTIVE DAYS FROM THE DATE OF POSTING AND MUST NOT BE ALTERED, DEFACED, OR COVERED BY ANY OTHER MATERIAL. ANY QUESTIONS CONCERNING THIS NOTICE OR COMPLIANCE WITH ITS PROVISIONS MAY BE DIRECTED TO THE ABOVE REGIONAL OFFICE'S COMPLIANCE OFFICER.