HEALTHCARE
BUSINESS TODAY

While 31,000 Kaiser Nurses Strike, Employers Ignore The $500 Billion Solution

Karthik Ganesh | February 21, 2026

Updated on February 22, 2026

PATIENT CARE

As 31,000 Kaiser nurses enter their fourth week on strike across California and Hawaii, the crisis couldn't be clearer. The nurses are right: they're overworked, understaffed, and drowning in patient volume that should never reach hospital doors.

But most of what's overwhelming our hospitals isn't complex medicine. It's routine care that employees can't access conveniently, so they defer until it becomes urgent or show up at emergency departments because they have nowhere else to go. Health-related productivity loss costs U.S. employers more than $500 billion annually. An estimated $8.3 billion is spent each year on emergency department care that could be provided elsewhere, and nearly 30% of emergency department visits are avoidable, according to the Agency for Healthcare Research and Quality.

In California, emergency department visits increased 17% over the past decade, but when adjusted for population growth, the visit rate jumped 33%, far outpacing the state's 2% population increase. When employees can't access routine care without losing half a workday, they avoid it until minor issues become major ones. Those delayed cases land on nurses already fighting for sustainable working conditions. Hospitals are absorbing the failure of our entire healthcare access model.

So what would a scalable solution actually look like?

Rather than hiring thousands of new nurses, which California's budget deficit makes unrealistic, hybrid healthcare infrastructure could allow remote nurses and physicians to serve larger populations efficiently. Compact clinics include diagnostic equipment (stethoscopes, otoscopes, blood pressure monitors) that remote clinicians operate in real-time during patient visits. Providers can diagnose strep throat, ear infections, minor injuries, and manage chronic conditions that would otherwise send people to urgent care or emergency departments.

The economics are compelling. Traditional occupational health clinics cost $2–$3 million annually to build and operate. Companies developing tech-enabled clinics report significantly lower costs. Research shows workplace health programs generate $3 to $6 in savings per dollar invested. A multi-million dollar California pilot could test whether tech-enabled care delivers comparable returns at scale.

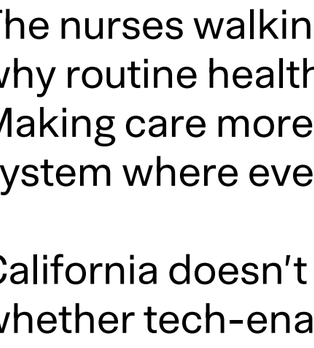
A pilot program testing hybrid healthcare solutions could serve 100,000 Californians at a fraction of what the state already spends managing preventable emergency department visits. California alone accounts for over $3.5 billion in avoidable ED costs annually, making even a modest pilot investment financially compelling.

The funding model is straightforward: employer partnerships and federal rural health initiatives would cover most costs, with targeted state support for underserved communities. Systems would bill through existing insurance networks, with sponsors covering patient out-of-pocket costs. Priority would go to populations currently lacking convenient primary care access, including workers at large employers in inland regions and communities where the nearest urgent care requires a 30-minute drive.

If participating systems achieve meaningful ED diversion, California would generate real-world evidence while immediately reducing pressure on hospital systems. Nurses' unions should be at the table from day one to ensure any solution supports healthcare workers rather than displacing them.

The nurses walking Kaiser's picket lines today are fighting for working conditions that don't break them. But we should also ask why routine healthcare access has become so difficult that it overwhelms our hospitals and exhausts our healthcare workers. Making care more accessible doesn't mean choosing between supporting nurses and fixing the system. It means building a system where everyone can win, the nurses, the health systems, and the patients.

California doesn't need a perfect solution. It needs to start with a pilot that generates real data on costs, outcomes, and whether tech-enabled care stations can reduce the volume overwhelming our nurses. That's a conversation California can afford to have.



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