

University of Iowa hospital workers ask judge to end wage dispute case and rule in their favor

UIHC practice led to pay delays for overtime, extra duty



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1Melinda Myers poses for a portrait July 21, 2019 after her nursing shift at the University of Iowa Hospitals and Clinics in Iowa City. Myers is a plaintiff named in the class action wage lawsuit against UIHC. (Jim Slosiarek/The Gazette)

IOWA CITY — Arguing that no one disputes how University of Iowa Health Care for years paid employees for overtime and for working extra shifts in a way that led to delays, the thousands of past and present workers suing over [the practice](#) are asking a federal judge to end further proceedings and issue a summary judgment in their favor.

“There can be no dispute that the board’s pay practices for UIHC employees, by design, pay overtime, shift differential, and termination pay later than is permitted by the (Iowa Wage Payment Collection Law) and deprives over 10,000 UIHC workers their duly earned wages for weeks or months at a time,” according to the request that attorney Nate Willems filed last week on behalf of thousands of clients included in the 2019 lawsuit.

Even though UIHC eventually paid employees their due, Willems asked a judge to force the Iowa Board of Regents to also pay affected workers “liquidated damages” for every dollar that came late — essentially doubling UIHC’s cost of the delayed wages as a penalty.

Attorneys haven’t calculated the total impact for UIHC, saying tallying late payments for as many as 11,000 people is a “big project.” But state law, according to Willems’ motion, liquidated damages accrue “for each day the wages are paid late up to the amount of the unpaid wage.”

Given that a federal judge [in May granted the lawsuit class status](#), Willems said it covers about 8,000 positions and about 11,000 people who’ve come and gone from UIHC during the designated period starting in 2017 — when Iowa stripped collective bargaining rights from public employee unions and UIHC changed some pay practices as a result.

Employees covered under the class definitions — including nurses and “blue collar workers” like custodians and food workers — must opt out to be excluded from the suit. Willems said he’s heard from only a small number who want out.

‘Not a bug’

As spelled out in the lawsuit, UIHC’s pay periods start and end on the first and last days of a month, with paychecks disseminated the first day of the next month. UIHC has admitted some extra pay for performing extra duties doesn’t make it into that first paycheck. And earned vacation and sick leave for departing employees also can come later.

“UIHC, therefore plainly violated the (law) by failing to pay all wages owed in a timely manner,” the suit said. To prevent UIHC from continuing the practice or from doing it again, state law — according to Willems, “requires the payment of liquidated damages for intentional wage violations.”

UIHC officials said Monday said they won’t comment on pending litigation.

UIHC human resources in 2018 said the university was in compliance with state code, although administrators in August 2020 announced they were changing practices “to pay UIHC employees in a timely manner,” according to the lawsuit. The cause for action, according to a UIHC slide presentation, was to be “aligned with Iowa Code.”

The plaintiffs said the summary judgment without delay “is appropriate when there is no genuine issue of material fact.” It also notes: “There is no dispute that the manner the board pays wages has been a feature, and not a bug, of its payroll system.”

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