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AGREEMENT

between



KAISER PERMANENTE

**Kaiser Foundation
Health Plan of Colorado**

and

LOCAL 105



Stronger Together :

**SERVICE EMPLOYEES' INTERNATIONAL UNION
LOCAL #105, AFL-CIO**

2000 - 2006



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Employer and Union Negotiations Committee

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Letters of Understanding

P R E A M B L E

Section 1. Agreement

This Agreement is made and entered into as of October 1, 2000, by and between Kaiser Foundation Health Plan of Colorado, hereinafter referred to as the "Employer", and Service Employees' International Union, Local 105, affiliated with the AFL-CIO, hereinafter referred to as the "Union".

Section 2. Responsible Relationship Clause

The Employer and the Union recognize that it is in the best interests of both parties, the employees and the public that their relationship be characterized by mutual responsibility and respect. Toward that end, the Employer and its representatives at all levels agree to apply the terms of this Contract in accordance with its intent and meaning and will maintain associations with the Union and its representatives in a courteous and respectful manner. Similarly, the Union and its representatives at all levels agree to apply the terms of this Contract in accordance with its intent and meaning and will maintain associations with the Employer and its representatives in a courteous and respectful manner.

It is the intent of both organizations to deal with one another at all levels in a sincere, honest and professional manner. Toward that end, no Employer Representative at any level should regard a grievance merely as a nuisance, just as no Union Representative at any level should offer grievances which are designed only to harass the management. It is further our intent that the representatives of both organizations carry the spirit of the Responsible Relationship Clause to all employees. Toward that end, the Union will use its best efforts to properly train its Stewards and Chief Stewards and the Employer will use its best efforts to train its Supervisors and Department Heads. The Employer and the Union affirm their responsibility to maintain a work environment in which all employees, regardless of position, are treated with dignity, respect and courtesy. The Employer and the Union recognize that it is in the best interest of both parties to actively promote a relationship which contributes to excellence and organizational success. Further, the parties are committed to cultivating a dynamic work environment by encouraging professional growth, meaningful input and clear communication.

If either party believes that the other party is not meeting its obligations under this Responsible Relationship Clause, it may file a grievance pursuant to the grievance procedure listed in this Contract. This clause may not, however, be the subject of an arbitration.

ARTICLE 1. PURPOSE OF AGREEMENT

Section 1. Statement of Purpose

It is the intent and purpose of the parties to set forth herein their Agreement covering rates of pay, hours of work and conditions of employment for employees covered in Article 2 of this Agreement and to collaboratively work to promote cost effective, high quality service and care for Kaiser Foundation Health Plan members.

ARTICLE 2. SCOPE OF AGREEMENT

Section 1. Coverage

- A. This Agreement shall cover all of the Employer's employees represented by the Union, as certified by the NLRB in Case No. 27-RC-4420.
- B. This Agreement shall cover employees in classifications covered by this Agreement in any new facility.

Section 2. Supervisory Employees

The Employer recognizes the fact that bona fide supervisory employees are only those who have the authority to hire, promote, discipline, discharge or otherwise change status; and it is not the Employer's policy to establish jobs or job titles for the purpose of excluding such employees from the bargaining unit as established in Section 1 of this Article.

Section 3. Subcontracting

If the Employer intends to subcontract any work within the listed classifications for a period exceeding six (6) months, the Union shall be given one (1) month of prior notification. During this one month period, and upon request by the Union, the Employer shall discuss the matter in good faith with the Union, to the extent required by the National Labor Relations Act.

ARTICLE 3. UNION RECOGNITION, SECURITY AND BUSINESS MATTERS

Section 1. Union Recognition

The Employer recognizes the Union as the exclusive bargaining agent of the employees coming under the jurisdiction of the Union for the purpose of collective bargaining with respect to rates of pay, hours of work and working conditions.

Section 2. Union Membership

- A. It shall be a condition of employment that all employees currently covered by this Agreement and those hired on or after its execution date shall, within thirty one (31) calendar days following the beginning of such employment, become and remain members in good standing in the Union, except as provided by law.

- B. Employees who are required hereinunder to maintain membership and fail to do so, and employees who are required hereinunder to join the Union and fail to do so, shall, upon notice of such action in writing from the Union to the Employer, be replaced by a competent employee whenever such competent employee is required and available. The Employer shall be the sole judge of the competency of such employees.

Section 3. Checkoff

- A. The Employer shall deduct from each employee's wage the amount of Union dues and initiation fees, as specified by the Union, for all employees covered by this Agreement who have voluntarily provided the Employer with a written assignment authorizing such deductions. Once signed, the authorization cannot be canceled for a period of one (1) year from the date appearing on such written assignment or within a fifteen (15) day period prior to the termination date of the current Agreement between the Employer and the Union, whichever occurs sooner.
- B. The Employer agrees to remit all such deductions to the Secretary/Treasurer of the Local Union on or before the last calendar day of the month in which such deductions are made. Concurrent with the monthly payment, the Employer agrees to mail to the Union the name of each employee for whom such deductions are made and the amount of each deduction.

Section 4. Union Business

- A. When an employee is hired into a bargaining unit position, the Employer agrees to provide the employee with the following:
 - 1) A copy of this Agreement, including a review of Sections 1, 2 and 3 of this Article with the employee.
 - 2) The name of the facility Union Steward(s), provided the Employer is in receipt of a current list of Union Stewards from the Union.
 - 3) Written verification of the employee's starting hourly rate of pay and a review of the progression steps identified in Appendix A.
 - 4) Information regarding the Employer's Credit Union.
- B. For Union record-keeping purposes, the Employer agrees to mail to the Union, on a monthly basis, a listing of bargaining unit employee hires and terminations.

Section 5. Access of Union Representatives

- A. Duly authorized representatives of the Union shall be permitted at all reasonable times to enter the facilities operated by the Employer for the purpose of transacting Union business and observing conditions under which employees are employed; provided, however, that no interference with the work of employees shall result and that such right of entry shall at all times be subject to facility rules applicable to non-employees.

- B. The Union agrees to notify the Medical Office Administrator or his/her designee, or the appropriate department head, prior to observing working conditions, investigating reported grievances or conducting any meetings between employees and the Union. The Union further agrees that such observations, investigations and meetings shall be conducted with no disruption of the Employer's operations and shall be held on the premises in a place designated by the Medical Office Administrator or his/her designee, or the appropriate department head, which accommodates the investigation, observation or meeting requirement. The requirement to provide prior notice to the Employer shall be waived when the purpose of the Union's visit is solely to conduct a meeting with an employee and/or a Union Steward during designated rest and/or meal periods in the employee lounge.
- C. Union Business Representatives shall be allowed access to appropriate materials in employee personnel files which are directly related to an alleged Contract violation, provided the employee's written consent is presented to the Personnel Department. The Employer shall not use any materials from an employee personnel file, for purposes of discipline or in the grievance procedure, which have been specifically denied the Union in a request for access.

Section 6. Union Stewards

- A. The Employer agrees to recognize Union Stewards duly appointed by the Union who may receive complaints and see that the terms and conditions of this Agreement are observed, provided that such activity does not unduly interfere with the work assignment of the Union Steward or other employees. To assure that a Steward's union duties do not unduly interfere with his/her work assignment, the Union agrees to appoint a sufficient number of Stewards in each facility and to use its best efforts to assure that Union duties are equitably distributed among the Stewards at any one facility.
- B. Union Stewards will be excused by their supervisor to conduct Union business provided adequate staff coverage is available. Union Stewards will advise their supervisor when they have been requested to conduct Union business. In the event it is not convenient to release the Steward at the time requested, the supervisor will consult with the Steward regarding a satisfactory time and contact the other supervisor to arrange a mutually agreeable time.
- C. On a quarterly basis, the Union shall submit to the Director of Labor Relations a current listing of Union Stewards at all facilities.
- D. Duly recognized Union Stewards or other employees who have been excused by their immediate supervisor to attend grievance hearings or other Union meetings shall not have their pay reduced while attending such meetings during their scheduled working hours. In no case shall an employee receive pay when pay would not otherwise apply (such as during meal periods, before and after work, etc.) and in no case shall an employee receive a rate of pay in excess of his/her regular straight-time rate of pay, except for any wage premiums which would otherwise apply.

Section 7. Employer Indemnification

The Union shall indemnify the Employer and hold it harmless against any and all suits, claims, demands and liabilities which arise out of or by reason of any action which shall be taken by the Employer for the purpose of complying with the foregoing provisions of this Article.

ARTICLE 4. UNION AND MANAGEMENT RESPONSIBILITIES

Section 1. Management Rights

The Union recognizes that the Employer has the duty and the right to manage the facilities and to direct the work force. This includes the right to hire, transfer, promote, demote, layoff, discipline and discharge employees, subject to the terms of this Agreement and the grievance procedure.

Section 2. Hiring

When vacancies occur in positions subject to this Agreement, the Employer shall notify the Union. The Employer will consider qualified applicants referred by the Union, along with other qualified applicants from the outside. The Employer may employ the person who, in the Employer's judgment, will make the best employee. The Employer shall be the sole judge of the fitness of any applicant.

Section 3. Objectives

- A. The foremost objective and obligation of the Employer and the employees is to provide Health Plan members and the general public with patient care and support services which meet high quality standards and to provide such services in a warm, caring and courteous manner. The Employer and the employees agree to provide their full support and cooperation toward this mutual endeavor.
- B. The Union agrees with the objectives of achieving the highest reasonable level of employee performance and production consistent with safety, good health and sustained effort; and the Union and the Employer shall use their best efforts to effectuate this objective.

Section 4. Equal Employment Opportunity/Non-Discrimination

It is the continuing policy of the Employer and the Union that neither shall discriminate against any employee or applicant for employment covered by this Agreement because of race, color, religion, national origin, sex, age, physical or mental handicap, veteran status, or sexual orientation.

Section 5. Union Activities/Non-Discrimination

No employee or applicant for employment covered by this Agreement shall be discriminated against because of membership in the Union or activities on behalf of the Union, and the Union agrees that employees covered by this Agreement shall be admitted to membership without discrimination.

Section 6. Work Stoppages

The Employer and the Union recognize that the Employer's operations are different from other industries because of the medical care provided to the community. Thus, the parties agree to the following:

- 1) There shall be no strikes, lockouts, sympathy strikes, work stoppages and/or slowdowns during the term of this Agreement.

- 2) Should a violation of this Section occur, the Union agrees to cooperate fully and completely with the Employer during such occurrence and to take all actions within its power to prevent or terminate any violation(s) of this Section. The Union shall immediately notify all employees that such action is prohibited by this Section and is not in any way sanctioned or approved by the Union and shall order all employees to return to work at once.
- 3) Neither party shall negotiate upon the merits of any dispute involved until the action is fully terminated and normal operations have been resumed.
- 4) Any violation(s) of this Section shall be cause for employee disciplinary action which shall be subject to the grievance procedure.

Section 7. Separability Clause

The provisions of this Agreement are deemed to be separable to the extent that if a court of last resort adjudges any provision(s) of this Agreement to be in conflict with any law, such decision shall not affect the validity of the remaining provisions of this Agreement which shall remain in full force and effect. In the event any provision(s) are declared to be in conflict with any law, both parties shall meet immediately for the purpose of renegotiating only the provision(s) so invalidated.

ARTICLE 5. EMPLOYEE DEFINITIONS

Section 1. Probationary Employees

- A. The probationary period for all regular and short-hour employees shall be a maximum of the first ninety (90) calendar days of employment, including the date of hire or rehire. The probationary period for all on-call employees shall be the first ninety (90) calendar days of employment, or the first sixty (60) days worked, whichever is longer.
- B. Temporary employees will begin an initial probationary period consisting of ninety (90) calendar days or sixty (60) days worked upon attainment of a regular, short-hour or on-call position respectively. Temporary employees may be discharged for cause during the temporary assignment.
- C. One extension of the probationary period shall be allowed provided the Employer notifies the Union and supplies justification for said extension. The extension shall not exceed sixty (60) calendar days (days worked in the case of temporary and on-call employees). The employee shall be notified of the extension and the reasons therefor.
- D. During the probationary period or extensions thereof, employees may be discharged without recourse to the grievance procedure.

Section 2. Regular Employees

- A. A regular full-time employee is defined as an employee regularly scheduled to work a predetermined work schedule of forty (40) hours per workweek. A regular full-time employee is eligible for all employee benefits outlined in this Agreement, including accumulation of vacation, holiday and sick leave benefits on a full-time basis.

- B. A regular part-time employee is eligible for all benefits outlined in this Agreement, including accumulation of holiday benefits on a prorated basis. Vacation and sick leave benefits shall be accumulated on the basis of all hours paid to a maximum of eighty (80) hours per pay period.
- C. An employee designated as a regular full-time or regular part-time employee shall accumulate and receive all benefits outlined in this Agreement on the date s/he becomes and so long as s/he remains a regular employee. However, the period during which an employee is designated as a short-hour, temporary or on-call employee shall be included for purposes of determining eligibility and accumulation of tenure adjustments and seniority.
- D. A regular employee who, with no break in service and with no change in job classification, becomes a short-hour, temporary or on-call employee shall be paid at the rate of pay s/he was receiving as a regular employee plus the premium in lieu of benefits.

Section 3. Short-Hour Employees

- A. A short-hour employee is defined as an employee regularly scheduled to work a predetermined work schedule of less than twenty (20) hours per workweek.
- B. A short-hour employee shall be ineligible for the benefits and wage premiums outlined in this Agreement, with the exception of the following:
 - 1) Paid rest periods
 - 2) Premium pay for holiday worked
 - 3) Tenure adjustments
 - 4) Shift premium
 - 5) Float premium
 - 6) Work in a higher classification premium
 - 7) Overtime for hours worked in excess of eight in one payroll day
 - 8) 6th/7th day premium
 - 9) Weekend premium
- C. In lieu of eligibility for the other benefits and wage premiums outlined in this Agreement, a short hour employee shall receive a premium of one dollar, fifty cents (\$1.50) per hour above his/her regular straight-time rate of pay.
- D. A short-hour employee shall receive step increases in twice the time identified in the Appendix A wage schedule. For example, it will take a short-hour employee two years to progress from Step B to Step C.

Section 4. Temporary Employees

- A. A temporary employee is defined as an employee hired to work any predetermined work schedule which does not exceed six months in duration. In instances where the temporary employee is replacing an employee on leave of absence, the temporary status will automatically be extended for the duration of the leave. Specific exceptions to provide for an additional and limited time period in a temporary status for other temporary employees may be made by mutual agreement, in writing, by the parties. Upon receipts of notification of such, the Union may request a meeting to discuss the reasons and duration for such requests. There may be circumstances where it is appropriate for the temporary employee in an extended assignment to receive health care coverage. Such arrangements can be made by mutual agreement of the parties.
- B. Temporary employees shall be ineligible for the benefits, wage premiums and tenure adjustments outlined in this Agreement, with the exception of the following:

- 1) Paid rest periods
- 2) Premium pay for holiday worked
- 3) Shift premium
- 4) Float premium
- 5) Work in a higher classification premium
- 6) Overtime for hours worked in excess of eight in one payroll day
- 7) 6th/7th day premium
- 8) Weekend premium

- C. In lieu of eligibility for the other benefits and wage premiums outlined in this Agreement, a temporary employee shall receive a premium of one dollar, fifty cents (\$1.50) per hour above his/her regular straight-time rate of pay.

Section 5. On-Call Employees

- A. An on-call employee is defined as an employee hired to work on an intermittent basis.
- B. On-call employees shall be ineligible for the benefits, and wage premiums with the exception of the following:
- 1) Paid rest periods
 - 2) Premium pay for holiday worked
 - 3) Shift premium
 - 4) Float premium
 - 5) Work in a higher classification premium
 - 6) Overtime for hours worked in excess of eight in one payroll day
 - 7) 6th/7th day premium
 - 8) Weekend premium
- C. An on-call employee shall receive step increases in twice the time identified in the Appendix A wage schedule. For example, it will take an on-call employee two years to progress from Step C to Step D.
- D. In lieu of eligibility for the other benefits and wage premiums outlined in this Agreement, an on-call employee shall receive a premium of one dollar, fifty cents (\$1.50) per hour above his/her regular straight-time rate of pay.
- E. Except when replacing temporarily absent employees, an on-call employee who regularly works a predetermined work schedule for a period of four (4) months or more shall be eligible for reclassification to either regular full-time, regular part-time, short-hour or temporary status, upon the supervisor's or the Union's written request to the Human Resources Department. If an on-call employee is reclassified to regular full-time or regular part-time status in accordance with this provision, s/he shall receive wage and benefit adjustments as follows:
- 1) The effective date for any wage and FTE adjustment shall be at the beginning of the month following the date the employee enrolls in the benefit plans, at which time his/her premium in lieu of benefits will be discontinued. The employee will receive retroactive credit from the date s/he began working a regular and continuous work schedule, up to a maximum of one year from the date that Human Resources is notified in writing by the supervisor, in determining his/her wage adjustment, if applicable, and next step increase.
 - 2) The effective date for accrual of sick leave, vacation and holiday benefits and for credit toward meeting the waiting period for other benefits shall be the date on which the employee began working a regular and continuous work schedule; however, an employee may receive a maximum retroactive credit of one year

from the date Human Resources is notified in writing by the supervisor. The effective date for use of vacation benefits shall be at the beginning of the month following the date that the employee enrolls in the benefit plans, or one year from his/her retroactive accrual date, whichever is later. The effective date for use of sick leave benefits, holiday benefits, and for coverage under health care and other insurance plans shall be at the beginning of the month following the date that the employee enrolls in the benefit plans, provided s/he meets the applicable waiting period.

Section 6. Non-Duplication Clause

In no event shall there be any duplication or pyramiding of the premium in lieu of benefits and accumulation of rights to benefits and tenure adjustments, other than those specified in this Agreement.

ARTICLE 6. SENIORITY

Section 1. Definition of Seniority

Except as otherwise provided, seniority shall be defined as that period of service within the bargaining unit in any of the Employer's facilities from date of hire. Seniority shall be utilized, as specified in this Agreement, to grant preferences in promotions, transfers, job security, shift assignments and other employment privileges. Seniority shall not be utilized for the determination of wage rates, tenure adjustments or benefits.

Section 2. Accumulation of Seniority

- A. Except as otherwise provided, regular employees shall accumulate seniority based upon length of service within the bargaining unit in any of the Employer's facilities from date of hire. Short-hour, temporary and on-call employees shall accumulate seniority on the basis of all hours worked within the bargaining unit, up to eighty (80) in a pay period (including overtime), from date of hire. For purposes of converting seniority from hours to months or months to hours, 173.33 hours of work shall equal one month of service.
- B. Seniority shall not accumulate during an unpaid leave of absence of one month or more. However, seniority shall continue to accumulate during medical disability leaves of absence, including those which are the result of on-job injuries which qualify the employee for Workers' Compensation payments.

Section 3. Loss/Reinstatement of Seniority

- A. All accumulated seniority with the Employer shall be lost in any of the following circumstances:
 - 1) Employees who voluntarily terminate
 - 2) Employees who are discharged and not later reinstated
 - 3) Employees not recalled from layoff within six (6) months or twelve (12) months following the date of layoff, as provided in Article 10, Reduction in Force, Section 5 C.
 - 4) Employees who fail to return to work within two (2) weeks of recall notice
- B. If an employee returns to the bargaining unit from a non-bargaining unit job, the employee's former seniority shall be restored except that the time spent outside of the unit shall not be included in determining the employee's seniority date.
- C. Previous bargaining unit seniority shall not be considered for the purpose of bidding back into a bargaining unit job.

Section 4. Principle of Seniority

Except as otherwise provided, seniority shall be applied in the following order:

- 1) Regular employees in the bargaining unit
- 2) Short-hour employees in the bargaining unit
- 3) Temporary and on-call employees in the bargaining unit

ARTICLE 7. JOB POSTING, BIDDING AND SELECTION

Section 1. Job Posting

- A. Once the decision has been made to fill a job vacancy, there should be no unreasonable delay in the processing or filling of the job vacancy, by the employer or employee. When approved personnel requisitions are received by the Human Resources Department, the jobs shall normally be posted in each facility, using hard copy and/or electronic media (e.g. Intranet) on the following business day. Vacancies for regular and short-hour positions shall be posted for the same three (3) business days at all facilities. An employee must bid within the three (3) day posting period to receive consideration for the vacancy pursuant to this Agreement. The employer agrees to periodically communicate the status of unfilled vacancies to the employees in the affected group.
- B. Jobs not filled using normal posting process described in Section 1 A, will be posted for use by late bidders. Late internal bidders will receive equal consideration with an outside bidder providing an offer has not been made.
- C. On a weekly basis, the Employer will mail to the Union a copy of the current job opening list for bargaining unit positions, including temporary and on-call positions. The Employer will provide written notification of changes in job requirements.
- D. When the Employer adds a new facility covered by the bargaining unit, the new jobs available shall be considered vacancies and shall be posted for bidding. However, when the Employer transfers a department or service or support staff from one location or facility to another, the jobs involved shall not be considered vacancies, and no job postings shall be required. The employees involved shall have the option to either transfer to the new location or facility or to bid into a different position, without regard to the three (3) or six (6) month bid limitation described in this Article.
- E. Job postings will include standard minimum requirements and criteria specific to the actual job duties.
- F. In the event a job is posted listing certain qualifications, and no bidder meets those qualifications, and the Employer is willing to accept an applicant with lesser qualifications, then the job shall be re-posted with the lesser qualifications listed.
- G. Job reclassifications to a higher or lower grade shall not be posted when no vacancy exists.
- H. Where appropriate, the posting should include the scheduled hours/day of work.

Section 2. Job Bidding

- A. Employees hired, promoted or voluntarily transferred into regular, short-hour or on-call jobs shall be eligible to bid on job vacancies representing a lateral or downward transfer only after completion of six (6) months of service in their present job classification, and three (3) months of service in their present job classification if the vacancy represents a promotion. This bidding restriction shall not apply to changes in shift, scheduled hours within the department, or a change from one departmental section to another within the same classification at the same facility. Employees hired, promoted or voluntarily transferred into temporary jobs shall be eligible to bid on job vacancies only during the four (4) week period immediately prior to completion of their temporary assignment, including any extensions thereof, provided the employee was given thirty (30) days notice of the extension of their temporary assignment.
- B. An employee shall not be allowed to bid for a position in a department where the Department Head, Supervisor or Assistant Supervisor is related to the employee, regardless of seniority.
- C. All eligible employees who bid for job vacancies shall be screened by the Personnel Department in consultation with the hiring supervisor, as necessary. Those determined upon initial screening not to be qualified for the vacancy in accordance with Section 3 herein, shall receive an explanation of the decision from the Personnel Department. Employees will be notified of the status of their bid at the end of the posting period. If for some reason an employee has not been notified within three (3) days following the posting period, he/she should contact Personnel.
- D. The top three senior, qualified employees, referred by Human Resources, shall receive a panel interview. The panel will consist of an odd number of department members representing labor and management. The panel will use a list of Human Resource-approved behavioral interview questions to assist in applicant selection. Job expectations shall be included within the interview.
- E. If the employee selected declines the job offer, the hiring supervisor shall continue interviewing any qualified employee applicants as described in this Section before filling the vacancy without any further regard to this Agreement.
- F. Employees offered a promotion, lateral transfer, or voluntary downward transfer shall be granted a mutually agreed-upon time to accept such offer.
- G. An employee going on vacation may designate a co-worker to bid on a job posting in their absence. The written authorization will include contact information and return date.
- H. Employees selected for new job assignments shall be released to assume their new position upon mutual agreement of the employee and both supervisors no later than three (3) weeks from the date they are offered the job. Every effort will be made to transition the employee as soon as possible. In instances where the employee is promoted and is being retained for a period greater than two (2) weeks from the date of the job offer, the retaining supervisor will pay the difference in wages.
- I. In filling Schedule "A" job vacancies at grade 10 and above, the position will first be posted within the department for three (3) business days. If there are no qualified bidders, the position will be posted in accordance with Article 7 of the Agreement.
- J. In the event an employee's bid has been denied by the Personnel Department on the basis of insufficient qualifications, he/she may request a review of his/her application to determine if reasonable equivalency exists. If such a review is requested, Personnel will confer with the hiring supervisor to evaluate such.

Section 3. Selection Criteria

- A. In filling job vacancies as described in Section 2 herein, an employee who bids must possess the posted qualifications, and merit and ability. For purposes of this Section, merit shall be defined as follows:
- 1) The absence of a first or second written warning issued during the preceding twelve (12) months.
 - 2) The absence of a final written warning or suspension issued during the preceding two (2) years.
 - 3) The absence of a rating of unsatisfactory on any individual performance factor on a performance evaluation issued during the preceding twelve (12) months, except for evaluations issued during the evaluation period on a new job. Further, a rating of unsatisfactory will not automatically preclude consideration where the factor being evaluated is not directly related to the duties and responsibilities of the position for which the employee has bid.
 - 4) A first written Notice of Disciplinary Action shall not automatically disqualify the employee from job bid consideration.
 - 5) Where circumstances warrant, the Employer agrees to give consideration to an employee's job bid even though a Notice of Disciplinary Action or rating of unsatisfactory on any individual performance factor on a performance evaluation is present in the employee's file. The Employer's decision will be based on the willingness of all concerned to accept or not accept such bids, and the Employer will consider such factors as the relevancy of the infraction to the new position and overall work record.
- B. Seniority shall govern among two or more bidders provided that merit and ability, including qualifications, relevant work experience (although not necessarily in the same type of work) and overall job performance history are good.
- C. In filling job vacancies, qualified employees who are eligible to bid on job vacancies, as defined in this Article, shall be given preference over applicants for employment.

Section 4. Evaluation Period

- A. Employees who are promoted, laterally transferred or voluntarily transfer downward shall undergo an evaluation period in the new position of up to ninety (90) calendar days, for full-time employees and sixty (60) days worked for part-time, short-hour and on-call employees, including the date of promotion or transfer. If the employee is assuming a position in a new facility where a training period precedes the actual opening of the facility, the evaluation period shall be increased to a maximum of one hundred twenty (120) calendar days.
- B. Extension of the evaluation period of up to 45 days is allowed, provided the Employer notifies the Union in advance with an explanation of the reasons for said extension.
- C. During the evaluation period, employees should be provided with appropriate orientation tools and periodic feedback.
- D. Should the employee not meet the reasonable job performance expectations established by the supervisor, s/he shall be returned either to his/her former or a comparable position for which s/he qualifies, at the Employer's discretion, without change in his/her previous seniority or wage rate. The employee being returned shall be given a minimum of two (2) weeks' notice prior to the effective date of his/her removal from the department, when such return results in a different location or significant difference in work schedule. Otherwise, one week's notice should be given unless mutually agreed to otherwise. Such rights to return shall be given preference in filling open jobs.

- E. The Employer will consider the circumstances that exist at the time a determination must be made about returning an employee to his/her former position or to a comparable position. Such consideration will include, in the following order:
- 1) If the former position has not been filled, the employee will be returned to the former position.
 - 2) If the former position has been filled, the Employer will evaluate the impact of returning the employee to his/her former position.
 - 3) If the impact is significant, the Employer will look for a comparable position.
 - 4) If no comparable position exists, the employee will be returned to his/her former position, regardless of impact. In such an instance, any employee who has assumed the position to which the employee is being returned will be similarly returned either to his/her former or a comparable position, and so on down the line. Any employees remaining will be subject to the reduction in force provisions.
 - 5) Notwithstanding the above, if the employee's former position no longer exists, the employee will be placed into a comparable position.
- F. A regular or short-hour employee who has received a promotion, lateral transfer, or voluntary downward transfer may return to the job classification held immediately prior to the promotion or transfer without change in previous seniority or wage rate, provided each of the following conditions are met:
- 1) The supervisor has decided to post the job vacated by the employee.
 - 2) The employee must return to the former job classification within thirty (30) calendar days following the date the job was posted.
 - 3) The former job classification has neither been filled nor has a job offer been made to an applicant.

ARTICLE 8. DAYS AND HOURS OF EMPLOYMENT

Section 1. Scope

This Article is intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week, or of days of work per week. This Article shall not be considered as any basis for the calculation of overtime.

Section 2. Definitions

- A. The term "workday," as used in this Agreement, shall refer to a day on which an employee is scheduled to work.
- B. The term "business day," as used in this Agreement, shall refer to the five business days from Monday through Friday, excluding holidays.
- C. The term "calendar day," as used in this Agreement, shall refer to the seven calendar days from Monday through Sunday, including holidays.

Section 3. Work Schedules

- A. The Employer shall exercise a good faith effort, subject to the requirements of efficient operations, to utilize regular full-time and regular part-time employees.
- B. The Employer shall exercise a good faith effort, subject to the requirements of efficient operations, to the end that regular full-time employees shall be scheduled on the basis of a normal workweek of forty hours within the workweek period during which there are two consecutive days of rest.

- C. The normal hours of work for employees shall not be reduced or changed without notifying the Union, unless circumstances are such that to give such notice in advance of any reduction or change would interfere with orderly operations. In instances where there is a potential for significant impact on the affected employees, the Employer agrees to meet with the Union to discuss the short and long-term impact and explore alternatives.
- D. In the event the Employer deems it necessary to change normal starting and quitting times, and/or normal scheduled days of work, the principle of seniority shall apply to the qualified employees involved. When such changes occur, consideration will be given to the preferences of the affected employees, within the new schedules, provided such preferences do not interfere with efficiency of operations or conflict with seniority.
- E. Schedules of starting and quitting times of regular employees shall be posted by the Employer two (2) weeks in advance, if practical to do so, but in no event less than one (1) week in advance, subject to emergency situation changes. As much advance notice of overtime requirements shall be given as permitted by operational circumstances.
- F. The Employer will make an effort to avoid scheduling employees over their assigned FTE on an ongoing basis, unless it is necessary for operational requirements. The Employer agrees to specify on the job posting whether the position requires flexibility in the number of hours worked.
- G. When it has been determined by the Employer that involuntary, mandatory time off is necessary, such involuntary time off will be rotated within the department and such time will be counted for the purpose of sick leave and vacation accruals. In instances where KTO becomes frequent within a department, the Employer and the Union will meet to discuss the short and long term impact, explore alternatives and determine the applicability of other contract provisions.

Section 4. 4/40 Work Schedules

When the Employer determines that a 4/40 work schedule would better meet patient/member needs in a particular facility, department or work group, the following provisions shall apply:

- A. Prior to implementation, the Employer agrees to notify the Union and discuss the need for a 4/40 schedule.
- B. The parties agree that the 4/40 schedule in any department will be initially conducted for trial period of three (3) months. Either party may request this program be re-evaluated by serving a written notice on all parties involved at the end of the trial period. Both parties shall reserve their rights to extend, modify or terminate the 4/40.
- C. The Employer shall exercise a good faith effort, subject to the requirements of efficient operations, to schedule regular full-time employees to work ten (10) hours per day and forty (40) hours per week during which there are three (3) consecutive days of rest. However, a 3/30 schedule is also possible within the guidelines of this section.
- D. Employees shall be paid at the rate of time half (1-1/2) the straight-time hourly rate of pay for all hours of work performed in excess of ten (10) hours in any one payroll day or for all hours of work performed in excess of forty (40) hours in any one payroll week.
- E. Employees assigned to a scheduled workweek of twenty-eight (28) hours or more during a period of more than five (5), six (6) or seven (7) workdays shall be paid at the rate of time-and-one-half (1-1/2) the straight time hourly rate, including applicable shift premium, for all hours of work assigned by the supervisor and performed by the employee on the fifth (5th), sixth (6th) or seventh (7th) consecutive day regardless of payroll week and regardless of whether such hours of work are in excess of forty (40) within one (1) payroll week.

- F. To assure equity, regular full-time employees on a 4/40 work schedule shall be paid for holidays worked in exactly the same fashion as specified in this Agreement for regular full-time employees. Pay for holidays not worked shall be eight (8) hours. However, holiday pay for 4/40 employees shall not count as time worked for purposes of computing overtime for work performed later in the same payroll week.

Section 5. Voluntary Extended Schedules

When it is determined that voluntary work schedules including rescheduled 9 and 10 hour shifts are beneficial, such schedules may be agreed to at straight time pay subject to the following conditions:

- A. Prior to implementation, the Employer agrees to notify the Union and discuss the need for said schedule.
- B. The affected employees volunteer for said schedule, and reach mutual agreement with their supervisor.
- C. Employees shall be paid at the rate of time-and-one-half (1-1/2) the straight-time hourly rate for all hours of work performed in excess of 9 or 10 hours on any one of said payroll days.
- D. Both parties agree that these schedules in any department will be conducted on a trial basis of three month, but shall continue in effect unless either party serves written notice exercising their rights to modify or terminate the agreement at that time.

Section 6. Additional Hours

- A. The Employer will give consideration to employees who request to work additional hours beyond their normal work schedule. Employees who desire to be considered for additional hours must provide written notification to the Medical Office Administration Department within the facility concerned. If requesting additional hours in a Regional Office facility, the written notification should be provided to the Department Supervisor.
- B. When employees who have provided such notification work additional hours, the employee's full-time equivalent (FTE) will remain unchanged and such additional hours will not count toward benefit eligibility or accumulation, tenure adjustments or computation of 6th or 7th consecutive day premium pay. Such hours will, however, count toward the accumulation of sick leave and vacation. However, hours worked in excess of eight (8) hours in any one payroll day or forty (40) hours in any one payroll week shall be paid at the overtime rate of time-half (1-1/2) the straight-time rate of pay.
- C. The Employer shall establish a mechanism to allow the employees to volunteer for additional hours and to coordinate the scheduling of such as an alternative to assigning additional work, including stand-by assignments, to employees when no volunteers are available in the facility. Preference shall be given to employees who have been KTO'd and to other employees who will be working at straight-time pay.

Section 7. Rest and Meal Periods

- A. Each employee shall receive a fifteen- (15) minute paid rest period during each uninterrupted four hour segment of work.
- B. If an employee is required to work through a rest period, s/he shall be paid time-half (1-1/2) his/her straight-time hourly rate of pay for such work. However, upon mutual agreement between the employee and the supervisor, the missed rest period may be combined with the meal period at no premium pay.

- C. If an employee is required to work through a meal period, s/he shall be paid time-half (1-1/2) his/her straight-time hourly rate of pay for such work.
- D. The Employer agrees, to the extent practical, to cross-train a sufficient number of employees for the purpose of providing effective rest and meal period relief.
- E. The primary responsibility for insuring that employees are able to take rest and meal periods shall rest with the Employer. Employees shall be granted flexibility in the scheduling of their breaks and meal periods consistent with operational needs.
- F. Time spent in meetings which are compelled by the Employer shall count as time worked.
- G. Employees shall not be denied time-and-a-half (1-1/2) payment for missed rest or meal periods due to lack of pre-authorization by a manager or designee if such pre-authorization is not practical under the existing operating circumstances. Where appropriate, pre-authorization may be specifically requested by the supervisor. In the event the supervisor or designee is not accessible, either in person or via pager, to approve such, the employee may use his/her judgement regarding the necessity to work through breaks/lunch.
- H. Management will not ask employees to waive their rights under the provisions of this Section.

Section 8. Emergency Care/Urgent Care Holiday Coverage

Employees may volunteer to work in the Emergency Care/Urgent Care Centers in any job classification for which they are qualified (e.g., an LPN may volunteer to fill a Nursing Assistant vacancy, etc.). However, assignment to work in the Emergency Care/Urgent Care Centers will be made in the employee's same job classification (e.g., Nursing Assistants will only be assigned to work as Nursing Assistants, etc.).

ARTICLE 9. OVERTIME AND ALLOWED TIME

Section 1. Scope

This Article is intended to provide the basis for calculation and payment of overtime and allowed time.

Section 2. Definitions

- A. The term "payroll week," as used in this Agreement, shall mean and consist of the seven (7) day period beginning at 12:01 a.m. Monday.
- B. The term "payroll day," as used in this Agreement, shall mean and consist of a twenty four (24) hour period beginning at 12:01 a.m. each day.

Section 3. Overtime Pay

Employees shall be paid at the rate of time-half (1-1/2) the straight-time hourly rate of pay, including applicable shift premium, for all hours of work performed in excess of eight (8) hours in any one payroll day or for all hours of work performed in excess of forty (40) hours in any one payroll week.

Section 4. Determining Hours Worked for Overtime Computation Purposes

The following paid time off benefits shall count as time worked for purposes of computing overtime for work performed later in the same payroll week:

- 1) Holidays for which pay is received.
- 2) Paid time spent in internal or outside training programs, at the Employer's direction.

Section 5. Non-Duplication of Overtime Rates

- A. For computation of all overtime rates under this Agreement, each employee's compensated hours during each payroll week shall be analyzed by the Employer, and the employee shall be paid the single most advantageous non duplicated, non pyramided overtime rate(s) which apply for such payroll week.
- B. However, the parties agree that nothing contained in this Agreement shall be interpreted as requiring a duplication or pyramiding of pay at overtime rates. To the extent that hours within one payroll week are compensated at an overtime rate under one provision, they shall not be counted as hours worked in determining overtime rate(s) under the same or any other provision. Overtime rates include premium pay for holidays worked, rest and meal periods worked, sixth and seventh consecutive days worked and daily or weekly overtime.

Section 6. Overtime Scheduling

The Employer will attempt to distribute overtime equitably among qualified employees within any job classification concerned within any one facility. After scheduling qualified employees who have volunteered for overtime, the Employer will rotate any remaining overtime equitably among employees in reverse seniority order, beginning with the least senior qualified regular, short-hour or temporary employee in the job classification concerned within the facility.

Section 7. Make-Up Time

- A. An employee who is absent on unpaid personal time off may submit a written request to his/her supervisor to make up the work time missed at a later time within the same payroll period, provided that the total hours worked within any one payroll week do not exceed forty (40). Make-up time shall be paid at straight time, including over eight (8) hours daily, up to forty (40) hours in a week.
- B. The provisions of this Section shall not be applicable in cases where an employee received holiday, sick leave or educational pay for such absences.

Section 8. Reporting Pay

- A. Employees who are scheduled or called to report for work and who are permitted to come to work without receiving prior notice that no work is available shall perform any work to which they may be assigned. The Employer may utilize such employee in any related capacity in which s/he is qualified to perform. The employee shall be compensated at his/her regular rate or the appropriate rate of pay for the job s/he is assigned, whichever is higher.

- B. When the Employer is unable to utilize such employee, and the reason for lack of work is within the control of the Employer, the employee shall be paid an amount of money equivalent to four hours times the straight-time hourly rate, excluding shift premium, provided that an employee who was scheduled to work less than four hours on such day shall be paid his/her regular pay for reporting and not being put to work through no fault of his/her own. In such cases, the authorized supervisor of the employee may allow the employee to leave work before four hours have elapsed.
- C. The provisions of this Section shall not apply if the lack of work is not within the control of the Employer or if the Employer makes a reasonable effort to notify the employees by telephone not to report for work at least two hours before their scheduled time to commence work. It shall be the responsibility of employees to notify the Employer of their current address and telephone number. Failure to do so shall preclude the Employer from the notification requirements and payment of the above minimum guarantee.

ARTICLE 10. JOB SECURITY CONSIDERATIONS

The Employer and the Union recognize the importance of fostering a secure work environment for all employees which promotes employment opportunities.

Section 1. Reduction Determination

There may be situations in which the Employer determines that a reduction in force, resulting in the layoff of personnel, is necessary. One situation is a reduction of staff/personnel due to membership loss or lack of growth, discontinuance of services, loss of physicians or other such reasons. This situation typically requires more immediate action than reductions due to reorganization/automation. The following is intended to distinguish the process used in each.

A. Reduction of Staff/Personnel

- 1) When it has been determined by the Employer that the displacement of personnel is necessary, due to a straight staff reduction in force, the Employer agrees to notify the Union and meet to discuss the impact of the displacement on personnel. The Union, in these discussions, may suggest alternatives for the Employer to consider.
- 2) Prior to affecting a reduction in force, the Employer will examine the possibility of accomplishing the reduction through attrition and/or transfer, and to assist employees in securing other available positions, as defined in Section 2. In this situation, the parties may waive posting/job selection criteria by mutual agreement to fill temporary vacancies resulting from attrition and/or transfer.
- 3) Any employee who has been notified that his/her job is being eliminated due to a force reduction under this section, will be given thirty (30) days' notice. This thirty (30) day notice will be termed the "notification period." See Section 2 for purpose and application.

B. Reorganization/Automation

- 1) When it has been determined by the Employer that the displacement of personnel which will result in the significant loss of jobs and layoffs is necessary due to major reorganization efforts involving automation, mechanization, technological improvements, reorganization, job redesign, consolidation of functions or other such designs or reasons, the Employer agrees to notify the Union at least sixty (60) days prior to issuance of any notification period and meet to discuss the impact of the displacement on personnel. The Union, in these discussions, may suggest alternatives for the Employer to consider.

- 2) When it has been determined by the Employer that the displacement of personnel is necessary due to automation or reorganization, which is not defined as a major reorganization effort, the Employer agrees to give the Union sixty (60) days notice and the affected employees a sixty (60) day notification period which could run concurrently.
- 3) Prior to affecting the elimination of positions due to B.1. above, the Employer will examine the possibility of accomplishing the reduction through attrition and/or transfer, and to assist employees in securing other available positions, as defined in Section 3. The Employer and the Union will meet to identify suitable retraining or alternate employment opportunities and may develop a plan to provide employment counseling, skills assessment, training, and other appropriate actions. During this period, the parties may waive posting/job selection criteria by mutual agreement to fill temporary vacancies resulting from attrition and/or transfer.
- 4) Any employee who has been notified that his/her job is being eliminated due to a force reduction, under this section, will be placed on a notification period as outlined below in Section 2.

Section 2. Notification Period

- 1) Employees receiving notice of potential layoff off/displacement under Section 1.A. will receive a notification period of thirty (30) days. Employees receiving notice of potential layoff off/displacement under Section 1.B. will receive a notification period as follows:

<u>YEARS OF SERVICE</u>	<u>MINIMUM NOTIFICATION PERIOD</u>
More than 2 years	60 days
2 years or less	30 days

- 2) During the notification period, employees will have preferential consideration for vacancies according to Section 3, Placement During Notification Period.
- 3) If at any time during this notification period, a sufficient number of employees have been placed to eliminate the need for further displacement, the notification period may be canceled by the Employer.

Section 3. Placement During Notification Period

- 1) During the notification period, employees will be permitted to bid on any job for which the employee: 1) qualifies, 2) almost qualifies, or 3) will qualify within ninety (90) days of being placed in the new assignment. Bid bids under Article 7, Section 2.A., will be waived in order to permit employees on notification to secure other positions. Displaced employees will be given preference for job vacancies, for which he/she has placed a bid during the notification period, if the employee qualifies, almost qualifies or will qualify within ninety (90) days.
- 2) Preference for offering positions shall be to displaced employees on a "notification period" in order of seniority. However, in instances where a displaced employee does not meet the minimum qualifications, the Employer may limit the awarding of positions where such would have an adverse impact on efficient operations. Prior to accepting the positions, in instances where employees do not meet the qualifications for the positions, the employee, steward or Union Representative, and supervisor should meet to clarify training, orientation, and feedback expectations.

- 3) Employees who do not qualify or meet the reasonable performance expectations of the supervisor during the ninety (90) day evaluation period will displace the least senior employee according to Section 4 or may be offered, at the sole discretion of the Employer, an available vacancy.
- 4) If an available job opening is offered to any employee during the notification period and it is accepted by the employee, the rate of pay for the job, as set forth in the appropriate wage appendix, shall become effective at the end of the notification period.
- 5) Employees on a notification period under Section 1.A above will receive a two week notice of layoff off or two weeks pay in lieu of notice. Regardless, these employees will be placed on a notification period during which time, these employees may exercise preferential consideration for vacancies, according to Section 3.
- 6) Employees on a notification period under Section 1.B above will continue working during the notification period. If possible, the employee(s) will work in their current classification.

Section 4. Displacement Procedure

In all cases of reduction in work force or layoffs and rehiring, the principles of seniority shall govern, provided that the employee is qualified to perform the job. Employees shall be permitted to displace other employees as follows:

- 1) The least senior employee in the job classification in the affected unit to be reduced shall displace the least senior employee in the same or comparable positions at the same facility. If there is no same or comparable position at the facility, the employee may bump the least senior employee in the same or comparable position within the Region. The displacing employee shall be paid the step rate of the job classification nearest to, but not higher than, his/her former rate of pay.
- 2) The displaced employee shall be laid off, with the same notification rights under this agreement. This notification may occur while on lay-off status.
- 3) If the displacing employee elects not to exercise his/her seniority pursuant to Paragraph (1) of this Section, s/he shall be laid off.

Section 5. Pay in Lieu of Notice

All regular employees who are placed on layoff status for a period of one (1) or two (2) weeks, for reasons within the control of the Employer, will receive three (3) days' notice or three (3) days pay thereof. Such notice is inclusive of any notification period as defined in Section 1 above.

Section 6. Recall Procedure

Employees whose jobs are eliminated due to reorganization as outlined in Section 1.B., above, shall be eligible for recall subject to the provisions of this Section:

- A. Laid-off employees shall continue to accumulate seniority for the duration of their recall period.
- B. Job classification openings shall first be offered to eligible employees who previously held the job and have displaced an employee, as described in Section 1 of this Article, in order of seniority, and shall then be offered to those on layoff in order of seniority. If there are no eligible employees on layoff who previously held the job classification, then the job shall be filled pursuant to Article 7.

- C. Employees with less than two (2) years of seniority shall have recall rights for six (6) months following the date of layoff. Employees with two or more years of seniority shall have recall rights for twelve (12) months following the date of layoff.

ARTICLE 11. SERVICE CREDIT RESTORATION

Section 1. Transfers from Other Kaiser Permanente Regions

- A. For purposes of this Section, employees transferring from other Kaiser Permanente Regions shall, upon attainment of regular status, be eligible for service credit restoration, provided the break in service does not exceed twelve (12) months.
- B. Service Credit Restoration shall mean eligibility and accumulation of benefits for which length of service is a condition of entitlement, such as vacation accrual, holiday pay, sick leave eligibility, short-term disability insurance coverage, dental plan eligibility, and retirement benefits. Employees transferring into the same job classification shall receive tenure credit in determining the wage rate up to Step D.
- C. For such employees whose break in service does not exceed six (6) months, the service credit restoration will become effective upon attainment of regular status. Requests should be submitted in accordance with Section 3.
- D. For such employees whose break in service exceeds six (6) months but is less than twelve (12) months, the service credit restoration will become effective after completion of six (6) months of service in a regular status. Requests should be submitted in accordance with Section 3.

Section 2. Colorado Region Rehires

- A. For purposes of this Section, former employees of Kaiser Foundation Health Plan of Colorado with at least one (1) year of service as a regular employee at the time of resignation, who are rehired by the Employer shall, upon attainment of regular status, be eligible for service credit restoration, provided the break in service did not exceed twelve (12) months.
- B. Service credit restoration shall mean eligibility and accumulation of seniority, wage rates, tenure adjustments and benefits for which length of service is a condition of entitlement, such as vacation accrual, holiday pay, sick leave eligibility, short-term disability insurance coverage, dental plan eligibility and retirement benefits. Employees rehired into the same job classification shall receive tenure credit in determining the wage rate up to the maximum pay rate. Requests should be submitted in accordance with Section 3.
- C. For such employees whose break in service did not exceed six (6) months, service credit restoration will become effective upon attainment of regular status. Requests should be submitted in accordance with Section 3.
- D. For such employees whose break in service exceeds six (6) months but is less than twelve (12) months, service credit restoration will become effective after completion of six (6) months of service in a regular status. Requests should be submitted in accordance with Section 3.

Section 3. Service Credit Restoration Procedure

- A. Employees from other Kaiser Permanente Regions or former employees of Kaiser Foundation Health Plan of Colorado who are hired or rehired by the Employer in a temporary, on-call or short-hour status and then transfer into regular status must submit a written request to the Benefits Representative in the Human Resources Department to restore previous service.
- B. Service credit restoration will become effective the date the request is received by the Benefits Representative.

ARTICLE 12. Labor-Management Partnership

Section 1. Philosophy

Recognizing that our employees are our primary asset, Kaiser Permanente and its Partner Union, SEIU Local 105, are dedicated to working together in the "spirit of partnership" to forward the growth, development and well being of our employees and the success of our company. Top quality, true-shared leadership and decision making and market-leading performance are the goals we share. The Labor-Management partnership is our operations strategy for achieving our goals and transforming Kaiser Permanente to meet the challenges of the 21st Century.

Section 2. Union Liaison

The Union and the Employer agree to establish one Full Time Equivalent (FTE) for the purpose of promoting the philosophy and intent of the Labor-Management Partnership. The Union Liaison will be hired through a joint hiring process and will be required to report to a joint reporting and evaluating structure within sixty (60) days of ratification.

The full time Union Liaison is expected to: Provide education and training to employees in order to enhance and promote the partnership philosophy. Responsible to publicize the partnership successes in the Colorado Region. Assist the facility Labor-Management Partnership Committees to develop strategies and processes to implement the Labor-Management Partnership philosophy and to facilitate project design as well as other applicable issues.

The Union and the Employer will develop the Union Liaison work plan. The job description will be amended as necessary as the partnership progresses and/or upon recommendation of the National Labor-Management Committee.

Section 3. Goal

High satisfaction among employee, physician, and management is achieved through an involved, participating, multi-disciplinary, trained team, that focuses on meeting or exceeding jointly designed goals and expectations. Ultimately, facility/department/work unit self-directed Labor/Management Committees, utilizing shared decision making, will be responsible for entire, discrete processes, and are in the best position to continuously improve and move the partnership forward.

Section 4. Regional Partnership Committee

The Regional Partnership Committee will sponsor the facility/department/work unit Labor/Management Committees. The Regional Partnership Committee is responsible for providing leadership by personally and publicly committing to partnership as a priority to the organization. The sponsors will ensure the development, maintenance and ongoing evaluation of partnership projects and the facility/department Committees. Our intent is that Union Partners and Management be fully integrated into any existing or ongoing projects, initiatives or structures that may impact their specific work. Partner unions are included and represented in the planning and implementation of any new initiatives from the beginning.

ARTICLE 13. JOB CLASSIFICATIONS

We agree that our mutual interest is in providing appropriate pay and job classifications. To that end we agree to use an integrated approach to classification and pay issues, including, but not limited to training, ongoing communications, market and/or internal review, and implementation.

Periodic (monthly) classification issues meetings will be held with union and management to review active classification issues, such as reclassification requests, market-related pay adjustments and/or new classifications.

Section 1. New Job Classifications

- A. The Employer shall notify the Union of any new non-exempt, non-union job classifications established during the term of this Agreement. Upon the Union's request, the Employer and the Union shall meet to determine if such job classification(s) should be in the bargaining unit.
- B. The Employer shall establish the job description, grade and wage rate for such classification; and the description, grade and wage rate thus established shall be discussed with the union, management, and affected employee(s) prior to implementation. The grade and wage rate thus established shall have a fair and proper relationship to those set forth in Appendix A.

Section 2. Job Descriptions

- A. It is agreed that the Employer and the Union shall maintain descriptions setting forth job duties in accordance with duties necessary and traditional in the operation of the facilities and representative of the type of work, skill level and responsibilities of the job. Job descriptions maintained by the Employer shall be made available to the Union upon request.
- B. A copy of the current job description should be provided by the supervisor to the new employee upon hire, promotion or transfer into a new job classification or upon request, for employees who do not have a current copy for their current classification.
- C. In the process of preparing or revising job descriptions, the Employer agrees to discuss the description with the employee prior to implementation.
- D. The job description should be reviewed and updated during the evaluation process and prior to posting.

Section 3. Classification/Grade Review Requests

- A. If the Union or Management believes that a bargaining unit job is not properly classified within Appendix A due to a substantial change in job content, the Union or Management may request a classification/grade review by submitting a written request to Compensation. Upon receipt of said request, a meeting will be held with a union representative, supervisors affected employee(s) and Compensation. Said meeting will be expeditiously scheduled.
- Compensation will then complete an analysis which includes, but is not limited to, informational data gathering, on-site job review, modification of job description (as necessary), market and/or internal parity as appropriate to the classification to determine grade placement and pay range.
- B. The Employer will respond in writing to the Union within sixty (60) days of the meeting. While the time limit described above may be extended by mutual agreement, the effective date for any reclassification shall be sixty (60) days from the date the review request is received.
- C. Disputes regarding the appropriateness of the Employer's determination shall be subject to the grievance procedure, and may be advanced to Step 2 by the mutual agreement of the parties.

ARTICLE 14. WAGE RATES

Section 1. Wage Schedule

The hourly rates of pay shall be as shown in the wage schedules set forth in Appendix A. The wage scales set forth are intended to constitute minimum scales only, and nothing in this Agreement shall preclude the Employer from paying in excess of such minimum rates, at the Employer's discretion. However, no employee covered by this Agreement shall, as a result of the provisions of this Agreement, suffer a reduction in his/her wage rate so long as s/he continues in the same classification, except as results from the application of Article 5. Where employees are receiving wage rates in excess of the minimum rates set forth, they shall receive the cents per hour increases provided in the wage schedules.

Section 2. Effective Date of Tenure Increases

Tenure increases shall become effective on the employee's exact tenure eligibility date.

Section 3. Wages Following Promotion

An employee promoted shall be paid the first step rate of the new classification that will provide an increase of at least 6% above his/her current rate and which will provide an increase of at least twenty-five cents (\$.25) per hour for each grade, except that in no case shall the new step exceed the employee's current tenure step. The employee will receive credit for time spent in his/her former classification, up to a maximum of twelve (12) months, in determining the eligibility date for his/her step increase, if any. If following a downward transfer, an employee promotes back to a position in the same or higher grade. His/her rate of pay shall not be higher than the step rate that would have been in effect, if he/she remained in the higher graded position.

Section 4. Wage Rate Following a Return to Former Position

When an employee is returned to a former or comparable position, s/he will also return to his/her former rate of pay.

Section 5. Wages Following Upward Reclassification

An employee whose job has been reclassified to a higher grade by the Employer as the result of a classification/grade review, shall be placed on the same step in the higher grade as was held in the former grade.

Section 6. Wages Following Lateral Transfer

An employee who is transferred to another position in the same grade shall receive not less than his/her former rate. The employee shall receive credit for time spent in his/her former classification in determining his/her eligibility date for future step rate increases.

Section 7. Wages Following Downward Transfer

An employee who is transferred to a position in a lower grade shall receive the step rate which is nearest to, but not higher than, his/her former rate. The employee will receive credit for time spent in his/her former classification, up to a maximum of twelve (12) months, in determining the eligibility date for his/her next step increase, if any.

Section 8. Wages Following Downward Reclassification

When any job is reclassified downward by the Employer, the employee affected shall continue at the rate of pay in effect at the time of the downward reclassification until the date of his/her next step progression. On this date, the employee shall be paid at the first step in the new classification which is higher than his/her present rate. If Step H in the new classification provides a lower rate than the employee's present rate, then the employee shall remain at his/her present rate until Step H provides a higher rate, at which time the employee shall be placed on step at the higher rate. The reclassified job shall have a fair and proper relationship to those set forth in Appendix A.

ARTICLE 15. WAGE PREMIUMS

Section 1. Shift Premium

- A. Any employee who works a shift of three (3) hours or more, commencing at or after 3:00 p.m. but prior to 11:00 p.m., and ending at or after 6:00 p.m., shall receive an evening shift premium of one dollar and ninety cents (\$1.90) per hour for all hours worked. However, employees who work a shift which commences prior to 3:00 p.m., and for which the employee works at least four hours within the evening shift eligibility period, shall receive evening shift premium for those hours worked after 3:00 p.m. For example, an employee whose shift begins at 12:00 noon and ends at 11:00 p.m. shall receive an evening shift premium from 3:00 p.m.-11:00 p.m.
- B. Any employee who works a shift of three (3) hours or more, commencing at or after 11:00 p.m. but prior to 6:00 a.m., shall receive a night shift premium of two dollars and fifty cents (\$2.50) per hour for all hours worked. However, employees who work a shift which commences prior to 11:00 p.m., and for which the

employee works at least four hours within the night shift eligibility period, shall receive night shift premium for those hours worked after 11:00 p.m. For example, an employee whose shift begins at 7:00 p.m. and ends at 3:00 a.m. shall receive a night shift premium from 11:00 p.m. - 3:00 a.m. Employees who commence work at or after 4:30 a.m. will receive night shift differential for the hours worked between the starting time and 6:00 a.m. In no case will night shift differential be paid for more than ten (10) consecutive hours.

- C. Shift premium shall be included in holiday, vacation, sick leave and overtime pay.

Section 2. Weekend Premium

Any employee who works a shift of three (3) hours or more between 12:01 a.m. Saturday and 12:00 p.m. Sunday shall receive a weekend premium of one dollar and fifteen cents (\$1.15) per hour for those hours worked during that period. This premium, shall be pyramided with shift premium, when applicable.

Section 3. Work in a Higher Classification Premium

- A. An employee temporarily assigned the major duties and responsibilities of a higher-rated Schedule A classification for an increment of not less than (1) one hour shall receive a premium of sixty-five cents (\$.65) per hour for each grade, up to a maximum of one dollar and ninety-five cents (\$1.95) for three (3) or more grades, for all hours worked in the higher-rated classification.
- B. An employee temporarily assigned the major duties and responsibilities of a higher-rated Schedule B or C classification for an increment of not less than one (1) hour shall receive a premium of one dollar and fifty-five cents (\$1.55) per hour for all hours worked in the higher-rated classification.

Section 4. Premium in Lieu of Benefits

In lieu of eligibility for certain benefits and wage premiums outlined in this Agreement, short-hour, temporary and on-call employees shall receive a premium of one dollar and fifty (\$1.50) per hour above their regular straight-time rate of pay.

Section 5. Sixth or Seventh Consecutive Day Premium

- A. Employees assigned to a scheduled workweek of twenty-eight (28) hours or more during a period of more than five (5) workdays shall be paid at the rate of time-and-one-half (1-1/2x) the straight time hourly rate, including applicable shift premium, for all hours of work assigned by the supervisor and performed by the employee on the sixth (6th) or seventh (7th) consecutive day of work regardless of the payroll week and regardless of whether such hours of work are in excess of forty (40) within one (1) payroll week.
- B. Refer to Article 9 to determine overtime pay for employees who work more than forty (40) hours during one (1) payroll week.
- C. For purposes of this Section, a day of work shall refer to a workday on which an employee actually works a minimum of one-half (1/2) of his/her scheduled shift. A paid day off shall not be considered as a day of work.

D. The following examples serve to illustrate the intent of this Section:

Example #1:	Mon.	Tues.	Weds.	Thurs.	Fri.	Sat.	Sun.
Actual Schedule	5	6	4	4	5	5	off

Total Hours Worked = 29

Eligible for sixth-day premium

Example #2:	Mon.	Tues.	Weds.	Thurs.	Fri.	Sat.	Sun.
Actual Schedule	8	Vac.	4	8	8	4	off

Not eligible for sixth-day premium; did not work six consecutive workdays.

Section 6. Float Premium

- A. An employee designated as a float whose primary job is to float from one department to another as unassigned relief shall be paid a premium of fifty cents (\$.50) per hour for all hours worked.
- B. Float premium will not apply to an employee whose regular work assignment requires performing work in more than one department, such as a Stock Clerk or a Mail Clerk.

Section 7. Pager Unit Pay

- A. Employees who are assigned pager unit duty outside of their regularly scheduled hours shall be paid two dollars and fifty (\$2.50) per hour for each hour spent in such capacity, and three dollars (\$3.00) per hour for each hour spent in such capacity on a recognized holiday. Unless otherwise specified by the supervisor, an employee shall not be considered on pager unit duty after 3 hours have elapsed following the beginning of the shift to which duty is served.
- B. When called in, actual work time shall begin when the employee arrives at the facility to which s/he was called and shall end when the employee leaves the same facility. Pay for hours actually worked shall be at the employee's regular straight-time rate of pay, excluding hours worked in excess of forty (40). The Reporting Pay provision of the Labor Agreement is waived when this pay provision is invoked.
- C. However, employees assigned pager status and who do not respond to a call in a timely manner or are unavailable for work shall forfeit pager unit pay for the duration of the assigned period.
- D. Pager unit hours shall not count as time worked for purposes of computing overtime for work performed later in the same payroll week.

Section 8. Outside the Bargaining Unit Premiums

- A. If an employee accepts an assignment which includes the major duties and responsibilities of a supervisor for a period of one (1) week or more, the employee shall be paid a premium of one dollar and eighty cents (\$1.80) per hour for all hours of work performed in that capacity. An employee shall not be assigned supervisory duties for any period of less than one (1) week. The premium will not apply for time not worked (e.g., holidays, sick leave, vacation, etc.). Employees so reassigned shall continue to accumulate seniority, benefits and tenure in accordance with this labor agreement.

- B. Work outside the bargaining unit premium of one dollar and sixty-five cents (\$1.65) per hour will be paid for non supervisory, non bargaining unit work.

Section 9. Translation Premium

In the interest of supporting cultural diversity, a multilingual committee composed of members from the bargaining unit and management will be appointed. Bargaining unit representatives will be appointed by the Union. The Committee will identify needs throughout the Region and establish criteria for eligibility to receive the translation premium of one-hundred dollars (\$100.00) per month.

ARTICLE 16. HOLIDAYS

Section 1. Recognized Holidays

- A. The following holidays shall be recognized in accordance with this Article:

<u>National Holidays:</u>	<u>Four (4) Float Holidays</u>
New Year's Day	To commemorate any four of the following: Martin Luther King's Birthday
Memorial Day	Employee's Birthday
Independence Day	President's Day,
Labor Day	Veteran's Day
Thanksgiving Day	New Year's Eve
Christmas Day	or any other day of significance to the employee

- B. It is the Employer's intent to abide by any changes in Federal legislation related to these holidays.

Section 2. Holiday Guarantee/Coverage

- A. Each regular employee shall be granted a day off for at least one of the following holidays: Thanksgiving Day, Christmas Day or New Year's Day.

B. Regional urgent care departments and any other departments and/or facilities which may be open on a recognized National Holiday, will employ a core staff in order to ensure coverage for all required shifts. The Employee may request and the Employer will make every reasonable effort to schedule up to three (3) national holidays off per year, including at least two (2) Summer and one (1) Winter national holiday.

1. Availability of shifts will be posted for regular, clinic and on-call employees within the department
2. The employer will attempt to distribute overtime equitably among qualified core staff within any job classification concerned within the facility. Remaining overtime will be made available by seniority to qualified volunteers throughout the Region.
3. On-call employees currently employed in the Urgent Care Departments, and any other departments and/or facilities which may be open on a recognized National Holiday, will be expected to work at least one (1) Summer and one (1) Winter National Holiday.
4. After equitably rotating any qualified employees who have volunteered for holiday coverage and assigned on-call employees, the Employer will equitably rotate any remaining holiday coverage among drafted qualified employees in reverse seniority order, beginning with the least senior qualified regular or short-hour employee in the job classification concerned within the region.
5. The most senior employee drafted will have his or her choice of open shift and location for which they qualify. An employee may only be drafted for one (1) holiday per calendar year.
6. Employees at risk for assignment will be notified thirty (30) days in advance. The employee may arrange for a training/orientation session prior to their assigned shift.
7. The employer will notify the employees regarding which facilities will be open for the summer holidays on March 1st and for the winter holidays on September 1st subject to changes due to new member growth and/or loss, significant changes in financial position and/or change in contract providers or other events of similar magnitude.

C. Mass communication will be used to identify National Holiday shift availability and job classification. Available shifts will be posted with contact information and in a common area readily accessible to employees. Less than full shifts will be considered.

Section 3. Holiday Pay Eligibility Requirements

To be eligible for holiday pay, an employee must meet each of the following eligibility requirements:

- 1) The employee has at least thirty (30) days of service as a regular employee as of the holiday.
- 2) The employee was not directed to work on the holiday.
- 3) The employee was not on layoff or leave of absence, including any time off taken due to illness beyond the period of paid sick leave eligibility, as of the date of the holiday.

- 4) The employee worked the last scheduled workday before and the first scheduled workday after the holiday, except where the employee has been granted an excused absence.

Section 4. Float Holidays

A regular employee shall receive four (4) float holidays each anniversary year, in accordance with the following:

- 1) During the first year of eligibility, the employee shall earn and may use up to four (4) float holidays following completion of three (3) months of service as a regular employee. Thereafter, float holidays shall be taken during the twelve- (12) month period following the date of eligibility for the float holiday(s). Float holidays not taken in the anniversary year earned shall not carry over to the next year.
- 2) Float holidays shall be used to commemorate specific holidays or any other day of significance as designated by the employee; however, to allow the employee and the supervisor scheduling flexibility, the designated holiday need not fall on the actual calendar date.
- 3) The employee must submit a written request for a float holiday at least one (1) month in advance of the date requested. However, the Employer will give consideration to requests with less than one (1) month's notice which are due to circumstances beyond the employee's control.
- 4) An employee who resigns with at least two (2) weeks of notice shall be paid for earned float holiday(s) requested but not received as of the date of termination, provided each of the conditions set forth below are met. Pay for such float holiday(s) shall be at the employee's regular straight-time rate of pay for his/her assigned full-time equivalent hours as of the date of termination.
 - (a) The employee submitted a written request for one or more float holiday(s) at least one (1) month in advance of the date requested and received written approval from his/her supervisor.
 - (b) The supervisor required the employee to work on the date(s) requested for the float holiday(s) due to operational requirements.
- 5) Consistent with scheduling needs, an employee requesting a float holiday will receive a timely response. Such requests shall not be unreasonably denied.
- 6) Float holidays must be taken in full day increments.

Section 5. Premium Pay for Hours Worked on a Holiday

- A. A regular employee who works on a recognized National holiday, as specified in Section 1 of this Article, shall receive premium pay of double-half (2-1/2) his/her regular straight-time rate of pay, including applicable shift premium, for all hours worked on the holiday, or for the employee's assigned full-time equivalent hours, whichever is greater, up to a maximum of eight (8). Hours worked in excess of eight (8) shall be paid at time-half (1-1/2).
- B. A short-hour, temporary or on-call employee, or a regular employee with less than one (1) month of service, who works on a recognized National holiday, as specified in Section 1 of this Article, shall receive premium pay of time-half (1-1/2) his/her regular straight-time rate of pay, including applicable shift premium, for all hours worked.

Section 6. Holiday Pay, if Not Worked - Regular Employees

- A. If a recognized national holiday falls on a normally scheduled work day and the employee is scheduled off because of the holiday, the pay for such holiday not worked shall be for the number of hours at the straight-time rate of pay as the employee would have received had he/she worked, including applicable shift premium; not to exceed eight (8) hours.
- B. If the recognized national holiday falls on a day, other than a normally scheduled workday, the employee shall receive additional pay equal to his/her F.T.E.

Section 7. Holiday on Weekend

- A. If a recognized national holiday falls on Saturday, employees shall observe the holiday on the preceding Friday; and if a recognized National holiday falls on Sunday, employees shall observe the holiday on the following Monday, provided staffing and scheduling permits.
- B. When a recognized national holiday falls on Saturday or Sunday, those employees who work in a patient care department on the recognized holiday shall receive premium pay for hours worked and holiday pay for hours worked in accordance with Sections 7 and 8 of this Article. However, such employees shall not receive holiday pay or premium pay for hours worked on the preceding Friday or the following Monday.

Section 8. Holiday Pay for Overtime Computation

Holidays for which pay is received shall count as time worked for purposes of computing overtime for work performed later in the same payroll week.

Section 9. Holiday Pay for Night-Shift Employees

For night-shift employees who work on a National holiday, holiday premium pay shall apply to the shift in which the majority of hours are worked on the holiday. The holiday shall consist of the 24 hour period beginning at 12:01 a.m.

ARTICLE 17. VACATION

Section 1. Vacation Eligibility and Allowance

- A. Regular employees, upon completion of one (1) year of service as a regular employee, shall earn an annual vacation allowance, subject to the provisions of this Article, according to the following schedule:
- B.

*Weeks of Vacation	After	Completed Years of Service
2		1
3		4
4		9

* This schedule reflects the time off entitlement of a regular full-time employee (FTE = 1.0) in weekly increments.

- B. During the first year of employment, employees are not eligible to accumulate vacation on a monthly basis. After completion of one (1) year of service as a regular employee, the employee's vacation account will be credited with two (2) weeks of vacation which is then available for use, subject to the provisions of this Article. Thereafter, an employee will earn vacation on a monthly basis and will be able to take vacation, subject to the provisions of this Article, prior to the completion of an eligibility year.
- C. For regular part-time employees, vacation and sick-leave benefits shall be accumulated on the basis of all hours paid to a maximum of eighty (80) hours per pay period.
- D. During transition years (e.g., the fourth and ninth years), the employee will continue to earn vacation at his/her current monthly rate until the date s/he meets the service requirement of the higher vacation allowance. On that date, the employee's vacation account will be credited with the number of days representing the increased vacation allowance.
- E. Supervisors will submit to payroll, on a quarterly basis, the number of KTO hours per employee for the preceding quarter, which will be used in calculating an adjustment for purposes of vacation and sick leave accumulation.

Section 2. Vacation Pay

- A. Pay for vacation shall be at the employee's regular straight-time rate of pay, including applicable shift premium, for the number of hours the employee would have received had s/he worked his/her normal shift that day. This provision will also apply in instances where a regular employee's FTE has previously increased or decreased.

- B. The following examples serve to illustrate the intent of this Section:

Example #1:	Mon.	Tues.	Weds.	Thurs.	Fri.
Normal Schedule	8	8	8	off	off
Actual Schedule	8	Vac.	Vac.	off	off
FTE = .6					
Vacation Pay = 16 hours					

Example #2:	Mon.	Tues.	Weds.	Thurs.	Fri.
Normal Schedule	8	6	4	8	6
Actual Schedule	Vac.	Vac.	Vac.	8	6
FTE = .8					
Vacation Pay = 18 hours					

- C. The Employer will issue a separate advanced vacation check for approved, accrued vacation, provided the employee has notified the supervisor of their payment request at least one week in advance and the paid time-off period requested is at least one week in duration.

Section 3. Vacation Scheduling

- A. During the first two weeks of January, vacation planning schedules will be prepared listing employees in descending order of seniority. This planning year will run from April 1st through March 31st. Vacation planning schedules will be posted in appropriate areas and will indicate the number of employees per each bargaining unit allowed to take vacation concurrently.
- B. From January 15 to February 6th, employees may submit requests for vacation by marking their choices on the posted vacation schedule as well as on the vacation request forms. Those desiring to split their vacation allowance into more than one segment (e.g., weeks or days) must rank the segments in order of preference on the vacation request form and posted schedule.
- C. During odd calendar years seniority will apply only for the first choice in vacation selection. During the even calendar years, for those employees choosing to split their vacation into three (3) or more segments, seniority will apply only for the first and second vacation segment choices. Of those choices, only one segment may be tied to holidays, unless a holiday period has not been selected by a more junior employee.
- D. Approved vacations submitted from January 15th through February 6th will be posted on or before March 1st, in an area accessible to employees. Consistent with scheduling needs, an employee will receive a timely written response. The written response shall indicate that the request was: (A) Approved or (B) Denied. Responsibility of retaining a written denied request, will remain with the employee for use of possible future re-submissions in the case of future openings.
- E. Vacation may be taken in increments of less than one (1) day or any uninterrupted period of time. If the employee does not have the accrued or anticipated accrued vacation time, the request may be denied. When scheduling vacation segments of three days or more, the Employer will exercise a reasonable effort to schedule the employee's day(s) off in such a way that they are attached to the employee's vacation period.
- F. Once a vacation has been authorized by the supervisor, no senior employee may bid into the schedule or otherwise claim the date.
- G. Employees may submit vacation requests outside the selection period and may submit a request for unscheduled vacation at any time. Requests will be limited to available dates not previously filled. Employees will be required to submit requests at least two (2) weeks in advance and such requests shall be granted on the basis of date of earliest submission. The employer will consider vacation requests with less than the normal notice in unusual circumstances.
- H. If new openings in the vacation schedule become open, it will be made available to the employees for one (1) week. If these dates were previously denied during the selection period, employees may re-submit the original copied request and be given priority on the basis of seniority. Re-submitted, previously denied requests dated outside the selection period will also be given consideration by date of original request. In the event there are no re-submissions, requests shall be granted on a first come, first served basis.
- I. Employees transferring from one facility, department or shift to another will be required to select vacation in accordance with the vacation planning schedule in effect for the new facility, department or shift. Further, employees will be restricted to open dates not previously filled by scheduled vacations or approved leaves of absence. Exceptions may be granted in extenuating circumstances.
- J. Employees may request vacation schedule changes or cancellations, in writing, at any time. Notice must be given prior to the change or the cancellation. The employer will attempt to place the employee back on the schedule.

- K. Although the operations of the Employer shall be of primary importance with respect to the scheduling or changing of vacations, the Employer will endeavor to balance operational needs with those of employees.
- L. If an approved, scheduled vacation is canceled by the Employer, the Employer will reimburse the employee for irrevocable, non-refundable and non transferable transportation costs upon verifiable proof of loss. The employee shall surrender any concerned tickets to the Employer for which they are being reimbursed.

Section 4. Holiday During Vacation

If a recognized holiday falls within an employee's vacation on a regularly scheduled workday, pay for the day shall be charged to the holiday and not to vacation, provided the employee is eligible for holiday pay. However, the employee may choose to be paid for the day of vacation in the current payroll period in lieu of another day off.

Section 5. Vacation Carryover

Annual vacation allowance shall be taken during the one- (1) year period following the employee's anniversary date of eligibility. However, operating requirements or special vacation circumstances may occasionally prevent an employee from taking all earned vacation within the anniversary year. When such circumstances arise, an employee may carry over an amount equal to double (2) his/her current annual vacation allowance, subject to the approval of the Employer. Vacation allowance cannot be earned in excess of this amount. For example, an employee with two (2) years of service may carry a maximum of four (4) weeks of vacation allowance (2 weeks X 2) at any given point in time and cannot earn additional vacation allowance until vacation time is utilized.

Section 6. Vacation Pay Upon Termination

- A. Upon termination from the Company, an employee with at least one (1) year of service as a regular employee shall be paid for any earned vacation allowance unused as of the date of termination; however, in no event shall this amount exceed two (2) years of vacation accumulation.
- B. The employee may not use vacation time off to extend his/her length of employment.

Section 7. Use of Vacation to Care for a Sick Child

If requested, the supervisor shall grant vacation, float holidays or personal time off (PTO) for an employee to care for a sick child. Up to three (3) such days in a twelve month period shall not count as absences for purposes of discipline. In such cases, vacation may be taken in increments of less than eight (8) hours.

ARTICLE 18. SICK LEAVE

Section 1. Sick Leave Allowance

- A. Each regular full-time and regular part-time employee shall accumulate one (1) day of paid sick leave for each calendar month of service as a regular employee, up to a maximum of eighty-five (85) days.
- B. For regular part-time employees, vacation and sick leave benefits shall be accumulated on the basis of all hours paid to a maximum of eighty (80) hours per pay period.

- C. Supervisors will submit to Payroll, on a quarterly basis, the number of KTO hours per employee for the preceding quarter, which will be used in calculating an adjustment for purposes of vacation and sick leave accumulation.
- D. Information regarding an employee's sick leave accrual shall be supplied by his/her supervisor, upon request.

Section 2. Sick Leave Pay Eligibility Requirements

- A. Sick leave shall be applicable only if the employee is ill on a day s/he is regularly scheduled to work.
- B. Paid sick leave shall begin to accumulate during the first (1st) calendar month of employment but may not be applied to any illness until after the completion of the probationary period.
- C. If an employee claims sick leave, the Employer may require reasonable proof of physical disability sufficient to justify the employee's absence from work, if there is reasonable doubt of legitimacy. Further, the Employer may require certification of his/her fitness to perform the work required.

Section 3. Sick Leave Pay

Sick leave pay shall be at the employee's regular straight-time rate of pay, including applicable shift premium, for the number of hours the employee would have received had s/he worked his/her normal shift that day.

Section 4. Illness During Shift

If an eligible employee becomes ill during his/her shift, s/he shall be paid for hours worked and shall receive paid sick leave for the hours not worked during the balance of his/her shift.

Section 5. Sick Leave for Medical/Dental Appointments

An eligible employee with at least six (6) months of service may use paid sick leave for hours directly associated with scheduled medical/dental appointments, and for emergency dental for children, provided each of the following conditions are met:

- 1) The employee shall give written notice of at least one (1) week, if practical to do so, and supply verification that the appointment was kept.
- 2) In the event the employee's medical/dental appointment is located outside of his/her facility, the appointment shall be scheduled so that at least part of the scheduled appointment falls within the first or last hour of the employee's scheduled shift or within the hour directly preceding or following the employee's meal period, if practical to do so.
- 3) Part-time employees who have days off during the week will make every reasonable effort to schedule medical/dental appointments on their days off.

Section 6. Sick Leave for Sick Child/Spouse

Employees may use sick leave to care for a sick child or spouse, provided the requesting employee has at least

five (5) days of sick leave accrued (or its equivalent in FTE hours) at the time of the request to use sick leave for child or spouse illness is made.

Section 7. Integration of Sick Leave with Workers' Compensation

If an employee received Workers' Compensation insurance payments, Employer paid sick leave shall be reduced by the amount of Workers' Compensation insurance pay received by the employee. Only the amount of sick leave which is integrated with Workers' Compensation payments shall be charged against the employee's sick leave account. For example, after three (3) days, approximately one-third (1/3) sick leave is charged per day.

Section 8. Holiday During Sick Leave

If an employee is absent on paid sick leave and a holiday occurs during such absence, if s/he is eligible for holiday pay, such pay shall be charged to the holiday and not against sick leave credits.

Section 9. Exhaustion of Sick Leave During Medical Disability Leave of Absence

- A. Employees who are excessively absent are subject to disciplinary action, up to and including discharge.
- B. However, special consideration shall be given to an employee who returns to work from a medical disability leave of absence in which his/her sick leave account has been exhausted. Upon return from such leave, employee shall be eligible to utilize vacation or float holidays for sick leave purposes for up to three (3) months. For a period of six (6) months from the date of employee's return to work, s/he shall be permitted to be absent from work due to illness for up to six (6) days without being subject to progressive discipline for excessive absenteeism.
- C. Following the six-month period, an employee who exhausts his/her sick leave account shall be subject to normal disciplinary procedures.

Section 10. Use of Vacation to Care for a Sick Child

If requested, the supervisor shall grant vacation, float holidays or personal time off (PTO) for an employee to care for a sick child. In such cases, vacation may be used in increments of less than eight (8) hours.

ARTICLE 19. EDUCATION AND TRAINING

Section 1. Internal Education and Training

When an internal education and training program is provided by the Employer for employees in a particular job classification covered by this Agreement, the Employer agrees to provide equal training for all employees in such classification to ensure equal opportunity for advancement and promotion. Further, the Employer agrees, to the extent financially practical, to provide employees with ongoing education to better prepare them for those classifications which require training for qualification.

Section 2. Outside Education and Training

If requested by the Employer, an employee shall be paid for work time spent in conferences, workshops, seminars or training sessions which are directly job related. Further, the employee shall be reimbursed for all materials and costs.

Section 3. Tuition Reimbursement

Regular employees shall be eligible to enroll in educational programs during non-working hours, in accordance with the following:

- 1) The course must be taken at an accredited school, junior college, four year college, university or other equivalent institution. Consideration may be given to non-accredited educational programs which are approved by a recognized professional organization. In addition to traditional classroom training, courses may be taken on-line or through correspondence.
- 2) The course must be related to the employee's current work assignment and/or potential for advancement within the Company. In reviewing tuition reimbursement requests, the employee's statement of how the course meets the above criteria will be considered. However, responsibility for authorization of a course for tuition reimbursement purposes shall rest with the Employer.
- 3) The course must be taken during non-working hours.
- 4) Receipts showing completion with a grade of "C" or better for standard graded/credited courses must be submitted for reimbursement within sixty (60) days of course completion.
- 5) Employees who are actively at work while enrolled and attending a course, but take a leave of absence prior to completion of the course and are able to complete the course, will be eligible for reimbursement if all other reimbursement criteria have been met.
- 6) Reimbursement shall be forfeited if, prior to successful completion of the course, any of the following occurs:
 - (a) Voluntary or involuntary termination
 - (b) Transfer to a short hour, temporary or on call status
- 7) The following expenses shall not be reimbursed:
 - (a) Transportation to and from the place of instruction, including parking
 - (b) Costs of periodicals, equipment or any other expenses not directly associated with tuition, fees and required textbooks
- 8) In addition to standard graded/credited courses, the following types of courses are eligible for tuition reimbursement, if successfully completed:
 - (a) A course in which only grades of pass/fail are given
 - (b) A non-credit course
 - (c) A course which is audited
- 9) Upon receipt of receipts for allowed expenses and official confirmation of successful course completion, the Employer shall reimburse employees according to the following:
 - (a) Full-time employees with at least five (5) years of service prior to course enrollment will be reimbursed one hundred percent (100%) of the cost of tuition, fees and required textbooks up to a maximum of \$2,000.00 per calendar year.

- (b) Full-time employees with less than five (5) years of service prior to course enrollment, shall be reimbursed eighty percent (80%) of the cost of tuition, fees and required textbooks, up to a maximum of \$1,600 per calendar year.
- (c) Part-time employees will receive tuition reimbursement for tuition, fees and required textbooks on a prorated basis as follows:

FTE	Up to Five Year's Service (80% of cost up to)	Five Plus Years (100% of cost up to)
.6	\$ 960.00	\$1,200.00
.7	\$1,120.00	\$1,400.00
.8	\$1,280.00	\$1,600.00
.9	\$1,440.00	\$1,800.00

Section 4. Continuing Education Unit Programs

A regular employee with at least one (1) year of service as a regular employee shall be eligible to attend continuing education unit programs during working hours in accordance with the following:

- 1) The program must be related to the attainment of continuing education units for maintenance of licensure or certification or registration required by the Employer.
- 2) The employee must submit a written request to attend the continuing education units program at least one (1) month in advance of the program.
- 3) Responsibility for authorization of continuing education unit programs shall rest with the Employer.
- 4) Provided proper notice has been given, the Employer shall utilize its best efforts to grant the days requested. Further, subject to operational requirements, the employee shall receive a timely response to each request.
- 5) Following one year of service, eligible employees may receive up to three (3) days off, without loss of scheduled pay, to attend CEU courses and up to \$300.00 towards allowable costs.
- 6) Eligible employees shall be granted the previously listed maximum dollars each anniversary year for tuition, fees and books directly associated with the continuing education units program. The annual expense allowance not used in the anniversary year earned shall not carry over to the next year.
- 7) The employee must successfully complete the program as certified by an official report from the institution in which the program was taken.
- 8) Pay for time spent in continuing education unit programs held during working hours shall be at the employee's regular straight-time rate of pay, including applicable shift premium, for the number of hours the employee would have worked, had s/he worked his/hier normal shift.

Section 5. Training

- A. The Employer and the Union agree that training is primarily a responsibility of supervisors. Employees

routinely involved in assisting supervisors to coordinate and carry out training typically include leads, training clerks and other employees with the responsibility to coordinate and direct the work of others; however, the Employer reserves the right to include training in other job classifications.

- B. Other employees assigned to train shall have their normal work assignment adjusted to accommodate the additional training responsibilities and shall not be reprimanded for any resulting reduction in quantity of work.
- C. In recognition of the joint commitment that the Union and the Employer share with respect to Affirmative Action, the parties agree, as deemed appropriate mutually by the Union and the Employer, to allocate certain bargaining unit positions annually to a formal on-the-job training program.

Section 6. Career Development

- A. Tuition Reimbursement may be used for career/job counseling and/or work skills assessment, not to exceed \$400.00.
- B. Labor/Management will identify intra-departmental career ladders and career development opportunities.
- C. The employer and union will jointly direct resources for training.
- D. Bid lids may be waived for career enhancement when no qualified bidders are available.
- E. Training programs may be developed for bare-to-fill positions.

ARTICLE 20. LEAVES OF ABSENCE

Section 1. General

- A. Only regular and short-hour employees shall be eligible for consideration for a leave of absence, provided the employee meets the eligibility requirements for the particular leave requested.
- B. A leave of absence is defined as an unpaid absence from work of thirty (30) calendar days or more. Personal time off granted for more than five (5) consecutive days shall be considered an extended absence. Extended absences shall count toward the total leave period granted for Medical disability, Workers' Compensation and personal leaves of absence. Seniority, benefits and service for tenure adjustments shall not accumulate during a leave of absence. However, seniority shall continue to accumulate during medical disability leaves of absence; seniority, benefits and service for tenure adjustments shall continue to accumulate during Workers' Compensation leaves of absence.
- C. Requests and approvals for leaves of absence shall be in writing with one (1) copy to the employee and one (1) copy to the Human Resources Department.
- D. Coverage of all insurance benefit plans in effect at the time the leave of absence begins shall be continued through the end of the month in which the leave of absence begins.
- E. Except as otherwise provided, regular employees may continue health care, dental and life insurance benefits during interim months of their leave of absence at their own expense. Benefit continuation payments are due to the Human Resources Department by the 15th of the month following the end of Employer-paid coverage, and for each subsequent month during the leave of absence period. If an employee neglects to pay the

monthly payment by the 15th, s/he will be terminated from all benefit plans on the first day of the month in which the payment was not received, and s/he will be billed for any services received during this period.

- F. Coverage of health care, dental, life insurance and other benefits shall resume on the first day of the employee's return to work. An employee on personal leave of absence who returns to work after the 15th of the month shall pay a pro-rated portion of the premium for that month. An employee on a medical disability leave of absence shall not pay the premium payments for these benefits if returning to work any day during the month.
- G. In cases where an employee with less than five (5) years of service is granted a leave of absence for reasons of Medical Disability, Workers' Compensation or personal, the employee may be granted a maximum of two (2) leaves of absence during any twelve (12) month period, providing the total absences does not exceed six (6) months, including extended absences.
- H. An employee may combine a medical and/or personal leave of absence with an educational leave, provided the employee notifies the Employer at the onset of the medical or personal leave that the educational leave will immediately follow. In such instances, the employee will be forwarded and must sign a form waiving reinstatement rights under the medical or personal leave sections, and the maximum leave period for the combined leaves may not exceed two (2) years. The Employer will fill the vacant position when the employee begins the medical or personal leave. Upon return, the employee's reinstatement rights shall be in accord with the educational leave section.
- I. An employee who does not return to work prior to the maximum leave of absence period specified in this Article shall be processed as a voluntary termination.
- J. No provision of this Article shall be deemed a waiver of any right or privilege an employee is entitled to under Federal, State or Local Law or regulations.
- K. All persons who replace employees who are on a leave of absence shall be so advised and shall be informed of the approximate date the regular employee is expected to return.

Section 2. Medical Disability Leave of Absence

- A. Six (6) months of service is required to be eligible for a medical leave of absence with the exception of pregnancy which requires three (3) months of service. The employee must submit a written leave of absence request to his/her supervisor at least one (1) month prior to the commencement of the leave of absence, except when sudden illness or injury prohibits such notification. Further, the employee must submit to the Human Resources Department an Attending Physician's Statement from his/her physician certifying that s/he is disabled for the leave of absence period requested.
- B. In the determination of a medical disability leave of absence commencement and ending date, the Employer shall consider the Attending Physician's Statement and any factor(s) which affect the employee's ability to safely and effectively perform his/her customary job duties.
- C. At the beginning of the disability period, the employee must exhaust his/her sick leave account. Immediately thereafter, the employee may elect to use any earned vacation and/or float holidays prior to the beginning of a leave of absence. If the employee remains disabled following exhaustion of sick leave and use of optional vacation/float holidays, s/he may apply for short-term disability benefits.
- D. The duration of a medical disability leave of absence shall be that period during which the employee is certified as disabled by his/her physician up to a maximum of six (6) months for employees with less than five (5) years of service, and twelve (12) months for employees with five (5) or more years of service. Vacation

and sick leave benefits used in conjunction with a medical disability leave of absence shall not count toward the leave period, unless the medical leave is followed by a personal leave for care of a newborn child (refer to the section on personal leaves). Disability insurance benefits used in conjunction with a medical disability leave shall count toward the leave period.

- E. For employees with at least two (2) years of service as a regular employee, health care coverage, in effect at the time the leave of absence begins, shall be continued at the Employer's expense for the duration of the Employer-approved medical disability leave period.
 - F. Employees who request a medical disability leave of absence for pregnancy-related purposes, to be followed by a personal leave of absence to care for the newborn child, shall be considered as having requested one (1) period of absence under this provision. The personal leave of absence must directly follow completion of the period of pregnancy-related disability. The duration of both leave periods may not exceed six (6) months, including any sick leave and/or vacation taken immediately prior to the medical disability leave.
 - G. An employee shall, if feasible, provide his/her supervisor with at least three (3) weeks of written notice of intent to return from a medical disability leave of absence. However, prior written notice of at least one (1) week shall be required as a condition of reinstatement.
 - H. When an employee returns to work from an authorized medical disability leave of absence of six (6) months or less, provided that the Attending Physician releases him or her to duty, s/he shall be reinstated to the same position held prior to his/her leave of absence. If the employee is not able to perform his/her job, or has restrictions/limitations that can not be reasonably accommodated, or if work assignments have changed or been eliminated such that is not possible to reinstate the employee to his/her former position, the Employer shall reinstate him/her to a position in the facility that is as comparable to his/her original position that he/she is capable of performing as is reasonable under the circumstances with no reduction in wage rate. Such rights to return shall be given preference in filling open jobs.
- When an employee returns to work from an authorized medical disability leave of absence of more than six (6) months, providing that the Attending Physician releases him or her to duty, the employee will be reinstated to a position comparable to his/her original position that he/she is capable of performing as is reasonable under the circumstances, with no reduction in wage rate. If no comparable position exists, the employee will be placed in the nearest comparable position, as determined by the Employer, and for which the employee is qualified and capable of performing. The wage rate will be determined in accordance with Article 14 of this Agreement.

- I. If a reduction in force has occurred in the facility during the leave, a more senior employee shall have the option to return to his/her former position, if available, or be reinstated to a comparable position as defined in paragraph H.

Section 3. Personal Leave of Absence

- A. An employee must have at least six (6) months of service to be considered for a personal leave of absence.
- B. The following situations shall normally be considered as reasons justifying an employee request for a personal leave of absence:
 - 1) Illness, injury or death in the employee's immediate family. For purposes of this Section, immediate family shall be defined as the employee's spouse, sister, brother, daughter, son, mother, mother-in-law, father, father-in-law, legal guardian, legal ward and grandparents.
 - 2) Adoption of a child immediately after placement of the child.

3) Caring for the employee's newborn child.

The Employer shall consider requests for a personal leave of absence for other situations of similar significance on an individual basis.

- C. At the beginning of the leave period, the employee may elect to use any earned vacation or float holidays.
- D. The duration of a personal leave of absence shall normally be a maximum of three (3) months. Vacation used in conjunction with a personal leave of absence shall count toward the three-month leave period. However, exceptions shall be made under the following circumstances:
 - 1) When a personal leave of absence to care for the employee's newborn child directly follows a medical disability leave for pregnancy-related purposes, the duration of both leave periods shall not exceed six (6) months, including any sick leave and/or vacation taken prior to the medical disability leave.
 - 2) With the written approval of the supervisor and the Human Resources Department, a personal leave of absence may be extended for an additional three (3) months, up to a maximum of six (6) months. An extension of a personal leave of absence associated with the care of a newborn or adopted child will be automatically granted provided the total absences do not exceed six (6) months.
- E. An employee is requested to provide his/her supervisor with at least three (3) weeks of written notice of intent to return from a personal leave of absence. However, prior written notice of at least one (1) week shall be required as a condition of reinstatement.
- F. When an employee returns to work from an authorized personal leave of absence of three (3) months or less, s/he shall be reinstated to the same position held prior to his/her leave of absence.
- G. If an employee extends his/her personal leave of absence, as described in Paragraph D (2) of this Section, and if conditions have so changed in the facility that it is not reasonable to reinstate him/her to a position, the Employer shall reinstate him/her to a position that is as nearly comparable to his/her original position as is reasonable under the circumstances. However, a personal leave of absence to care for the employee's newborn child which directly follows a medical disability leave for pregnancy-related purposes, or a personal leave to care for an adopted child shall not be considered as an extension of the personal leave for purposes of reinstatement.

Section 4. Educational Leave of Absence

- A. An employee must have at least two (2) years of service prior to the leave of absence commencement date to be considered for an educational leave of absence.
- B. The employee must be an active student at an accredited College or University for at least nine (9) months per year or 3/4's of the period for leaves less than one (1) year. Written documentation of attending school must be provided to the supervisor on a quarterly basis.
- C. The education must be related to the employee's current work assignment and/or potential for advancement within the Company.
- D. The duration of an educational leave of absence shall be a maximum of two (2) calendar years.
- E. An employee is requested to provide his/her supervisor with at least three (3) weeks of written notice of intent

to return from an educational leave of absence. However, prior written notice of at least one (1) week shall be required as a condition of reinstatement.

- F. When an employee returns to work from an authorized educational leave of absence, s/he shall be reinstated to the same position held prior to the leave, if an opening exists at the time the leave terminates. If no opening exists, the employee shall be placed in the nearest comparable position, if an opening exists in such position. If no opening exists in either case, the employee shall be offered any other opening that does exist. If the employee refuses such open job, s/he shall be terminated.
- G. Employees returning from medical or personal leaves must work a minimum of twelve (12) months prior to requesting an educational leave.

Section 5. Military Leave

- A. An employee required to fulfill a military obligation within the Armed Forces, the Reserve of the Armed Forces or the National Guard of the United States shall, upon presentation of a copy of associated military orders to the Employer, be granted a military leave of absence.
- B. An eligible employee, as described above, shall receive any unfavorable difference between his/her regular straight-time rate of pay and any taxable earnings paid by the government for each day of the military duty for a period not to exceed ten (10) workdays in any calendar year.
- C. The Employer shall accord to each employee who applies for reemployment, after conclusion of his/her military service, such reemployment rights as s/he shall be entitled to under the then existing statutes. It is understood that the employee must make application for reemployment within the time limits specified under the law.

Section 6. Workers' Compensation Leave

- A. An employee is eligible for a leave of absence due to a valid Workers' Compensation injury or illness, commencing the first day of employment, for reported on-the-job injuries or illnesses.
- B. The employee must submit a written leave of absence request to his/her supervisor prior to the commencement of the leave of absence, except when sudden illness or injury prohibits such notification. Further, the employee must submit to the Human Resources Department an Attending Physician's Statement from his/her physician certifying that s/he is disabled for the leave of absence period requested.
- C. In the determination of a Workers' Compensation leave of absence commencement and ending date, the Employer shall consider the Attending Physician's Statement in determining the employee's ability to safely and effectively perform his/her customary job duties.
- D. At the beginning of the disability period, the Employer will integrate Employer-paid sick leave with Workers' Compensation payments (for example, one-third sick leave is charged per day) until the sick leave account is exhausted. Please refer to Article 18., Section 6. of this Agreement.
- E. The duration of a Workers' Compensation leave of absence shall be that period during which the employee is certified as disabled for a maximum of six (6) months for employees with less than five (5) years of service, and twelve (12) months for employees with five (5) years or more of service.
- F. For employees with at least one (1) year of service as a regular employee, health care coverage in effect at the time the Workers' Compensation leave of absence begins, shall be continued at the Employer's expense for the duration of the Employer approved Workers' Compensation leave period.

- G. When an employee returns to work from an authorized Workers' Compensation leave of absence of six (6) months or less, provided that the Attending Physician releases him or her to duty, s/he shall be reinstated to the same position held prior to his/her leave of absence. If the employee is not able to perform his/her job, or has restrictions/limitations that can not be reasonably accommodated, or if work assignments have changed or been eliminated such that it is not possible to reinstate the employee to his/her former position, the Employer shall reinstate him/her to a position in the facility that is as comparable to his/her original position that he/she is capable of performing as is reasonable under the circumstances with no reduction in wage rate. Such rights to return shall be given preference in filling open jobs.

When an employee returns to work from an authorized Workers' Compensation leave of absence of more than six (6) months, providing that the Attending Physician releases him/her to duty, the employee will be reinstated to a position comparable to his/her original position that he/she is capable of performing as is reasonable under the circumstances, with no reduction in wage rate. If no comparable position exists, the employee will be placed in the nearest comparable position, as determined by the Employer, and for which the employee is qualified and capable of performing. The wage rate will be determined in accordance with Article 14. of this Agreement.

- H. An employee who has been terminated due to his/her inability to return to work following a Workers' Compensation leave of absence, shall retain previously accrued seniority as of that date, for a period of six (6) months. Such seniority may be utilized only for the purpose of bidding on vacancies for which s/he is qualified and capable of performing, and providing that the Attending Physician releases him/her to duty.

ARTICLE 21. OTHER LEAVE BENEFITS

Section 1. Jury Duty

A regular employee who is required to report for jury service, or compelled to appear as a witness in a legal proceeding arising out of the scope of his/her employment, shall be excused from work, with pay, on a day s/he would otherwise have worked, under the following conditions:

- 1) The employee must present his/her supervisor with a copy of the jury summons and evidence of attendance, and a copy of the check and stub, or a signed receipt by the court for money paid by the court.
- 2) The employee shall be required to notify his/her supervisor when s/he is excused from jury service and available for work.
- 3) A day-shift employee excused from jury service by 12:00 noon shall be required to report to work within one (1) hour after release from jury service.
- 4) An evening-shift employee shall not be required to work his/her scheduled shift immediately following jury service. An evening-shift employee excused from jury service by 12:00 noon shall be required to work at least one-half (1/2) of his/her scheduled shift immediately following the jury service.
- 5) A night-shift employee shall not be required to work his/her scheduled shift immediately prior to jury service. A night-shift employee excused from jury service by 12:00 noon shall be required to work at least one-half (1/2) of his/her scheduled shift immediately following jury service.
- 6) Pay for jury duty shall be at the employee's regular straight-time rate of pay, including applicable shift premium, for the number of hours the employee would have received had s/he worked his/her

normal shift that day, less any per diem jury duty allowance received by the employee. In the event the employee's normal shift fluctuates between payroll periods, jury duty pay shall be for the employee's assigned full-time equivalent (FTE) hours.

Section 2. Bereavement Leave

- A. When death occurs in the immediate family of a regular full-time employee, s/he shall be entitled to a period of up to three (3) consecutive workdays off with pay. In the event the funeral is out of state, the employee shall be granted an additional two (2) days of unpaid time off. If eligible, the employee may request float holidays or vacation in lieu of unpaid time off. Reasonable evidence of the above may be required. An employee may request additional time off if it is required, and Management will make reasonable efforts to accommodate such. In such instances, accrued vacation or float holidays must be used before unpaid time off.
- B. Part-time employees will receive three (3) consecutive calendar days off, and will receive pay for scheduled work hours within such three (3) day period. In instances where a part-time employee is scheduled five (5) days a week, he/she will receive three (3) consecutive worked days off and will receive pay for scheduled work hours within that three (3) day period.
- C. For purposes of this Section, immediate family is defined as the employee's spouse, sister, brother, daughter, son, mother, mother-in-law, father, father-in-law, legal guardian, legal ward, grandparents, grandchildren, stepchildren and stepparents.
- D. Pay for bereavement leave shall be at the employee's regular straight-time rate of pay, including applicable shift premium; for the number of hours the employee would have received had s/he worked his/her normal shift that day. An employee shall not be entitled to both bereavement leave pay and holiday, vacation or sick leave pay for the same day.

ARTICLE 22. RETIREMENT BENEFITS

Section 1. Pension Plan

- A. The normal pension benefit formula of the Kaiser Permanente Colorado Pension Plan shall be 1.2% of average monthly compensation over the highest paid sixty (60) consecutive months from the last one hundred twenty (120) months of employment, multiplied by years of credited service. All other provisions of the Pension Plan shall remain in effect for the duration of this Agreement.
- B. The Employer assumes responsibility for maintaining compliance with all State and Federal laws regarding pension plans. Pension Plan changes solely for the purpose of ensuring compliance with these laws shall not constitute a reopening of this Agreement. The Employer shall keep the Union advised of any and all changes in the Pension Plan, including all actuarial studies and funding changes.
- C. Employees shall be one-hundred percent (100%) vested for their pension benefit after five (5) years of service, as defined in the Pension Plan.

Section 2. Retired Health Care Coverage

- A. Employees with at least fifteen (15) years of service who retire under the early, normal or postponed provisions of the Kaiser Permanente Colorado Pension Plan shall receive Employer paid basic medical coverage subject to the following limitations and provisions:

- 1) Normal and postponed retirees must have twenty-five (25) years of service to receive the maximum Employer-paid health care benefits of \$100.00 per month for the retiree, his/her spouse and eligible dependents. Retirees are required to pay any difference over the \$100.00 per person, per month limit.
 - 2) Employees with less than twenty-five (25) years of service will have their benefit reduced by 4% each year under twenty-five (25), with a minimum benefit of \$60.00 per person, per month.

25 years of service = \$100.00 per eligible person per month.

20 years of service = \$ 80.00 per eligible person per month.

15 years of service = \$ 60.00 per eligible person per month.
 - 3) Early retirees shall receive basic medical coverage benefits when they become eligible for Medicare at age sixty-five (65) for the retiree, his/her spouse and eligible dependents. Early retirees may continue basic medical coverage at their own expense until reaching age sixty-five (65).
 - 4) Basic medical coverage for the retiree, spouse and eligible dependents shall be comparable to the coverage provided to active employees with the exception that benefits are integrated with Parts A and B of Medicare. Benefits will be provided for the retiree, spouse and eligible dependents and will continue for the life of the retiree. The retiree and spouse must maintain participation in Parts A and B of Medicare at their own expense. The retiree and spouse must assign Parts A and B of Medicare to the Health Plan to remain eligible for Employer-paid coverage.
- B. Employees who retire under the disability provisions of the Kaiser Permanente Colorado Pension Plan shall receive Employer-paid basic medical coverage for the retiree, his/her spouse and eligible dependents, subject to the following provisions:
- 1) Basic medical coverage will be provided once the retiree is eligible for disability benefits under Title II of the Social Security Act (and will continue for as long as the retiree is eligible for disability benefits under Title II of the Social Security Act), or until the retiree's death, whichever occurs first. If the retiree should become ineligible for Title II disability benefits, the Employer-paid medical coverage will cease at the end of the month in which the retiree became ineligible.
 - 2) The Employer's contribution to medical care shall be limited to a maximum of \$100.00 per eligible person, per month, and the Medicare integration requirements shall be the same as described in paragraph A, 4.

Section 3. Tax Deferred Savings Plan

The Employer shall provide employees with a Tax Deferred Savings Plan (Tax Sheltered Annuity) as annually defined by the third-party carrier selected by the Employer.

ARTICLE 23. INSURANCE BENEFITS

Section 1. General Information

- A. The employer provides a flexible benefits plan, that enables benefit eligible employees to choose a variety of benefit options to best fit their individual needs.
- B. Effective the first of the month following their date of hire, benefit eligible employees will receive the funded level of KFHP Mid-Option Plan health care and supplemental medical coverage for themselves and their family, and \$10,000 individual life insurance coverage during the first 90 days of employment.
- C. All benefits selected under the flexible benefits plan will become effective the first of the month following 90 days of employment.
- D. If a newly benefit eligible employee does not enroll in their flexible benefit choices by the deadline given in new employee orientation, they will automatically receive default coverage. Default coverage consists of the KFHP HMO Low Option health care & supplemental medical coverage for self and family, and \$10,000 of life insurance for employee. In addition, any unused credits will not be returned to you.
- E. Please refer to your flexible benefits plan handbook, "Benefits by Design" for more specific information.
- F. For the purpose of interpreting benefit provisions of the contract, it shall be understood by the parties that Domestic Partner will be interchangeable wherever spouse is mentioned.

Section 2. Basic Medical Coverage

- A. Through the flexible benefits plan, there are different levels of medical options to choose from. The medical coverage selected will become effective the first of the month following 90 days of service as a benefit eligible employee. Coverage, as defined by Kaiser Foundation Health Plan of Colorado (KFHP) will be for each regular benefit eligible employee and their eligible dependents.
- B. For purposes of this section, eligible dependents shall include unmarried, dependent children until the end of the month in which they turn 24 years of age. The dependent must contact the Human Resources Department within sixty (60) days of the loss of coverage if interested in continuation of group coverage.
- C. Employees must contact a Benefits Representative in Human Resources within thirty-one (31) days of an event to complete the necessary forms for additions, changes or deletions to Health Plan coverage.

Section 3. Supplemental Medical Coverage

- A. Supplemental medical coverage is automatically included with your basic medical coverage, and will become effective the first of the month following 90 days of service as a benefit eligible employee. Coverage, as defined by Kaiser Foundation Health Plan of Colorado (KFHP), will be the same as enrolled in basic medical coverage for each regular benefit eligible employee.
- B. You must have selected one of the basic medical coverage options through the flexible benefits program to receive supplemental coverage.
- C. This option is not included with the Point of Service (POS) option.

Section 4. Dental Plan

- A. Through the flexible benefits plan, there are different levels of dental options to choose from. The dental coverage selected will become effective the first of the month following 90 days of service as a benefit eligible employee. Coverage will be for each regular benefit eligible employee and their eligible dependents.
- B. For purposes of this section, eligible dependent children shall include unmarried children under nineteen (19) years of age or under twenty-four (24) years of age, if they attend an educational institution on a full-time basis and dependent upon their parent(s) or legal guardian(s) for support. The dependent must contact the Human Resources Department within sixty (60) days of the loss of coverage if interested in continuation of group coverage.
- C. Employees must contact the Benefits Representative in Human Resources to complete the necessary forms (different from Health Plan) for additions or deletions to Dental Plan coverage within thirty-one (31) days of an event.

Section 5. Life Insurance and Accidental Death & Dismemberment Insurance

- A. Through the flexible benefits plans there are many coverage levels to choose from. The life insurance options selected will become effective the first of the month following 90 days of service as a benefit eligible employee. Coverage will be for each regular benefit eligible employee.
- B. During your initial flexible benefits selection you may choose up to \$100,000 of life insurance coverage without providing evidence of insurability (EOI).
- C. Accidental Death & Dismemberment (AD&D) coverage provides additional income protection in case of an injury or death as a result of an accident. There are many coverage levels to choose from.

Section 6. Short Term Disability

- A. Through the flexible benefits plan there are options to choose from. The short-term disability (STD) coverage selected will become effective the first of the month following 90 days of service as a regular benefit eligible employee.
- B. Short-term disability insurance offers you protection during the first six months of a serious illness or injury. It pays benefits beginning on the eighth day of disability or after you have exhausted your available sick leave, whichever is later, provided you are certified as medically disabled.
- C. An employee may elect to use any earned vacation and/or float holidays prior to the beginning of a leave of absence. If the employee remains disabled following exhaustion of their sick leave and use of optional vacation/float holidays, he/she may apply for short-term disability benefits.

Section 7. Extended Income Protection

- A. Through the flexible benefits plan the Extended Income Protection (EIP) coverage selected will become effective the first of the month following 90 days of service as a regular benefit eligible employee.

- B. EIP coverage provides you with income protection if you have exhausted your short term (if selected) disability benefits and are still medically disabled following twenty-six (26) weeks of an illness or injury. EIP benefits begin after you have exhausted your short-term disability (if selected) and you may receive EIP benefits for up to a maximum of 48 months or until you are no longer disabled.

Section 8. Maintenance of Benefits

The Employer agrees to maintain the existing co-pays and the level of health plan benefits as established at the time of, and for the duration of this collective bargaining agreement, to include the Health Plan changes for 2001, effective January 1, 2001.

ARTICLE 24. OTHER PROVISIONS

Section 1. Workload Distribution

In recognition of the parties' mutual objectives set forth in Article 4., Section 3. and to accommodate the Employer's need to provide quality patient care in a cost-effective and efficient manner, and the Union's interest in avoidance of workloads which impose an unreasonable burden on employees, the parties agree as follows:

- i) The Employer agrees that when an employee is absent for any reason it will make reasonable, good-faith efforts to maintain staffing commensurate with the workload, and to replace absent employees when necessary.
- 2) If replacement of an absent employee is necessary in a particular circumstance, the Employer will pursue reasonable replacement options including, but not limited to, calling employees who have requested additional hours, consistent with the provisions of Article 8, Section 5.
- 3) If a necessary replacement cannot be obtained in time, the Employer shall distribute the workload equitably among the employees in the work unit so that no undue hardship may be placed on any individual employee. It is the intent of the Employer to distribute workloads equitably among employees in single work units.
- 4) Management is responsible for securing necessary replacements for rescheduled time off and emergency situations. Employees may be required to secure their own replacements for time off requested within less than the contractually provided notice period.

Section 2. Payday

- A. Payday shall be every other Friday.
- B. Paycheck shortages shall be applied to the next pay period. Hardship cases will be addressed on an individual basis.
- C. The supervisor shall provide information to the employee about pay upon request.
- D. The employee and supervisor shall share the responsibility for time keeping accuracy.
- E. Annual pay increases shall be effective on the first (1st) full pay period nearest the date of the increase.
- F. Bonuses shall be included on the next pay period.

Section 3. Confidentiality of Employee Medical Records

It is the Employer's policy to protect the privileged and confidential nature of patient, employee and organization information and records. Thus, employees are protected from unauthorized access to or disclosure of their individual medical records. Reviewing, discussing, photocopying or disclosing patient information, medical or otherwise, regarding any employee is expressly prohibited, except where required in the regular course of business and where proper authorization has been obtained.

Section 4. Bulletin Boards

The Employer shall provide space at each facility on the existing bulletin board for the use of the Union. The posted material shall first be submitted to the Human Resources Team Leader and/or Medical Office Administrator for review.

Section 5. Personnel Files

- A. Employees shall be given an opportunity to read, comment upon and sign formal performance evaluations or written Notices of Disciplinary Action prior to the placement of such material into the employee's personnel file. In the event the supervisor maintains a personnel file designated as a file for an individual employee, the employee may make arrangements with the supervisor to review and comment on notations in said file.
- B. Employees promoted shall be given a written record of the promotion, including the effective date thereof and the rate of pay.
- C. Employees, by appointment and without pay, shall be allowed to view their personnel file and all data therein, except for confidential pre-employment references which are subject to the Employer's approval.
- D. Official personnel files will be maintained in the Personnel Department. Decisions involving determination of an employee's merit will be based upon information contained in the official personnel file.

Section 6. Union Leave

If a bargaining unit employee is elected or appointed as a delegate to a bona fide Union function or office, the employee shall be granted time off without pay for a period not to exceed one (1) week, subject to staffing needs, provided each of the following conditions are met:

- 1) The employee submits a written request for such time off to his/her supervisor for approval at least one (1) month in advance of the function.
- 2) The employee may utilize any earned vacation or float holidays, for which s/he is eligible, to attend the function.
- 3) No more than one (1) employee per facility shall be granted time off to attend Union functions at the same time.
- 4) Any presentations or remarks made by the employee at the Union function shall be made as a Union member and not as a representative of the Employer.

Section 7. Mileage Reimbursement

- A. The Employer shall reimburse employees for use of their personal automobile while on Company business, at the rate of the Internal Revenue Service non-taxable mileage allowance.
- B. An employee's automobile shall be used only at the direction of the employee's supervisor and with the employee's approval.
- C. Employee vehicles shall not be used to transport patients under any circumstances.
- D. It is understood that an employee's personal automobile is not insured by the Company, and the Company is not liable for claims arising out of operation of employee automobiles.
- E. Mileage reimbursement shall not be provided to employees for their customary drive to and from work. For an employee regularly assigned to work at more than one facility, the customary drive to and from work shall refer to the distance between home and the facility to which the employee is normally assigned. Mileage reimbursement shall be paid for any difference between the employee's customary drive to and from work and his/her drive to another facility, as assigned by the supervisor.

Section 8. Notification of Job Vacancies

On a weekly basis, the Employer will mail to the Union a copy of the current job opening list for bargaining unit positions, including temporary and on-call openings.

The Employer will provide written notification of changes in job requirements.

Section 9. Dependent Care Expenses

The Employer shall continue to offer a salary redirection plan consistent with Federal regulations, to assist employees with dependent care expenses.

Section 10. Health & Safety

- A. It is the responsibility of the Employer to provide a safe working environment and to take reasonable measures to assure healthful working conditions free from recognized hazards.
- B. In the event that working conditions do not meet the aforementioned standards (e.g. paint fumes, extreme cold), the Employer shall attempt to reassign the employees to another area.
- C.
 - 1) The Employer agrees to issue the Agreement on the safe use of Video Display Terminals (VDT's) to all supervisors and employees in departments now using or planning to use VDT's.
 - 2) The Employer agrees to meet and confer with the Union, upon its request, over issues of concern regarding VDT utilization guidelines. The parties acknowledge that changes in technology, new research on health and safety issues and other factors may necessitate the updating of these guidelines during the term of this Agreement.
 - 3) When an employee's duties regularly require the use of a VDT, the employee may request a meeting with his/her supervisor to discuss problems with work place design and the assignment of VDT tasks.

Section 11. Employee Resignation

Employees resigning from the company will provide at least two (2) weeks notice in order to be considered eligible for rehire. In instances where less than two weeks notice is given, eligibility for rehire is left to the discretion of the supervisor.

ARTICLE 25. CORRECTIVE ACTION AND DISCHARGE

Section 1. General

- A. If a supervisor intends to meet with an employee for the purpose of issuing an Action Plan, Performance Improvement Plan, or Formal Disciplinary Action, or to conduct an investigatory interview to determine the need to administer any such action, the supervisor shall inform the employee of the nature of such meeting prior to the inception of the meeting. The employee may request that a Union Steward, Union Representative or another Union employee attend the session.
- B. An employee shall be informed of any Plan or any Disciplinary Notice placed in his/her personnel file and shall be provided with a copy of such Plan or Notice and provided an opportunity to affix his/her signature thereto as recognition of being informed. The employee shall be given an opportunity to submit explanatory remarks for the record.
- C. Employees shall be periodically permitted to review the department file, which is maintained by the supervisor, and permitted to submit explanatory remarks regarding any contents.
- D. The Employer shall not discipline any employee without good and sufficient cause. Any non-probationary employee who believes that he/she has been disciplined without good and sufficient cause shall have the right to appeal such discipline in accordance with the grievance and arbitration procedure.
- E. No employee will be reassigned due to job performance problems without good reason.

Section 2. Performance Improvement Steps

In recognition of the professional status of the classifications covered under this Agreement, the following steps will be used to address performance issues:

A. Resolution Procedure

The Employer and Union agree that prior to the implementation of an Action or Performance Improvement Plan, the parties involved shall attempt resolution through informal coaching and/or counseling so that further discipline may not be necessary. The employee has the right to Union representation. The supervisor shall notify the employee and a Union Representative about the need for a meeting. Upon notification by the supervisor, the Union Representative shall contact the employee regarding representation at the requested meeting. The dialogue shall focus on resolving the performance issue(s) to the satisfaction of all parties on an informal and amicable basis. Facts surrounding the performance issue(s) shall be presented, reviewed and options discussed. Issues must be addressed within a reasonable period of time.

B. Action Plan (Step 1)

In the event that a performance related grievance persists beyond informal coaching, counseling, or learning plans, or if the incident is of a more serious nature, the employee, Steward or Union Representative, if requested, and the Manager should develop a plan specifying the areas of needed improvement and the corrective action required. The Action Plan will then be written by the supervisor. The Action Plan should include specifics of what is deficient, specifics of what action needs to be taken and time tables for completion. Time tables should be realistic. The Action Plan will be retained in the supervisor's file only, but will not be used as evidence in further progressive steps provided there has been no recurrence of the issue in the Action Plan within twelve (12) months of the initial incident.

C. Performance Improvement Plan (Step 2)

- 1) In the event the issues identified in the action plan persist beyond the agreed upon time table, or if the issues are of a more serious nature, a Performance Improvement Plan will be developed by the supervisor and the employee. If requested, the Steward or Union Representative may offer suggestions to be included in the Performance Improvement Plan. The Performance Improvement Plan will be maintained in the employee's Personnel file along with the previous Action Plan, if any. Performance Improvement Plans over eighteen (18) months old shall not be used as evidence in further progressive steps.
- 2) Although Action Plans and Performance Improvement Plans are considered to be a more professional and less formal means of addressing performance issues, it is understood that both parties agree that the steps taken herein satisfy the progressive disciplinary steps of more formal programs.

D. Formal Disciplinary Action (Step 3)

Final Warnings and/or Suspensions may be issued where the problem(s) identified in the Performance Improvement Plan have persisted or where the single incident is of a very serious nature.

Final Warnings and/or Suspensions will stand for two (2) years. However, they will not be used as evidence in discipline and discharge cases after two (2) years, provided there is no occurrence of a similar nature during this time.

Section 3. Discharge

- A. The Employer shall not discharge any employee except for good and sufficient cause.
- B. Any non-probationary employee who believes that he/she has been discharged without good and sufficient cause shall have the right to appeal such discharge in accordance with the grievance and arbitration procedure.
- C. Any employee who is discharged shall be informed in writing, at the time of the discharge, of the reason(s) for the discharge. If the employee is not present on the date of termination, the written discharge notice shall be mailed to the employee's last-known address together with any final check.

ARTICLE 26. RESOLUTION/GRIEVANCE PROCEDURE

Section 1. Overview

Any and all matters of controversy, dispute, or disagreement of any kind or character existing between the parties and arising out of or in any way involving the interpretation or application of the terms of this Agreement shall be examined and resolved by this Resolution/Grievance Procedure. All parties are encouraged to use Section 2, Resolution Procedure. Any matters involving disciplinary action may go directly to Section 3, Grievance Procedure.

Throughout the Resolution/Grievance Procedure the employee has the right to request Union representation.

Section 2. Resolution Procedure

- A. If the concern is generated from the employee to the Union Steward or Representative, the Union shall notify the supervisor. If the concern is generated by the supervisor or by the employee to the supervisor, the supervisor shall notify the Union Steward or Representative about the need for a meeting.
- B. The Employer and the Union agree to attempt resolution through informal discussion so that the submission of a written grievance may not be necessary. The dialogue shall focus on resolving the issue to the satisfaction of all parties on an informal, amicable basis. Facts surrounding the issue(s) shall be presented, reviewed, and options discussed. Issue(s) must be addressed within a reasonable period of time.

Section 3. Grievance Procedure

- A. If agreement is not reached through the Resolution Procedure a written grievance shall be forwarded to the supervisor, appropriate level of management, and Human Resources, within fourteen (14) calendar days from the date of issuance of discipline or date of Resolution Procedure impasse. The grievance must include: the nature of the grievance in reasonable detail, the provisions of the Agreement and/or issue(s) in dispute, the names(s) of the individual(s) involved, and the remedy sought.
- B. Human Resources Team Leader or designee shall schedule a meeting within fourteen (14) calendar days with all parties involved to discuss the grievance and proposed remedy.
- C. Human Resources Team Leader or designee shall provide the Union with the final Employer decision, in writing, within fourteen (14) calendar days, following the conclusion of the grievance meeting(s).
- D. Grievances that remain unresolved may be submitted either to interest based problem solving and/or arbitration.

Section 4. Arbitration Procedure

- A. If an agreement cannot be reached through the grievance procedure, the parties may choose to attempt resolution through alternative dispute resolution, interest based problem solving and/or arbitration.
- B. If the grievance is not satisfactorily resolved, the Union may invoke arbitration by submitting a written notice to the Human Resources Team Leader or designee, within fourteen (14) calendar days after the date of the Employer decision.

- C. Upon receipt of notification, the parties shall meet within seven (7) calendar days to select an arbitrator. If the parties cannot agree upon an arbitrator, a list of five (5) arbitrators shall be requested from the Federal Mediation and Conciliation Service (FMCS) within seven (7) calendar days following the inability to agree upon an arbitrator. The parties shall choose an arbitrator within seven (7) calendar days following the receipt of the five arbitrators from the FMCS by alternately striking a name from the list until agreement is reached or one name remains. Every reasonable attempt shall be made to hear the case within six months from the date of the grievance.
- D. The arbitrator shall be authorized to rule upon and issue a decision in writing on any grievance for arbitration, including the question of whether or not the grievance is arbitrable. The decision and award shall be final and binding upon the parties to this Agreement. The expenses of the arbitrator and other mutually agreed to expenses shall be borne equally by the parties. Each party shall be responsible for the cost of its own representation and witnesses.
- E. The arbitrator shall not be authorized to add to, subtract from, alter, amend, modify or project beyond its meaning any of the terms and provisions of this Agreement.

Section 5. General

- A. The time limits set forth in this Article may be extended upon mutual agreement of the parties. Formal grievances and/or arbitration may, by mutual agreement, be referred back or advanced to any step of the Resolution/Grievance/Arbitration Procedure.
- B. When two (2) or more employees are part of a common grievance, the matter shall be heard as a single grievance.
- C. If either party does not respond within the specified time limit(s), the other party may proceed to the next step. Any matter not appealed within the specified or mutually agreed extended time limit(s) shall be considered resolved.
- D. It is understood that the representative of the parties at each step in the foregoing Resolution/Grievance/Arbitration Procedure, shall have the authority to resolve the issue(s).
- E. No solution or arbitration settlement shall create a basis for retroactive adjustment in any other cases.
- F. In instances where wage discrepancies or monetary benefit errors are discovered upon receipt of a W-2, the issue must be brought to the attention of the Human Resources Department no later than thirty (30) days from the disbursement of the W-2s.
- G. With prior notification, either side may have additional parties at any step for specific purposes, such as training.

ARTICLE 27. DURATION AND RENEWAL OF AGREEMENT

Section 1. Duration of Agreement

Except as otherwise specifically provided, this Agreement shall be effective as of October 1, 2000, and shall continue in effect through April 30, 2006.

Section 2. Renewal Agreement


- ▶ This Agreement shall be automatically renewed from year to year thereafter unless either party serves upon the other at least ninety (90) calendar days of prior written notice of a desire to modify or terminate this Agreement. If such notice to modify or terminate is served on a timely basis, negotiations shall commence between the parties promptly after receipt thereof.

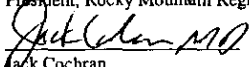
Section 3. Signatures

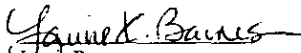
In witness whereof, the parties hereto have executed this Agreement as of October 1, 2000.

FOR THE EMPLOYER


FOR THE UNION

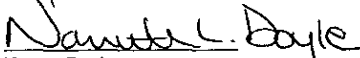

Chris Binkley
President, Rocky Mountain Region

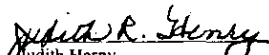

Jack Cochran
Executive Medical Director

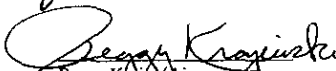

Laurie Barnes

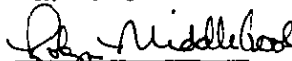

Percy Bell


Norm Cabell

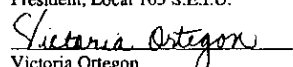

Nanette Doyle

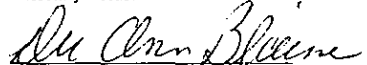

Judith Hery


Peggy Krawczyk

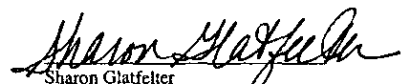

Robyn Middlebrooks

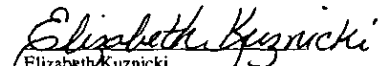

Mitch Ackerman
President, Local 105 S.E.I.U.


Victoria Ortegon
Secretary-Treasure


DeeAnn Blaine


Carlotta Collins


Sharon Glatfelter


Elizabeth Kuznicki


Desiree Lammers


Gwen Lynch


Alfreda MacKenzie

Tonya Moore
Tonya Moore

Jean Peckham
Jean Peckham

LuAnne Petricich
LuAnne Petricich

Robin Sadler
Robin Sadler

Fran Sincere
Fran Sincere
Vice President, Human Resources

Pinky Sullivan
Pinky Sullivan

Cardell Webster
Cardell Webster
Human Resources Team Leader

Rick Whitesides
Rick Whitesides
Human Resources Team Leader

Felicia Martinez
Felicia Martinez

Connie Ratzell
Connie Ratzell

Laure VanHouten
Laure VanHouten

Betty West
Betty West

Sharon Williams
Sharon Williams

Ruthie Roberts-Johnson
Ruthie Roberts-Johnson
Field Representative Local 105 S.E.P.U.

Penny K. Hutt
Penny Hutt

Schedule A with trust fund calculation		Step 1 Start	Step 2 1 yr	Step 3 2 yr	Step 4 3 yr	Step 5 4 yr	Step 6 5 yr	Step 7 10 yr	Step 8 15 yr					
Grade 1	Oct 2000	\$7.76	\$8.10	\$8.42	\$8.76	\$9.07	\$9.44	\$9.82	\$10.24					
	Jan 2001	\$7.78	\$8.10	\$8.42	\$8.84	\$9.21	\$9.63	\$10.12	\$10.60					
	Oct 2001	\$8.07	\$8.42	\$8.76	\$9.20	\$9.57	\$10.01	\$10.52	\$11.02					
	Oct 2002	\$8.39	\$8.75	\$9.10	\$9.56	\$9.95	\$10.40	\$10.93	\$11.45					
	Oct 2003	\$8.83	\$9.00	\$9.38	\$9.83	\$10.24	\$10.70	\$11.25	\$11.79					
Oct 2004	\$8.92	\$9.31	\$9.68	\$10.17	\$10.59	\$11.07	\$11.64	\$12.19						
Clerk Trainee														
Grade 2	Oct 2000	\$8.20	\$8.54	\$8.89	\$9.25	\$9.59	\$10.00	\$10.40	\$10.81					
	Jan 2001	\$8.20	\$8.54	\$8.89	\$9.35	\$9.74	\$10.20	\$10.71	\$11.18					
	Oct 2001	\$8.53	\$8.88	\$9.23	\$9.73	\$10.13	\$10.61	\$11.14	\$11.63					
	Oct 2002	\$8.86	\$9.22	\$9.61	\$10.10	\$10.52	\$11.02	\$11.57	\$12.09					
	Oct 2003	\$9.12	\$9.49	\$9.89	\$10.40	\$10.83	\$11.34	\$11.91	\$12.44					
Oct 2004	\$9.43	\$9.81	\$10.22	\$10.75	\$11.20	\$11.73	\$12.32	\$12.87						
Clerk I														
Grade 3	Oct 2000	\$8.70	\$9.03	\$9.38	\$9.75	\$10.14	\$10.55	\$10.99	\$11.41					
	Jan 2001	\$8.70	\$9.03	\$9.38	\$9.85	\$10.29	\$10.77	\$11.32	\$11.81					
	Oct 2001	\$9.05	\$9.39	\$9.77	\$10.24	\$10.70	\$11.20	\$11.78	\$12.28					
	Oct 2002	\$9.41	\$9.78	\$10.15	\$10.64	\$11.12	\$11.63	\$12.24	\$12.78					
	Oct 2003	\$9.68	\$10.04	\$10.45	\$10.95	\$11.44	\$11.97	\$12.59	\$13.14					
Oct 2004	\$10.01	\$10.38	\$10.80	\$11.32	\$11.83	\$12.38	\$13.03	\$13.59						
Mail Clerk Patient Transporter					Surgical Housekeeper									
Grade 4	Oct 2000	\$9.21	\$9.57	\$9.97	\$10.37	\$10.76	\$11.18	\$11.62	\$12.09					
	Jan 2001	\$9.21	\$9.57	\$9.97	\$10.47	\$10.92	\$11.41	\$11.87	\$12.51					
	Oct 2001	\$9.57	\$9.96	\$10.37	\$10.89	\$11.36	\$11.86	\$12.45	\$13.01					
	Oct 2002	\$9.95	\$10.34	\$10.77	\$11.31	\$11.81	\$12.33	\$12.94	\$13.52					
	Oct 2003	\$10.24	\$10.64	\$11.09	\$11.64	\$12.15	\$12.69	\$13.31	\$13.92					
Oct 2004	\$10.59	\$11.01	\$11.48	\$12.04	\$12.57	\$13.12	\$13.77	\$14.40						
Bill Processing/File Clerk Control Room Clerk Instrument Tech, Trainee					Inventory Control Clerk, Trne Radiology Clerk Radiology Darkroom Clerk									
Grade 5	Oct 2000	\$9.75	\$10.13	\$10.54	\$10.97	\$11.40	\$11.85	\$12.32	\$12.80					
	Jan 2001	\$9.75	\$10.13	\$10.54	\$11.08	\$11.57	\$12.09	\$12.69	\$13.25					
	Oct 2001	\$10.14	\$10.53	\$10.97	\$11.53	\$12.03	\$12.57	\$13.20	\$13.78					
	Oct 2002	\$10.54	\$10.94	\$11.39	\$11.98	\$12.51	\$13.08	\$13.72	\$14.32					
	Oct 2003	\$10.84	\$11.26	\$11.73	\$12.33	\$12.87	\$13.45	\$14.12	\$14.74					
Oct 2004	\$11.21	\$11.65	\$12.13	\$12.75	\$13.31	\$13.91	\$14.60	\$15.25						
Accounts Payable Support Clerk Call Center Service Associate Cytology/Histology Aide Data Entry Operator I Instrument Technician I Lead Mail Clerk Medical Receptionist/ various					Medical Receipt/Patient Care Nursing Asst/Medical Asst I Ophthalmic Assistant, Trainee Patient Registration Associate Payment & Reporting Clerk PBX Operator PBX/Data Entry Operator					Pharmacy Clerk Physical Therapy Aide Receptionist Referral Paymt Supt Clerk Repacking Clerk Retention Center Clerk Surgery Appointment Clerk Travel Clinic Clerk				

Schedule A
with trust fund calculation

	Step 1 Start	Step 2 1 yr	Step 3 2 yr	Step 4 3 yr	Step 5 4 yr	Step 6 5 yr	Step 7 10 yr	Step 8 16 yr	
Grade 6	Oct 2000	\$10.29	\$10.66	\$11.14	\$11.58	\$12.05	\$12.53	\$13.00	\$13.52
	Jan 2001	\$10.29	\$10.66	\$11.14	\$11.69	\$12.23	\$12.78	\$13.39	\$14.00
	Oct 2001	\$10.70	\$11.06	\$11.59	\$12.16	\$12.72	\$13.29	\$13.93	\$14.56
	Oct 2002	\$11.12	\$11.52	\$12.04	\$12.64	\$13.22	\$13.81	\$14.47	\$15.13
	Oct 2003	\$11.45	\$11.95	\$12.50	\$13.01	\$13.60	\$14.20	\$14.90	\$15.57
	Oct 2004	\$11.84	\$12.26	\$12.81	\$13.45	\$14.07	\$14.71	\$15.41	\$16.11

Accounting Clerk I
Accounts Payable Clerk I
Check Distribution Clerk
Claims & Referral Support Clk
Clerk Typist
Correspondence Clerk
Courier
Desk Top Medicine Clerk
Eye Care Assistant
Forms Processing Clerk

ID Service Processing Clerk
Info Access/Delivry Analyst II
Instrument Technician II
Insurance Billing Control Clk
Inventory Control Clk/Optical
Laboratory Assistant-Ctrl Lab
Lead Radiology Clerk
Medical Transcriber, Trainee
Mental Health Clerk
Patient Accounting Clerk

Provider Scheduler
Purchasing Office Clerk
Radiology Assistant
Radiology Correspond Clk
Reconciliation Clerk
Referral Support Clerk
Sleep Medicine Assistant
Stock Clerk I
Transcription Assistant
Vendor Control Clerk
Ward Clerk

Grade 7	Oct 2000	\$10.89	\$11.34	\$11.79	\$12.26	\$12.76	\$13.26	\$13.78	\$14.34
	Jan 2001	\$10.89	\$11.34	\$11.79	\$12.36	\$12.95	\$13.53	\$14.20	\$14.84
	Oct 2001	\$11.32	\$11.78	\$12.26	\$12.86	\$13.47	\$14.07	\$14.76	\$15.43
	Oct 2002	\$11.77	\$12.25	\$12.74	\$13.38	\$14.00	\$14.62	\$15.35	\$16.04
	Oct 2003	\$12.11	\$12.61	\$13.11	\$13.77	\$14.41	\$15.05	\$15.80	\$16.51
	Oct 2004	\$12.63	\$13.04	\$13.50	\$14.25	\$14.90	\$15.57	\$16.34	\$17.08

Anesthesia Equipment Tech
Appointment Center Lead Clerk
Appt Access Scheduling Monitor
Call Center Resource Associate
Cardiology Technician
CIS Catalog Clerk
Communication Ctr Lead Clerk
Computer Operator I
Contact Lens Technician

Data Entry Operator II
Dispatcher
ENT Technician
Lead Patient Registration Associate
Master Scheduler
Medical Transcriber I
Orthopedic Technician
Patient Assistant
Prevention Assistant

Radiology Film Loader
Radiology Scheduler
Scan/Data Process Assist
Surgery Scheduling Liaison
Vertebral

Grade 8	Oct 2000	\$11.54	\$11.98	\$12.45	\$12.96	\$13.47	\$14.00	\$14.58	\$15.14
	Jan 2001	\$11.54	\$11.98	\$12.45	\$13.09	\$13.67	\$14.28	\$15.02	\$15.67
	Oct 2001	\$12.00	\$12.45	\$12.94	\$13.61	\$14.22	\$14.85	\$15.62	\$16.30
	Oct 2002	\$12.47	\$12.94	\$13.45	\$14.15	\$14.78	\$15.44	\$16.23	\$16.94
	Oct 2003	\$12.83	\$13.32	\$13.85	\$14.56	\$15.21	\$15.89	\$16.71	\$17.44
	Oct 2004	\$13.27	\$13.78	\$14.32	\$15.06	\$15.73	\$16.44	\$17.28	\$18.04

3rd Party Liability Supt Clerk
Accounting Clerk II
Accounts Payable Clerk
Accts Recv/Payment Posting Clk
Alternate Care Clerk
Alternate Care Technician
Breast Screening Patient Asst
Business Office Assistant
Cash Control Clerk
Central Laboratory Clerk
Claims & Referral Processor II
Claims & Refl Cntrl Rm Asst

COB Assistant
Coordination Of Benefits Clk
Customer Service Asst/Facility
Health Risk Appraiser
Hospital Services Assistant
Insurance Billing Contr Clk II
Inventory Ctrl Clk II/Optical
Lead Courier
Lead Instrument Technician
Lead Mental Health Clerk
Lead Radiology Scheduler
Marketing Assistant

Medical Records Lead Clk
Medicare Sales Triage Agent
Member Retention Rep
Member Information Asst
Patient Account Technician
Perinatal Patient Assistant
Purchasing Clerk
QA/UM Assistant
Referral Processor I

Schedule A with trust fund calculation		Step 1 Start	Step 2 1 yr	Step 3 2 yr	Step 4 3 yr	Step 5 4 yr	Step 6 5 yr	Step 7 10 yr	Step 8 15 yr
Grade 9	Oct 2000	\$12.22	\$12.70	\$13.21	\$13.71	\$14.29	\$14.85	\$15.41	\$16.05
	Jan 2001	\$12.22	\$12.70	\$13.21	\$13.85	\$14.50	\$15.15	\$15.88	\$16.61
	Oct 2001	\$12.70	\$13.20	\$13.74	\$14.40	\$15.08	\$15.75	\$16.51	\$17.28
	Oct 2002	\$13.20	\$13.72	\$14.28	\$14.97	\$15.67	\$16.37	\$17.16	\$17.96
	Oct 2003	\$13.59	\$14.12	\$14.70	\$15.41	\$16.13	\$16.85	\$17.67	\$18.49
	Oct 2004	\$14.06	\$14.61	\$15.20	\$15.94	\$16.69	\$17.43	\$18.28	\$19.13
		Claims Provider Technician Computer Operator II Data Control Clerk III Data Entry Operator III KPIT Print/Distribution Opti Lead Breast Screening Pt Asst			Lead PBX/Data Entry Operator Medical Review Processing Clk Medical Transcriber II Orthopedic Technician II Radiology Protocol Scheduler Tumor Registrar				
Grade 10	Oct 2000	\$12.92	\$13.42	\$13.97	\$14.54	\$15.11	\$15.70	\$16.34	\$16.98
	Jan 2001	\$12.92	\$13.42	\$13.97	\$14.68	\$15.34	\$16.01	\$16.83	\$17.58
	Oct 2001	\$13.43	\$13.95	\$14.53	\$15.27	\$15.95	\$16.65	\$17.51	\$18.28
	Oct 2002	\$13.96	\$14.50	\$15.10	\$15.87	\$16.58	\$17.31	\$18.20	\$19.00
	Oct 2003	\$14.37	\$14.93	\$15.55	\$16.34	\$17.07	\$17.82	\$18.73	\$19.56
	Oct 2004	\$14.86	\$15.44	\$16.08	\$16.90	\$17.65	\$18.43	\$19.38	\$20.24
		3rd Party Liability Sup Tech Account Resrch/Collection Clk Accounting Assistant Accounts Payable Team Lead Accounts Receivable Technician Claims Authorization Processor Coder Collateral Associate Collection Clerk Customer Service Data Tech Fee for Service Collection Clerk Government Programs Technician			Govt Prog Revenue Identif Clk Lead Member Information Asst. Maintenance Technician Medical Claims Processor Medical Claims Processor/QA Medicare Service Clerk III Membership Liaison Assistant Pharmacy Buans & Spt Svcs Tech Referral Processor II Sales Support Associate Technical Asst/Control Room				
Grade 11	Oct 2000	\$13.66	\$14.19	\$14.79	\$15.34	\$15.93	\$16.59	\$17.23	\$17.94
	Jan 2001	\$13.66	\$14.18	\$14.79	\$15.49	\$16.16	\$16.83	\$17.75	\$18.57
	Oct 2001	\$14.20	\$14.78	\$15.36	\$16.11	\$16.81	\$17.60	\$18.46	\$19.31
	Oct 2002	\$14.78	\$15.34	\$15.88	\$16.75	\$17.47	\$18.30	\$19.19	\$20.08
	Oct 2003	\$15.20	\$15.79	\$16.45	\$17.24	\$17.99	\$18.84	\$19.75	\$20.67
	Oct 2004	\$15.72	\$16.33	\$17.02	\$17.84	\$18.61	\$19.48	\$20.44	\$21.38
		Account Associate Certified Tumor Registrar Centralized Surgery Scheduler Commissions Associate Computer Operator III Individual Health Associate KPIT Lead Print/Dist Operator Medical Transcriber III Technical Assistant/Cars Technical Assistant-Referral							
Grade 12	Oct 2000	\$14.43	\$15.01	\$15.63	\$16.23	\$16.87	\$17.56	\$18.24	\$18.99
	Jan 2001	\$14.43	\$15.01	\$15.63	\$16.39	\$17.12	\$17.91	\$18.78	\$19.65
	Oct 2001	\$15.01	\$15.61	\$16.28	\$17.05	\$17.80	\$18.62	\$19.53	\$20.44
	Oct 2002	\$15.60	\$16.22	\$16.90	\$17.72	\$18.51	\$19.36	\$20.30	\$21.25
	Oct 2003	\$16.06	\$16.70	\$17.40	\$18.24	\$19.05	\$19.93	\$20.90	\$21.87
	Oct 2004	\$16.61	\$17.27	\$18.00	\$18.87	\$19.71	\$20.62	\$21.63	\$22.63
		Lead Coder Lead Medical Transcriptionist Sr. Sales Support Associate							

Schedules B and C

Job Title (all have in range hiring with trust fund calculation)

		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
		Start	1 yr	2 yr	3 yr	4 yr	6 yr	10 yr	16 yr
Cardiac Diag Med Sonographer	Oct 2000	\$18.85	\$19.42	\$20.00	\$21.41	\$22.27	\$23.59	\$25.49	\$26.49
	Jan 2001	\$18.85	\$19.42	\$20.00	\$21.62	\$22.60	\$24.08	\$26.25	\$27.42
	June 2001	\$22.35	\$22.92	\$23.50	\$25.12	\$26.10	\$27.56	\$29.75	\$30.92
	Oct 2001	\$23.24	\$23.84	\$24.44	\$26.13	\$27.15	\$28.66	\$30.94	\$32.15
	Oct 2002	\$24.16	\$24.78	\$25.41	\$27.16	\$28.22	\$29.80	\$32.17	\$33.43
	Oct 2003	\$24.88	\$25.51	\$26.16	\$27.87	\$29.06	\$30.68	\$33.13	\$34.42
	Oct 2004	\$25.74	\$26.40	\$27.07	\$28.94	\$30.07	\$31.74	\$34.28	\$35.62
Certified Ophthalmic Assistant	Oct 2000	\$11.93	\$12.40	\$12.89	\$13.38	\$13.88	\$14.42	\$14.97	\$15.56
	Jan 2001	\$11.93	\$12.40	\$12.89	\$13.52	\$14.08	\$14.71	\$15.42	\$16.10
	Oct 2001	\$12.41	\$12.90	\$13.41	\$14.06	\$14.65	\$15.30	\$16.04	\$16.75
	Oct 2002	\$12.90	\$13.40	\$13.94	\$14.61	\$15.22	\$15.90	\$16.67	\$17.41
	Oct 2003	\$13.27	\$13.80	\$14.34	\$15.04	\$15.67	\$16.37	\$17.16	\$17.92
	Oct 2004	\$13.73	\$14.27	\$14.84	\$15.56	\$16.21	\$16.93	\$17.75	\$18.54
	Certified Ophthalmic Technician	Oct 2000	\$14.84	\$15.37	\$15.95	\$16.55	\$17.13	\$17.83	\$18.48
Jan 2001		\$14.84	\$15.37	\$15.95	\$16.72	\$17.39	\$18.19	\$19.04	\$19.84
Oct 2001		\$15.43	\$15.98	\$16.59	\$17.38	\$18.09	\$18.92	\$19.80	\$20.64
Oct 2002		\$16.04	\$16.61	\$17.25	\$18.07	\$18.80	\$19.67	\$20.58	\$21.45
Oct 2003		\$16.51	\$17.10	\$17.75	\$18.60	\$19.36	\$20.25	\$21.19	\$22.09
Oct 2004		\$17.08	\$17.69	\$18.37	\$19.24	\$20.02	\$20.95	\$21.92	\$22.85
CT/MRI Technologist		Oct 2000	\$17.77	\$18.49	\$19.27	\$20.02	\$20.79	\$21.63	\$22.51
	Jan 2001	\$17.77	\$18.49	\$19.27	\$20.22	\$21.10	\$22.08	\$23.18	\$24.23
	Oct 2001	\$18.48	\$19.23	\$20.04	\$21.03	\$21.94	\$22.95	\$24.11	\$25.20
	Oct 2002	\$19.20	\$19.98	\$20.83	\$21.86	\$22.81	\$23.85	\$25.07	\$26.19
	Oct 2003	\$19.77	\$20.57	\$21.45	\$22.51	\$23.48	\$24.56	\$25.81	\$26.97
	Oct 2004	\$20.45	\$21.29	\$22.19	\$23.29	\$24.40	\$25.61	\$26.90	\$28.01
	Diagnostic Medical Sonographer	Oct 2000	\$18.85	\$19.42	\$20.00	\$21.41	\$22.27	\$23.59	\$25.49
Jan 2001		\$18.85	\$19.42	\$20.00	\$21.62	\$22.60	\$24.08	\$26.25	\$27.42
June 2001		\$22.35	\$22.92	\$23.50	\$25.12	\$26.10	\$27.56	\$29.75	\$30.92
Oct 2001		\$23.24	\$23.84	\$24.44	\$26.13	\$27.15	\$28.66	\$30.94	\$32.15
Oct 2002		\$24.16	\$24.78	\$25.41	\$27.16	\$28.22	\$29.80	\$32.17	\$33.43
Oct 2003		\$24.88	\$25.51	\$26.16	\$27.87	\$29.06	\$30.68	\$33.13	\$34.42
Oct 2004		\$25.74	\$26.40	\$27.07	\$28.94	\$30.07	\$31.74	\$34.28	\$35.62
GI Laboratory Technician	Oct 2000	\$12.07	\$12.92	\$13.81	\$14.36	\$14.92	\$15.36	\$15.92	\$16.46
	Jan 2001	\$12.07	\$12.92	\$13.81	\$14.50	\$15.15	\$15.67	\$16.39	\$17.03
	Oct 2001	\$12.55	\$13.43	\$14.37	\$15.08	\$15.75	\$16.30	\$17.05	\$17.72
	Oct 2002	\$13.04	\$13.96	\$14.93	\$15.68	\$16.37	\$16.94	\$17.72	\$18.41
	Oct 2003	\$13.43	\$14.37	\$15.37	\$16.14	\$16.85	\$17.44	\$18.24	\$18.96
	Oct 2004	\$13.89	\$14.86	\$15.90	\$16.69	\$17.43	\$18.04	\$18.87	\$19.61
	Histologic Technician	Oct 2000	\$15.00	\$15.59	\$16.21	\$16.88	\$17.49	\$18.25	\$18.97
Jan 2001		\$15.00	\$15.59	\$16.21	\$17.05	\$17.75	\$18.61	\$19.54	\$20.40
Oct 2001		\$15.60	\$16.22	\$16.86	\$17.73	\$18.47	\$19.36	\$20.32	\$21.21
Oct 2002		\$16.21	\$16.85	\$17.52	\$18.43	\$19.19	\$20.12	\$21.12	\$22.05
Oct 2003		\$16.69	\$17.35	\$18.04	\$18.97	\$19.76	\$20.71	\$21.74	\$22.70
Oct 2004		\$17.26	\$17.95	\$18.66	\$19.62	\$20.44	\$21.43	\$22.50	\$23.49
Laboratory Technician (MLT)		Oct 2000	\$13.84	\$14.38	\$14.95	\$15.56	\$16.15	\$16.83	\$17.47
	Jan 2001	\$13.84	\$14.38	\$14.95	\$15.72	\$16.39	\$17.17	\$18.00	\$18.81
	Oct 2001	\$14.39	\$14.95	\$15.55	\$16.34	\$17.04	\$17.86	\$18.72	\$19.56
	Oct 2002	\$14.95	\$15.54	\$16.16	\$16.99	\$17.71	\$18.56	\$19.46	\$20.33
	Oct 2003	\$15.39	\$16.00	\$16.64	\$17.49	\$18.24	\$19.11	\$20.03	\$20.93
	Oct 2004	\$15.92	\$16.55	\$17.21	\$18.08	\$18.87	\$19.77	\$20.72	\$21.66

**Schedules B and C
Job Title (all have in range hiring)
with trust fund calculation**

		Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7	Step 8
		Start	1 yr	2 yr	3 yr	4 yr	5 yr	6 yr	7 yr
									16 yr
Lead CT/MRI Technologist	Oct 2000	\$18.83	\$19.55	\$20.37	\$21.17	\$21.98	\$22.85	\$23.82	\$24.78
	Jan 2001	\$18.83	\$19.55	\$20.37	\$21.38	\$22.31	\$23.32	\$24.53	\$25.64
	Oct 2001	\$19.58	\$20.33	\$21.18	\$22.24	\$23.20	\$24.25	\$25.51	\$26.87
	Oct 2002	\$20.36	\$21.14	\$22.02	\$23.12	\$24.12	\$25.21	\$26.52	\$27.73
	Oct 2003	\$20.96	\$21.76	\$22.67	\$23.80	\$24.83	\$25.96	\$27.31	\$28.55
	Oct 2004	\$21.68	\$22.51	\$23.45	\$24.63	\$25.69	\$26.88	\$28.25	\$29.54
Lead Histologic Technician	Oct 2000	\$18.36	\$17.03	\$17.69	\$18.40	\$19.14	\$19.92	\$20.67	\$21.53
	Jan 2001	\$18.36	\$17.03	\$17.69	\$18.59	\$19.43	\$20.32	\$21.29	\$22.28
	Oct 2001	\$17.02	\$17.71	\$18.40	\$19.33	\$20.21	\$21.13	\$22.14	\$23.17
	Oct 2002	\$17.69	\$18.41	\$19.13	\$20.09	\$21.01	\$21.96	\$23.02	\$24.09
	Oct 2003	\$18.21	\$18.96	\$19.69	\$20.69	\$21.83	\$22.61	\$23.70	\$24.80
	Oct 2004	\$18.84	\$19.61	\$20.37	\$21.40	\$22.38	\$23.40	\$24.52	\$25.68
Lead Orthopedic Technician	Oct 2000	\$14.07	\$14.62	\$15.19	\$15.83	\$16.44	\$17.12	\$17.79	\$18.50
	Jan 2001	\$14.07	\$14.62	\$15.19	\$15.99	\$16.68	\$17.46	\$18.32	\$19.14
	Oct 2001	\$14.63	\$15.20	\$15.80	\$16.63	\$17.35	\$18.16	\$19.05	\$19.91
	Oct 2002	\$15.20	\$15.90	\$16.42	\$17.28	\$18.04	\$18.87	\$19.80	\$20.70
	Oct 2003	\$15.65	\$16.27	\$16.91	\$17.79	\$18.57	\$19.43	\$20.39	\$21.31
	Oct 2004	\$16.19	\$16.83	\$17.49	\$18.41	\$19.21	\$20.10	\$21.09	\$22.04
Lead Nuclear Med Technologist	Oct 2000	\$19.39	\$20.14	\$20.98	\$21.81	\$22.64	\$23.55	\$24.53	\$25.52
	Jan 2001	\$19.39	\$20.14	\$20.98	\$22.03	\$22.98	\$24.02	\$25.27	\$26.41
	Oct 2001	\$20.17	\$20.95	\$21.82	\$22.91	\$23.90	\$24.98	\$26.28	\$27.47
	Oct 2002	\$20.96	\$21.77	\$22.68	\$23.82	\$24.85	\$25.97	\$27.32	\$28.56
	Oct 2003	\$21.58	\$22.42	\$23.35	\$24.52	\$25.58	\$26.74	\$28.13	\$29.40
	Oct 2004	\$22.33	\$23.19	\$24.16	\$25.37	\$26.47	\$27.67	\$29.11	\$30.42
Lead Radiologic Technologist	Oct 2000	\$15.73	\$16.34	\$16.96	\$17.64	\$18.35	\$19.10	\$19.83	\$20.66
	Jan 2001	\$15.73	\$16.34	\$16.96	\$17.82	\$18.63	\$19.48	\$20.42	\$21.38
	Oct 2001	\$16.36	\$16.99	\$17.64	\$18.53	\$19.37	\$20.26	\$21.24	\$22.24
	Oct 2002	\$17.00	\$17.66	\$18.33	\$19.28	\$20.14	\$21.06	\$22.08	\$23.12
	Oct 2003	\$17.50	\$18.18	\$18.87	\$19.83	\$20.73	\$21.69	\$22.73	\$23.80
	Oct 2004	\$18.11	\$18.81	\$19.53	\$20.51	\$21.45	\$22.43	\$23.52	\$24.63
Lead RRT/Sleep Apnea	Oct 2000	\$17.23	\$17.93	\$18.68	\$19.42	\$20.16	\$20.96	\$21.83	\$22.70
	Jan 2001	\$17.23	\$17.93	\$18.68	\$19.81	\$20.46	\$21.38	\$22.48	\$23.49
	Oct 2001	\$17.92	\$18.65	\$19.43	\$20.39	\$21.28	\$22.24	\$23.38	\$24.43
	Oct 2002	\$18.63	\$19.39	\$20.20	\$21.20	\$22.12	\$23.12	\$24.31	\$25.40
	Oct 2003	\$19.18	\$19.96	\$20.80	\$21.83	\$22.77	\$23.80	\$25.03	\$26.15
	Oct 2004	\$19.84	\$20.65	\$21.51	\$22.58	\$23.56	\$24.62	\$25.90	\$27.06
Licensed Practical Nurse	Oct 2000	\$12.00	\$12.62	\$13.31	\$13.86	\$14.39	\$14.81	\$15.33	\$15.86
	Jan 2001	\$12.00	\$12.62	\$13.31	\$14.00	\$14.61	\$15.11	\$15.79	\$16.42
	Oct 2001	\$12.48	\$13.12	\$13.84	\$14.56	\$15.19	\$15.71	\$16.42	\$17.07
	Oct 2002	\$12.97	\$13.64	\$14.39	\$15.13	\$15.79	\$16.33	\$17.07	\$17.74
	Oct 2003	\$13.35	\$14.04	\$14.81	\$15.58	\$16.25	\$16.81	\$17.57	\$18.27
	Oct 2004	\$13.81	\$14.52	\$15.32	\$16.11	\$16.81	\$17.39	\$18.18	\$18.90
Nuclear Medicine Technologist	Oct 2000	\$18.30	\$19.04	\$19.85	\$20.82	\$21.41	\$22.28	\$23.18	\$24.11
	Jan 2001	\$18.30	\$19.04	\$19.85	\$20.83	\$21.73	\$22.73	\$23.88	\$24.95
	Oct 2001	\$19.03	\$19.80	\$20.64	\$21.66	\$22.60	\$23.63	\$24.83	\$25.95
	Oct 2002	\$19.78	\$20.58	\$21.46	\$22.52	\$23.49	\$24.57	\$25.81	\$26.98
	Oct 2003	\$20.37	\$21.19	\$22.09	\$23.18	\$24.19	\$25.30	\$26.58	\$27.78
	Oct 2004	\$21.07	\$21.92	\$22.86	\$23.98	\$25.03	\$26.17	\$27.50	\$28.74
Nursing/Medical Assistant II	Oct 2000	\$11.00	\$11.35	\$11.65	\$11.89	\$12.37	\$12.85	\$13.34	\$13.86
	Jan 2001	\$11.00	\$11.35	\$11.65	\$12.01	\$12.56	\$13.11	\$13.74	\$14.35
	Oct 2001	\$11.44	\$11.80	\$12.12	\$12.49	\$13.06	\$13.63	\$14.29	\$14.82
	Oct 2002	\$11.89	\$12.27	\$12.59	\$12.98	\$13.57	\$14.17	\$14.85	\$15.51
	Oct 2003	\$12.23	\$12.62	\$12.96	\$13.36	\$13.97	\$14.58	\$15.29	\$15.96
	Oct 2004	\$12.65	\$13.06	\$13.40	\$13.82	\$14.45	\$15.08	\$15.81	\$16.51

Schedules B and C

Job Titles (all have in range hiring) with trust fund calculation

		Step 1 Start	Step 2 1 yr	Step 3 2 yr	Step 4 3 yr	Step 5 4 yr	Step 6 5 yr	Step 7 10 yr	Step 8 16 yr
Ophthalmic Photo & Ultrasonogr	Oct 2000	\$18.85	\$19.42	\$20.00	\$21.41	\$22.27	\$23.59	\$25.49	\$28.49
	Jan 2001	\$18.85	\$19.42	\$20.00	\$21.62	\$22.60	\$24.06	\$26.25	\$27.42
	Oct 2001	\$19.60	\$20.20	\$20.80	\$22.49	\$23.51	\$25.02	\$27.30	\$28.51
	Oct 2002	\$20.38	\$20.89	\$21.62	\$23.38	\$24.44	\$26.01	\$28.38	\$29.65
	Oct 2003	\$20.98	\$21.61	\$22.26	\$24.07	\$25.16	\$26.78	\$29.23	\$30.52
	Oct 2004	\$21.70	\$22.36	\$23.03	\$24.90	\$26.03	\$27.71	\$30.24	\$31.58
Ophthalmic Assistant (Uncert)	Oct 2000	\$10.89	\$11.34	\$11.79	\$12.26	\$12.76	\$13.26	\$13.76	\$14.34
	Jan 2001	\$10.89	\$11.34	\$11.79	\$12.38	\$12.95	\$13.53	\$14.20	\$14.84
	Oct 2001	\$11.33	\$11.79	\$12.26	\$12.88	\$13.47	\$14.07	\$14.77	\$15.43
	Oct 2002	\$11.77	\$12.26	\$12.74	\$13.38	\$14.00	\$14.62	\$15.35	\$16.04
	Oct 2003	\$12.11	\$12.61	\$13.11	\$13.77	\$14.41	\$15.05	\$15.80	\$16.51
	Oct 2004	\$12.53	\$13.05	\$13.56	\$14.24	\$14.90	\$15.57	\$16.34	\$17.08
Ophthalmic Technician (Uncert)	Oct 2000	\$13.18	\$13.69	\$14.24	\$14.82	\$15.37	\$16.03	\$16.64	\$17.31
	Jan 2001	\$13.18	\$13.69	\$14.24	\$14.97	\$15.60	\$16.35	\$17.14	\$17.91
	Oct 2001	\$13.70	\$14.24	\$14.81	\$15.56	\$16.23	\$17.00	\$17.82	\$18.63
	Oct 2002	\$14.24	\$14.80	\$15.40	\$16.18	\$16.87	\$17.68	\$18.52	\$19.36
	Oct 2003	\$14.86	\$15.23	\$15.85	\$16.65	\$17.36	\$18.20	\$19.07	\$19.93
	Oct 2004	\$15.16	\$15.75	\$16.39	\$17.23	\$17.96	\$18.82	\$19.73	\$20.62
Pharmacy IV Technician	Oct 2000	\$12.29	\$12.72	\$13.22	\$13.74	\$14.31	\$14.87	\$15.48	\$16.09
	Jan 2001	\$12.23	\$12.72	\$13.22	\$13.80	\$14.52	\$15.07	\$15.64	\$16.26
	Oct 2001	\$12.72	\$13.23	\$13.75	\$14.43	\$15.10	\$15.77	\$16.58	\$17.32
	Oct 2002	\$13.21	\$13.75	\$14.29	\$15.00	\$15.70	\$16.40	\$17.23	\$18.01
	Oct 2003	\$13.60	\$14.15	\$14.71	\$15.44	\$16.16	\$16.88	\$17.74	\$18.54
	Oct 2004	\$14.07	\$14.63	\$15.21	\$15.97	\$16.71	\$17.48	\$18.35	\$19.18
Pharmacy Technician	Oct 2000	\$11.43	\$11.90	\$12.37	\$12.87	\$13.40	\$13.92	\$14.47	\$15.05
	Jan 2001	\$11.43	\$11.90	\$12.37	\$13.00	\$13.60	\$14.20	\$14.81	\$15.57
	Oct 2001	\$11.89	\$12.38	\$12.87	\$13.52	\$14.14	\$14.77	\$15.50	\$16.20
	Oct 2002	\$12.36	\$12.86	\$13.37	\$14.05	\$14.70	\$15.35	\$16.11	\$16.84
	Oct 2003	\$12.72	\$13.24	\$13.76	\$14.47	\$15.13	\$15.80	\$16.59	\$17.33
	Oct 2004	\$13.15	\$13.69	\$14.24	\$14.96	\$15.65	\$16.34	\$17.16	\$17.93
Phlebotomist	Oct 2000	\$10.89	\$11.34	\$11.79	\$12.26	\$12.76	\$13.73	\$14.61	\$15.48
	Jan 2001	\$10.89	\$11.34	\$11.79	\$12.38	\$12.95	\$14.00	\$15.05	\$16.03
	Oct 2001	\$11.32	\$11.79	\$12.26	\$12.88	\$13.47	\$14.58	\$15.65	\$16.67
	Oct 2002	\$11.77	\$12.25	\$12.74	\$13.38	\$14.00	\$15.13	\$16.27	\$17.32
	Oct 2003	\$12.11	\$12.61	\$13.11	\$13.77	\$14.41	\$15.58	\$16.75	\$17.83
	Oct 2004	\$12.53	\$13.04	\$13.56	\$14.25	\$14.90	\$16.11	\$17.32	\$18.46
Physical Therapy Assistant	Oct 2000	\$14.38	\$14.95	\$15.55	\$16.17	\$16.83	\$17.51	\$18.21	\$18.96
	Jan 2001	\$14.38	\$14.95	\$15.55	\$16.33	\$17.06	\$17.86	\$18.74	\$19.62
	Oct 2001	\$14.95	\$15.55	\$16.17	\$16.98	\$17.77	\$18.58	\$19.51	\$20.40
	Oct 2002	\$15.54	\$16.16	\$16.81	\$17.65	\$18.47	\$19.31	\$20.28	\$21.21
	Oct 2003	\$16.00	\$16.64	\$17.30	\$18.17	\$19.02	\$19.88	\$20.88	\$21.84
	Oct 2004	\$16.55	\$17.21	\$17.90	\$18.80	\$19.67	\$20.57	\$21.60	\$22.59
Radiologic Technologist	Oct 2000	\$14.25	\$14.80	\$15.40	\$16.02	\$16.62	\$17.34	\$18.01	\$18.72
	Jan 2001	\$14.25	\$14.80	\$15.40	\$16.18	\$16.87	\$17.69	\$18.55	\$19.38
	Oct 2001	\$14.82	\$15.39	\$16.02	\$16.83	\$17.54	\$18.39	\$19.29	\$20.15
	Oct 2002	\$15.40	\$16.00	\$16.65	\$17.49	\$18.24	\$19.12	\$20.05	\$20.95
	Oct 2003	\$15.96	\$16.47	\$17.14	\$18.01	\$18.77	\$19.68	\$20.63	\$21.56
	Oct 2004	\$16.40	\$17.03	\$17.73	\$18.63	\$19.42	\$20.36	\$21.36	\$22.31
Rad Tech/Mammography	Oct 2000	\$15.24	\$15.86	\$16.47	\$17.14	\$17.83	\$18.54	\$19.25	\$20.05
	Jan 2001	\$15.24	\$15.86	\$16.47	\$17.31	\$18.10	\$18.91	\$19.83	\$20.75
	Oct 2001	\$15.85	\$16.49	\$17.13	\$18.00	\$18.82	\$19.67	\$20.62	\$21.58
	Oct 2002	\$16.47	\$17.14	\$17.80	\$18.71	\$19.56	\$20.44	\$21.44	\$22.44
	Oct 2003	\$16.96	\$17.65	\$18.33	\$19.27	\$20.14	\$21.05	\$22.07	\$23.10
	Oct 2004	\$17.54	\$18.28	\$18.96	\$19.93	\$20.84	\$21.77	\$22.83	\$23.90

**Schedules B and C
Job Title (all have in range hiring)
with trust fund calculation**

		Step 1 Start	Step 2 1 yr	Step 3 2 yr	Step 4 3 yr	Step 5 4 yr	Step 6 5 yr	Step 7 10 yr	Step 8 15 yr
Registered Optometric Assistant	Oct 2000	\$11.93	\$12.40	\$12.89	\$13.38	\$13.88	\$14.42	\$14.97	\$15.56
	Jan 2001	\$11.93	\$12.40	\$12.89	\$13.52	\$14.08	\$14.71	\$15.42	\$16.10
	Oct 2001	\$12.41	\$12.90	\$13.41	\$14.08	\$14.65	\$15.30	\$16.04	\$16.75
	Oct 2002	\$12.90	\$13.40	\$13.94	\$14.61	\$15.22	\$15.90	\$16.67	\$17.41
	Oct 2003	\$13.27	\$13.80	\$14.34	\$15.04	\$15.67	\$16.37	\$17.16	\$17.92
Oct 2004	\$13.73	\$14.27	\$14.84	\$15.56	\$16.21	\$16.93	\$17.75	\$18.54	
Registered Respiratory Therapist	Oct 2000	\$15.94	\$16.58	\$17.23	\$17.92	\$18.64	\$19.40	\$20.13	\$20.96
	Jan 2001	\$15.94	\$16.58	\$17.23	\$18.10	\$18.92	\$19.78	\$20.73	\$21.70
	Oct 2001	\$16.57	\$17.25	\$17.82	\$18.83	\$19.68	\$20.57	\$21.56	\$22.56
	Oct 2002	\$17.23	\$17.83	\$18.63	\$19.57	\$20.46	\$21.39	\$22.41	\$23.46
	Oct 2003	\$17.73	\$18.46	\$19.18	\$20.15	\$21.06	\$22.02	\$23.07	\$24.15
Oct 2004	\$18.35	\$19.09	\$19.84	\$20.84	\$21.79	\$22.78	\$23.87	\$24.99	
Sleep Disorder Technician	Oct 2000	\$13.18	\$13.69	\$14.24	\$14.82	\$15.37	\$16.03	\$16.64	\$17.31
	Jan 2001	\$13.18	\$13.89	\$14.24	\$14.97	\$15.80	\$16.35	\$17.14	\$17.91
	Oct 2001	\$13.70	\$14.24	\$14.81	\$15.56	\$16.23	\$17.00	\$17.82	\$18.63
	Oct 2002	\$14.24	\$14.80	\$15.40	\$16.18	\$16.87	\$17.58	\$18.52	\$19.38
	Oct 2003	\$14.86	\$15.23	\$15.85	\$16.85	\$17.39	\$18.20	\$19.07	\$19.93
Oct 2004	\$15.18	\$15.75	\$16.39	\$17.23	\$17.96	\$18.82	\$19.73	\$20.62	
Surgical Technician	Oct 2000	\$12.07	\$12.92	\$13.81	\$14.38	\$14.92	\$15.36	\$15.92	\$16.46
	Jan 2001	\$12.07	\$12.92	\$13.81	\$14.50	\$15.15	\$15.67	\$16.39	\$17.03
	Oct 2001	\$12.55	\$13.43	\$14.37	\$15.08	\$15.75	\$16.30	\$17.05	\$17.72
	Oct 2002	\$13.04	\$13.96	\$14.93	\$15.68	\$16.37	\$16.94	\$17.72	\$18.41
	Oct 2003	\$13.43	\$14.37	\$15.37	\$16.14	\$16.85	\$17.44	\$18.24	\$18.96
Oct 2004	\$13.89	\$14.86	\$15.90	\$16.69	\$17.43	\$18.04	\$18.87	\$19.61	

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*LOU Refers to Letter of Understanding

LETTERS OF UNDERSTANDING

Following are Letters of Understanding agreed to by the parties during the 2000 Contract Negotiations. These Letters of Understanding run concurrently with the Agreement; however, Letters of Understanding are separate from the Collective Bargaining Agreement, but are published at the back for disclosure and convenience purposes: The Letters are printed in alphabetical order, by subject content, as follows:

APTA	Severance
Attendance	Sonographers
Availability of On-Call	Union Leave
Breaks/Lunches	Volunteers
Call Center	
Day-Care Providers	
Domestic Partner	
Education/Training Committee	
Family and Medical Leave	
Float Pool	
FMLA Vacation	
Hardship Fund	
LPNs -CEUs	
MGM Goals	
Military Activists	
Pagers	
Pay Administration	
Preparatory Time	

October 1, 2000

APTA

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to American Physical Therapy Association (APTA), and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the Agreement.


In the interest of promoting the professional growth and development of Physical Therapy Assistants and to enhance the Employer's image in the community, the Employer hereby submits this Letter of Understanding.

The Employer shall provide reimbursement for the membership dues of the APTA for all regular Physical Therapy Assistants upon presentation of reasonable evidence of active participation as either a Chapter Officer, serving as a member of a working committee, or as an APTA member in good standing who promotes Kaiser Permanente by assisting in approved recruitment events.

Opportunities will be made available to these employees to maintain and enhance their skills by participating in educational programs. In instances where the education has been requested by the Employer, the employee will be paid for worked time spent in such and the employee shall be reimbursed for all materials and costs.

In entering into this Letter of Understanding, the parties agree that this agreement applies only to Physical Therapy Assistants.


For the Company:


Cardell Webster
Human Resources Team Leader

8/27/01
Date

APTA

For the Union:


Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01
Date

ATTENDANCE

October 1, 2000

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to attendance, and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the Agreement.

Attendance

The following provisions shall apply to all employees who have received discipline or a performance rating of needs improvement or unsatisfactory within the preceding one (1) year in the area of attendance, except when an employee requires use of sick leave for lengthy periods of illness or injury who would otherwise have a "good" attendance record.

- A. Absences will be excused and sick leave pay received only after obtaining a doctor's certificate during the illness and presenting it to the supervisor upon return to work in the following circumstances:
- (1) The day before or after a holiday.
 - (2) On days the employee requested time off which had been denied.
 - (3) On single days when a pattern of abuse has been evident.
- B. There will be a limit of three (3) days per year to use vacation or float holidays to care for a sick child.

For the Company:

Cardell Webster

Cardell Webster
Human Resources Team Leader

8/27/01

Date

ATTD

For the Union:

Mitch Ackerman

Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01

Date

BREAKS/LUNCHES

October 1, 2000


Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to breaks/lunches, and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the Agreement.

The Employer and the Union agree to establish a joint labor/management work team to identify and remedy areas where working off the clock, including where compliance with contractual breaks/lunches periods are problematic.


For the Company:


Cardell Webster
Human Resources Team Leader

8/27/01
Date

Breaks

For the Union:


Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01
Date

CALL CENTER

October 1, 2000

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to staffing issues within the Call Center and Weekend Care and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the Agreement.

The following sets forth the parties' agreement regarding staffing issues at the Call Center and Weekend Care facilities on evenings, nights, weekends and holidays.

1. As a regional service, the Call Center and Weekend Care facilities will staff evening, night, weekend and holiday vacancies first with facility volunteers, and then with qualified volunteers from the Region. If an evening, night, holiday or weekend shift remains unfilled, employees shall be assigned on a rotational basis, starting with the least senior qualified employee within the region.
2. If no qualified volunteers from the facility are available, the unfilled shifts will be assigned on a rotational basis starting with the least-senior qualified employee within the region.
3. On occasions when the regular staff is away from work due to sick leave, FMLA, vacation, etc. this letter of understanding clarifies the manner in which the Employer will staff the Call Center and Weekend Care facilities. In all instances qualified employees at the Call Center and Weekend Care facilities where the absence occurs will be given preference in covering such vacancies.
4. A rotation cycle consists of six evening/night shifts, four (4) weekend shifts or two (2) holiday shifts or a combination of all three. A combination cycle consists of the following; three (3) evening/night and either one (1) weekend or one (1) holiday shift, one (1) weekend and one (1) holiday shift or two (2) evening shifts and either one (1) weekend and one (1) holiday shift or two (2) evening shifts and two (2) weekend shifts. Once an employee has completed a rotation cycle either in the Call Center or Weekend Care facility, s/he will not be contacted again until all qualified employees and subsequent new hires have completed their rotation cycle.
5. The Employer will provide orientation opportunities for employees who wish to volunteer in either the Call Center or Weekend Care facilities.
6. Should no qualified volunteers be located for particular evening, night weekend or holiday relief, as defined in paragraphs 1 and 2, qualified employees will be assigned to evening, night, weekend/holiday relief on a rotational basis starting with the least senior

qualified employee. Any request for trading places on the rotation must be approved by the supervisor of the Call Center or Weekend Care facility. Such service will count towards the Employee's rotation cycle. Determination of the least senior employees shall be made from the seniority listing supplied by the Human Resource Department by job title and seniority date. The Human Resource department will forward this list to the Call Center and Weekend Care facilities on a monthly basis.


7. Employees at risk for assignment will be notified seven (7) calendar days in advance, however, all assignments will be made at least five (5) calendar days in advance.
8. Length of shift will be determined based on operational need.

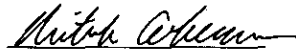
As the Call Center and Weekend Care facilities maintain a Regional seniority list, facilities faced with emergent staffing situations may notify their Human Resources Team Leader for assistance. Assignments will be made according to the above.

In the event there are difficulties with Call Center or Weekend Care implementation, the parties agree to meet and resolve the issues.

For the Company:

For the Union:


Cardell Webster
Human Resources Team Leader


Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01
Date

8/27/01
Date

Call Center

DAY-CARE PROVIDERS

October 1, 2000

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to Day-care Providers Benefits, and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the agreement.

A current list of licensed day-care providers offering discounts to Kaiser Permanente employees is available for review from the Benefits Representatives in Human Resources. If additional licensed day-care providers offering discounts are identified, the Benefits Representative should be contacted so additional resources can be added to the list. The Employer will periodically communicate that new resources have been added.

For the Company:

For the Union:



Cardell Webster
Human Resources Team Leader



Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01
Date

8/27/01
Date

Day Care

DOMESTIC PARTNER

October 1, 2000

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to domestic partners, and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the agreement.

For the purpose of interpreting benefit provisions of the contract, it shall be understood by the parties that Domestic Partner will be interchangeable wherever spouse is mentioned.

For the Company:

For the Union:


Cardell Webster
Human Resources Team Leader


Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01
Date

8/27/01
Date

Domestic Partner

EDUCATION/TRAINING COMMITTEE

October 1, 2000

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding between the parties reached during contract negotiations regarding a joint Labor/Management Committee on Education and Training, and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the contract.

In the interest of providing high quality patient care and promoting training which enhances retention opportunities, career progression and employee development, the Union and the Employer agree to establish a joint Education Training Committee. The purpose of this Committee is to explore options to provide employees with the opportunity to acquire skills necessary to progress to other positions or to retrain in the event of displacement as a result of changing technology or delivery systems.

Options the Committee will explore include:

- expansion of internal training
- job counseling
- career development planning
- skill assessment
- re-training opportunities
- programs coordinated with educational leaves
- expansion of tuition reimbursement for approved programs
- state or federal funding for programs
- work site training opportunities

The Committee shall consist of four (4) representatives from Management; to include the Human Resources Manager (or designee); and four (4) Representatives from the Union, to include the Union President (or designee). The joint Committee, working with Operations, Regional functions and Training and Development will work to determine the type and scope of education/training courses offered and the

criteria for selecting employees for programs defined and coordinated by this Committee. The Joint Committee shall meet as often as necessary but at least monthly in the first six (6) months of operations and quarterly thereafter. It may be necessary to meet more frequently in the initial stages of development. Committee members will not lose pay which they would have otherwise received, for participation on the Education and Training Committee.

Employees may be required to attend the education/training courses developed or coordinated by this Committee on their own time, except by mutual agreement otherwise. Such time spent in training will not count as hours worked for the purpose of computing overtime, premium pay or any other benefit associated with their employment.

A fund of \$25,000 per year, beginning January 1, 1998 will be available to the Joint Education and Training Committee for the purpose of establishing said programs. The parties agree to cooperate to identify additional sources of revenue including additional Employer funds, if necessary, to achieve mutually agreed program initiatives.

For the Company:



Cardell Webster
Human Resources Team Leader

8/27/01
Date

For the Union:



Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01
Date

Edu Trng Cmmt

FAMILY AND MEDICAL LEAVE

October 1, 2000

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to absences under the Family and Medical Leave Act, and is to run concurrently with the Agreement effective October 1, 2000 through the expiration of the Agreement.

Absences for personal or family reasons, including caring for sick children, which meet the criteria of Family and Medical Leave absences will not be used for discipline, when such is precluded under the Family and Medical Leave Act.

For the Company:

For the Union:



Cardell Webster
Human Resources Team Leader



Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01
Date

8/28/01
Date

Family Med Leave

October 1, 2000

FLOAT POOL

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman,

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to float pool, and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the Agreement.

Internal replacement services will be provided during the term of this agreement by the Employer to provide staffing assistance throughout the region in classifications determined by the Employer. If a Regional Float Pool is maintained, the following will apply to employees of that Regional Department:

- (1) Regular status Float Pool employees shall be hired to work up to forty (40) hours per week and shall be eligible for benefits, seniority and tenure adjustments as described in the Agreement between the parties for regular full-time or regular part-time employees, except as provided herein.
 - (2) The Float Pool may hire on-call employees to replace regular Float Pool employees as necessary to work additional Float Pool assignments. On-call employees within the Float Pool are subject to contract provisions, Article 5, Section 5, Paragraphs A, B and C. It is understood that part of the expectation for on-call employees is availability for short-notice, same day assignments. On-call employees must follow the normal policies and procedures of the organization and Float Pool department, i.e., timekeeping, call-in, performance standards, etc.
- Employees who have been placed on KTO may call the Float Pool and advise the Float Pool supervisors of their availability for additional hours. Preference will be given to employees who would receive pay for straight-time hours.
- (3) Employees hired for or assigned to the Float Pool shall be cross-trained to work in multiple facilities, work units and/or departments.
 - (4) Employees will be available for pre-scheduled, short-notice or same day assignments. Employees that are required to be available for same day assignments shall be subject to the following provisions: (a.) the employee shall be paid two dollars and fifty (\$2.50) per hour for each hour spent in such

capacity, and three dollars (\$3.00) per hour for each hour spent in such capacity on a recognized holiday, (b.) When assigned on a same day basis actual work time shall begin when the employee arrives at the work area ready to begin work and shall end when the employee completes the assignment and leaves the work area. Pay for hours worked shall be at the employee's regular straight-time rate of pay, excluding hours worked in excess of forty (40). (Failure to be available for same day assignments more than once may result in disciplinary action.)

- (5) Float Pool employees shall be eligible for the float premium as described in Article 15.
- (6) Float Pool employees who are required by the Employer to travel from one work assignment to another during the course of the workday shall be eligible for travel time up to a designated amount of time allowed for distances between each facility. The designated travel time shall be calculated into total hours worked for pay purposes.
- (7) A Labor/Management work team will be convened for the purpose of reviewing and resolving the cost issues relating to the mileage reimbursement for Float Pool employees.
- (8) Employees shall be eligible to bid on promotions after six (6) months of service. Employees shall be eligible to bid after twelve (12) months of service, on positions representing lateral or downward transfers.

For the Company:



Cardell Webster
Human Resources Team Leader

8/27/01
Date

For the Union:



Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01
Date

Float Pool

FMLA
VACATION

01010

October 1, 2000

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

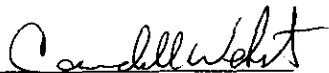
Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to FMLA vacation, and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the agreement.

Employees will not be required to use vacation or float holidays at the beginning of FMLA leave for family illness.

For the Company:

For the Union:



Cardell Webster
Human Resources Team Leader



Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01

Date

8/27/01

Date

FMLA Vacation

0154

HARDSHIP FUND

October 1, 2000

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to the Hardship Fund, and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the agreement.

The Union will submit to the Company, on an annual basis, a list of employees who wish to contribute to the S.E.I.U., Local 105 Hardship fund. The list will include the employee's name, employee number and location, with the accompanying authorization form. The authorization form will include an explanation of the fund, the purpose, who could benefit from the fund, etc. The Employer shall then deduct the amount of \$2.00 from each authorizing employee's paycheck, on a monthly basis.

If automated or national consolidated efforts make it impractical for the Company to continue, such notification will be given to the Union with an opportunity to discuss alternatives.

For the Company:

For the Union:



Cardell Webster
Human Resources Team Leader

Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01

Date

8/27/01

Date

Hardship

October 1, 2000

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to continuing education unit programs for LPN's and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the Agreement.

Due to the fact that the Employer is currently not in a position to provide the necessary continuing education internally, LPN's will be permitted to maintain the current CEU allowance for the term of this agreement. One-half of the CEU benefit may, with the consultation of the LPN, be assigned by the supervisor for a class that management deems appropriate for the individual to attend. In the event that the Employer provides an internal program, the employee must attend the internal program prior to going to an external class.

For the Company:



Cardell Webster
Human Resources Team Leader

8/27/01
Date

For the Union:



Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01
Date

MGM GOALS

October 1, 2000

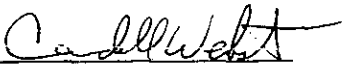
Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to MGM Goals, and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the Agreement.

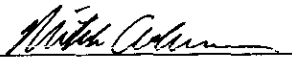
The Employer and the Union will work together to identify job groups or categories where minority group members are under-represented, analyze reasons for the under-representation and develop a plan to assist the Company in meeting MGM goals and minorities in achieving adequate representation at all bargaining group levels.

For the Company:


Cardell Webster
Human Resources Team Leader

8/27/01
Date

For the Union:


Mitch Ackerman, President
S.E.I.U., Local 105

9/27/01
Date

MILITARY ACTIVISTS

October 1, 2000

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste. 209
Denver, CO 80223


Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to Benefits for military activists, and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the agreement.

Benefits for Military Activists

If any other employee group of the Colorado Region receives any other benefits, they shall be extended to these employees.


For the Company:



Cardell Webster
Human Resources Team Leader

8/27/01
Date

For the Union:



Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01
Date

Military Activists

PAGERS

October 1, 2000

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223


Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to Pager Unit/Pay, and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the Agreement.

The parties agree that employees who are assigned to be available for same day or short notice assignments may not necessarily be required to carry a pager unit to be eligible for this premium pay.

For the Company:

For the Union:


Cardell Webster
Human Resources Team Leader


Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01
Date

9/27/01
Date

Pagers

PAY ADMINISTRATION

October 1, 2000

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to pay administration, and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the Agreement.

Pay Administration

In the event the Employer determines that it is desirable to offer credit for previous experience to enhance recruitment and retention of employees in any job classification, such service credit adjustment will be done as follows:

- 1) For purposes of determining wage rates upon hire, each fully completed year of full-time (20 - 40 hours per week) work experience in positions with comparable qualifications and responsibilities to those established by the Employer, excluding internships, shall receive one-half (1/2) year of tenure credit. Tenure credit, for purposes of determining starting wage rates, shall not exceed the three-year step (Step 4). The following chart is intended to illustrate the intent of this provision:

Step 1 (0 - less than 2 years)	Step 2 (2 years - less than 4 years)
Step 3 (4 years - less than 6 years)	Step 4 (6 or more years experience)


- 2) Comparable qualifications and responsibilities for purposes of determining starting wage rates will be decided at time of hire.

3. In the event that such experience credit is implemented in any classification, a market analysis will be done to see if and how much of an adjustment in the wage scale will be made. Further, all current employees will be eligible for past experience credit adjustments based on prior service.

Positions currently with in-range hire:


Grade 10 - Medical Claims & Referral Processor/QA
All schedule B Positions
All schedule C Positions

For the Company:


Cardell Webster
Human Resources Team Leader

8/22/01
Date

For the Union:


Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01
Date

Pay Administration

PREPARATORY TIME

October 1, 2000

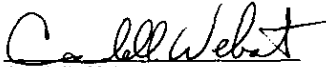
Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to preparatory time, and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the Agreement.


Where the Union identifies departments or areas where preparatory time is problematic, the Employer agrees to meet with the Union and make good faith reasonable efforts to resolve the situation.

For the Company:


Cardell Webster
Human Resources Team Leader

8/27/01
Date

For the Union:


Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01
Date

Preparatory Time

SEVERANCE

October 1, 2000

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

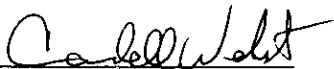
Dear Mr. Ackerman:

The purpose of the following is to summarize the Letter of Agreement regarding *severance pay, reached during contract negotiations, for individuals who are voluntarily or involuntarily separated from the Employer due to lay off, effective October 1, 2000 through the expiration of the agreement.*

- The Agreement applies to any employee in a status of twenty (20) or more hours a week, who has received notice of a lay off.
- The Employer will first seek volunteers who wish to take advantage of the severance package.
- Employees will be eligible to receive one week of pay for each year of Regular Service, with a minimum of one (1) month's pay to a maximum of six (6) months' pay.
- During the severance period, employees will receive Health Plan Benefits for themselves and eligible dependents, at the Employer's expense.
- *Outplacement assistance will be available, and employees will be permitted to use any unused Employee Assistance Program visits during the severance period.*
- Employees who are near retirement may be eligible to "bridge" to retirement during the severance period.
- Employees must sign a general release to be eligible for the severance package.

Full details of the benefits, conditions, waiver, etc., will be made available to employees at the time of notification of lay off.

For the Company:



Cardell Webster
Human Resources Team Leader

8/27/01

Date

For the Union:



Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01

Date

Severance

SONOGRAPHERS

October 1, 2000

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman:

The following represents an understanding reached during contract negotiations between the parties regarding standby pay for Sonographers, effective October 1, 2000, through the expiration of the agreement.

Sonographers will carry a pager and receive pager unit pay for hours spent on-call. If called in to perform work during the time that the employee is on-call, the employee will receive a minimum of two hours at one and one-half times (1-1/2x) the regular rate of pay.

This agreement is entered into on a non-precedent setting basis. If this represents your understanding, please sign below and return at which point we will implement.

For the Company:

For the Union:



Cardell Webster
Human Resources Team Leader



Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01
Date

8/27/01
Date

Sonographers

UNION LEAVE

October 1, 2000

Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached during current contract negotiations with respect to Union leave, and is to run concurrently with the Agreement, effective October 1, 2000 through the expiration of the agreement.

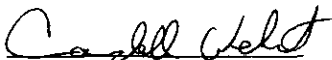
If an employee is elected to a Union office, the employee will be granted a leave for the duration of the term, to a maximum of three (3) years. An employee must return to work for three years after such a leave, prior to being eligible for another such leave.

The employer may, at its discretion, grant a leave to an employee hired by the Union for a short-term assignment not to exceed the duration of a Personal Leave.


Employees returning from any Union leave within three months shall be returned to their former position. Employees returning after three months shall be returned to a comparable position for which he/she qualifies.

For the Company:

For the Union:



Cardell Webster
Human Resources Team Leader



Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01

Date

8/27/01

Date

Union Leave

VOLUNTEERS

October 1, 2000


Mitch Ackerman
President
S.E.I.U., Local 105
360 Acoma St., Ste 209
Denver, CO 80223

Dear Mr. Ackerman:

The purpose of this letter is to set forth the understanding reached between the parties during current contract negotiations and is to run concurrently with the agreement, effective October 1, 2000 through the expiration of the agreement.


The Employer and the Union recognize the value of volunteers as an enhancement to the overall services we provide. The Employer agrees that volunteers shall not perform the principal duties of bargaining unit employees. Further, the Employer agrees not to use volunteers in a manner which would diminish the bargaining unit.

For the Company:


Cardell Webster
Human Resources Team Leader

8/27/01
Date

For the Union:


Mitch Ackerman, President
S.E.I.U., Local 105

8/27/01
Date

Volunteers

PROTECT YOUR UNION STATUS

**SERVICE EMPLOYEES' INTERNATIONAL UNION
LOCAL #105
40 West Louisiana Ave.
Denver, CO 80223
(303) 698-7963**

When your employment terminates, or if you are on leave of absence, please contact the Union office to stop dues payments, and remain a member in good standing.

KAISER PERMANENTE

THE COALITION OF

KAISER PERMANENTE UNIONS, AFL-CIO

OCTOBER 1, 2000

National Agreement



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NATIONAL AGREEMENT: INTRODUCTION

IN 1997, THE UNIONS OF THE AFL-CIO COALITION OF KAISER PERMANENTE UNIONS AND KAISER PERMANENTE entered into a National Labor Management Partnership Agreement. By involving employees and unions in organizational decision-making at every level, our partnership is designed to improve the quality of health care, make Kaiser Permanente a better place to work, enhance Kaiser Permanente's competitive performance, provide employees with employment and income security, and expand Kaiser Permanente's membership. The cornerstone of the Partnership is an innovative labor management relationship. In that spirit, the parties decided to embark on a voyage—one that had never been attempted—to collectively and simultaneously bargain 33 Partnership union contracts.

The Common Issues Committee, made up of union and management representatives from across the country, was responsible for drafting this Agreement. To inform their work, they chartered seven Bargaining Task Groups (BTGs) in April of 2000. These seven groups were made up of approximately 300 management and union representatives from across the program.

The BTGs were charged with making comprehensive, long-term recommendations in the areas of Quality and Service, Health and Safety, Performance and Workforce Development, Wages, Benefits, Balancing Personal Life and Work Life, and Workplace Innovations to make Kaiser Permanente the best place to work. Over the course of several months, the Bargaining Task Groups developed comprehensive solutions for transforming our work environment. They reported their solutions to the members of the Common Issues Committee in a two-day session in early July.

Over the next three months, the Common Issues Committee then undertook the exhaustive challenge of reviewing the detailed and visionary work of the BTGs. Their charge was to determine how best to distill the work of the groups into a National Agreement and at the same time, ensure that the work of the groups is carried forward into our future.

Each of the Bargaining Task Groups gave more definition and specificity to the partnership path. Each expressed a high degree of confidence in the Labor Management Partnership and the potential found within the vision of the Partnership. They clearly saw local Labor Management Partnership Teams as the means of providing oversight of implementation processes for their recommendations.

The *Pathways to Partnership* was developed in 1997 to provide a roadmap for making a transition to an environment characterized by collaboration, inclusion and mutual trust. Within the framework of the *Pathways to Partnership*, this National Agreement provides for a new way to work and a new way to provide care. We will continually improve service, patient care and performance by enabling each person to engage her/his full range of skills, experiences, and abilities. The National Agreement describes an organization in which unions and employees are integrated into planning and decision-making forums at all levels including budget, operations, strategic initiatives, quality processes, and staffing. In our vision, decisions are jointly made by self-directed work teams—giving people who provide the care and service the ability to decide how the work will best get done. We look forward to a time when all eligible employees participate in the Partnership and are covered by this National Agreement.

This National Agreement is designed to support two goals: implementation of the Partnership on a national and local level and movement toward nationwide consistency. Partnership implementation is supported through the reinforcement of regional and local partnership teams. And in some instances, the document provides specific timeframes required to assure progress toward implementation. The National Agreement also takes steps toward nationwide consistency in determining wages, benefits, and certain other terms and conditions of employment. It is our blueprint for making Kaiser Permanente the employer and care provider of choice.

Section 1 of this Agreement covers the privileges and obligations of partnership, reflects our continued commitment to the Partnership, and integrates the work of the Bargaining Task Groups into partnership implementation. It provides mechanisms for spreading partnership, collaboration, and organizational transformation throughout our organization. It begins to define how workers and managers engage in areas such as quality and service, training and education, health and safety, and life balance programs. Section 1 also covers areas such as union security, partnership governance, and problem-solving processes and elaborates on other privileges of Partnership. Recognizing that different areas and facilities are starting at different points, this section must be used in conjunction with the *Pathways to Partnership*. Some timeframes are included, but where not specifically noted, the foundation for transition, as outlined in the *Pathways to Partnership*, must be built for organizational transformation to be successful and enduring.

Section 2 identifies the specific provisions of the National Agreement which pertain to compensation, benefits and disputes procedures.

Section 3 describes the scope, application, and term of the Agreement.

This National Agreement was created through an extraordinary collaboration with the input of hundreds of Kaiser Permanente employees at every level. We created this document the way we will work in the future – jointly. The Agreement embodies our collective vision for Kaiser Permanente. The language of this National Agreement cannot begin to fully capture the energy and collective insights of the hundreds of people working long hours to establish this framework. But as work units apply these principles, we trust that their commitment and expertise will make our vision a reality.

SECTION 1: PRIVILEGES AND OBLIGATIONS OF PARTNERSHIP

▶ A. COMMITMENT TO PARTNERSHIP

The essence of our Labor Management Partnership is involvement and influence, pursuit of excellence, and accountability by all. We believe people take pride in their contributions, care about their jobs and each other, want to be involved in decisions about their work, and want to share in the success of their efforts. Market-leading organizational performance can only be achieved when everyone places an emphasis on benefiting all of Kaiser Permanente. There is an indisputable correlation between business success and success for people. Employees throughout the organization must have the opportunity to make decisions and take actions to improve performance and better address patient needs. This means that together we must ensure employees have the skills, knowledge, information, opportunity, and authority to make sound decisions and perform effectively. Engaged and involved employees will be highly committed to their work and contribute fully.

By creating an atmosphere of mutual trust and respect, recognizing each person's expertise and knowledge, and providing training and education to expand those capabilities, we can achieve our common goals of achieving organizational success and creating a secure, challenging, and personally rewarding work environment. With this Agreement, the parties jointly initiate a wide array of activities designed to increase employee skills training, learning opportunities, and growth and development.

Section 1 presents our integrated approach to quality and service, performance and workforce development, education and training, and creating an environment responsive to employee and union interests.

It is our intention to solve problems as close to the patient and the problem as possible, respecting the interests of all parties. The Partnership Review Process, which is applicable only to matters arising out of Section 1, is meant to be used as a last resort.

With this Agreement, the Unions and Kaiser Permanente assume a set of privileges and obligations. These include, but are not limited to, employment and income security, union security, access to information including the responsibility to maintain confidentiality concerning sensitive information, participation in the governance structure, and participation in performance sharing plans. They also include a joint commitment to continue to improve quality and service.

In addition, we have a joint commitment to identify, and by mutual agreement, incorporate our own best practices and the best practices of high performance organizations into each facility. We will work diligently to increase and enhance flexibility in work scheduling and work assignments to enhance service, quality and financial performance, while meeting the interests of employees and their unions. We share a willingness to work in good faith to resolve jurisdictional issues in order to increase work team flexibility and performance. And we share a commitment to marketing Kaiser Permanente as the employer and care provider of choice.

► B. PARTNERSHIP GOVERNANCE STRUCTURE

The National Labor Management Partnership Agreement describes the vision of a work place environment where diversity of opinions is valued and all stakeholders share a voice in decisions that affect them and their work. The vision of this Partnership is an integrated structure, where the unions and their members are part of the decision making forums. It is recognized, however, that prior to reaching this vision, parallel structures must be implemented to organize, plan and implement the partnership principles. These structures are meant to be steps toward integration and could, indeed should, change as the Partnership evolves.

1. GOVERNING BODIES

The governing body for the Labor Management Partnership is the Labor Management Partnership Strategy Group (*the Strategy Group*) and shall comprise a small group (totalling approximately 10-12) representatives from the Kaiser Permanente Partnership Group (KPPG) and the Coalition of Kaiser Permanente Unions in approximately equal numbers. The KPPG represents the highest level decision-making body within Kaiser Permanente. The Coalition of Kaiser Permanente Unions coordinates joint activity for the partner unions. Membership for the Strategy Group will be determined by October 2000, and the first meeting should be held by November 30, 2000.

The Strategy Group will be advised by a newly constituted National Labor Management Partnership Council (Partnership Council). This Partnership Council will effectively replace the previous Senior Partnership Committee. It will meet periodically, approximately quarterly, to be briefed on all pertinent matters *pertaining to the Partnership, to share learnings and regional best practices, and to plan implementation and provide policy recommendations to the Strategy Group.*

The Office of Labor Management Partnership will provide administrative and operational support to the Strategy Group and to the Partnership Council and support the implementation of the Partnership at all levels.

2. PARTNERSHIP STRUCTURES

Each of the Bargaining Task Groups expressed a high degree of confidence in the Labor Management Partnership and in local and national partnership teams as a means of providing oversight. Each recommended separate national and local oversight structures. As a result, a Structure Subcommittee will be appointed to assess each recommendation and develop a comprehensive plan integrating the requirements from each group. The Structure Subcommittee should complete its recommendations by December 31, 2000 and submit same to the Strategy Group for approval and implementation. The recommendations will include the assignment of responsibility for national, regional and/or local teams in the areas of:

- Quality and Service
- Health and Safety
- Life Balance
- Performance and Workforce Development
- Training and Education

Local teams will be governed by Regional Partnership Teams. It is recommended that Partnership teams include key stakeholders and key decision makers and yet remain small enough to problem solve and reach quick resolution while ensuring appropriate representation. Guidelines for Partnership Team composition are available through the Office of Labor Management Partnership. Union representation on each team will be decided by the unions. As identified below, Regional Partnership Teams are the nucleus of partnership activity within a local area. With the exception of the the Strategy Group, and any committees or structures chartered or established by it, all oversight structures will be established as subcommittees of the Regional Partnership or Local Partnership Team.

Regional Partnership Teams will be constituted in each Region no later than March 31, 2001. The Regional Partnership Team will advance the Partnership in a timely manner throughout the Region, implementing national partnership goals and objectives plus Regional/Local program and policy initiatives. The teams will receive direction from and be accountable to the Strategy Group.

The Regional Partnership Team may charter other partnership teams responsive to the organizational structure and will assure accountability for implementing the Partnership. The Regional Partnership Team is encouraged to review the BTG reports in order to determine how to advance performance improvement, employee satisfaction, and involvement at regional and local levels. The Regional Partnership Team should assess and prioritize all BTG recommendations within budgeted, allocated resources and determine appropriate priorities and funding.

During the term of this Agreement, the Strategy Group will continue to review and prioritize BTG recommendations for possible implementation.

It is expected that these Regional and Local Partnership teams will quickly mature and evolve into operational leadership teams in which union leadership will be fully integrated and no longer in a parallel structure apart from the ongoing management function.

3. JOINT PARTNERSHIP TRUST

A joint Labor Management Partnership Trust will be established for the purpose of funding Labor Management administration and Partnership activities. Kaiser Permanente will contribute at its current rate adjusted annually in accordance with general budget inflationary factors. Changes in the Employer's overall funding of partnership expenses, including Partnership Trust contributions, training and education development, administration, technical and consulting support expenses necessary to implement/advance the Partnership shall be at least proportional to employee contribution escalation as described below. An amount equal to five cents per hour per employee will be contributed to the Partnership Trust in the first contract year. For subsequent years, the Coalition of Kaiser Permanente Unions will be responsible for developing a methodology for continuing the payment of five cents per hour per employee and a one cent per hour annual escalator. The purpose of the employee contribution is employee ownership of the partnership, sponsorship of increased union capacity and shared ownership of outcomes and performance gains.

The Partnership Trust will be overseen by the Strategy Group and will be jointly administered. Its four trustees, two union and two management, will consist of the partnership labor and management co-chairs of the Strategy Group and one other union and management representative. The trustees will serve under the direction of the Strategy Group and accept fiduciary responsibility for the Partnership Trust.

► C. BARGAINING TASK GROUP SOLUTIONS

The BTGs, comprising 300 employees, managers, supervisors and union leaders, worked diligently to propose solutions in a range of areas of great interest to the Employer, employees and their Unions. This section is based on their vision and solutions in the areas of Quality and Service, Performance and Workforce Development, Employee Health and Safety, and Work-Life Balance and Work Life Innovations. While not intended to represent all of the ideas, goals and direction indicated by representatives in these Task Groups, it captures the fundamental elements necessary for making Kaiser Permanente the best place to work and receive care.

We are all dedicated to working together to make Kaiser Permanente the recognized market leader in providing quality health care and service. This can be accomplished through creating a service culture, achieving performance goals, developing our workforce, increasing employee satisfaction, promoting patient safety programs and focusing our attention on employee health and work-life personal-life balance. Our goal is to continually improve performance by investing in people and infrastructure, improving communication skills, fostering leadership, and supporting involvement in the community.

1. QUALITY AND SERVICE

Kaiser Permanente and the Coalition of Kaiser Permanente Unions are dedicated to working together to make Kaiser Permanente the recognized market leader in providing quality health care and service. This will be achieved with a comprehensive organizational transformation that can only be established within the context of all of the programs in Section 1 of this Agreement.

Under the guidance of the Regional Partnership Team, the local partnership teams must address the following critical components of quality health care and service: a service culture, a joint staffing process, and a work environment conducive to reducing errors and improving patient/member safety.

a. A SERVICE CULTURE

A service culture can best be achieved through self-directed work teams responsible for entire, discrete processes. The creation of such teams should be the ultimate goal for those planning the Partnership implementation process. The guidance provided by the KP Promise and the *Pathways to Partnership* should be followed in developing these teams.

Partnership teams will be responsible for creating our service culture at the facility, department or work unit level. It is our intent that partner union employees in all departments/areas be included in the planning, development, and implementation of an improved service culture. Union partners should be integrated into any ongoing service initiatives, and subsequently be involved in the planning, design and implementation of any new initiatives from the onset.

Creating a service culture requires that certain organizational components be in place. We agree that these components include: knowledge of what constitutes an excellent care experience, modeling of excellent service behaviors, employee satisfaction and empowerment, skills and competencies, systems to support service quality, and a strategy for becoming an organization known for service excellence. We will create an organizational environment that encompasses these elements.

We also recognize that high employee, physician, and patient satisfaction are achieved through an involved, multi-disciplinary, self-directed, trained team that focuses on meeting or exceeding the service expectations of our patients.

Essential components for creating high performance work teams include involvement and participation, information systems to share data with the team, a sense of team and community, training and education, authority and accountability, and an organizational orientation to quality. Ultimately these work teams are self-directed, responsible for entire, discrete processes, and in the best position to continuously improve their service to internal and external customers.

b. A JOINT STAFFING PROCESS

We understand that staffing is often a controversial issue between management and labor which can greatly impact staff satisfaction. Therefore, we recommit to support the vision of the Partnership outlined in the original *Pathways to Partnership* document, which is intended to continue to move the organization toward joint decision making.

We recognize that the ability to provide quality health care and service to our patients, and a quality work environment for our employees, is influenced by a number of variables, including how we staff. Thus, we agree to implement a joint process for staffing to be applied throughout the organization in all departments where partner union members work. We also recognize that this process must be initiated at the regional/service area level with the involvement of partner unions in business planning and resource allocation decisions that ultimately shape a staffing plan, as well as in decisions to adjust resource allocations during the budget cycle.

The process will be sponsored by the Regional Partnership Council/Team and will be implemented by local Partnership Teams. The sponsors will ensure the development and implementation of local partnership staffing processes at the facility, department or work unit level, or across multiple facilities depending on the region. The process should be applied across the program in all areas where employees represented by partner unions work.

We agree that after appropriate partnership education/training, joint partnership staffing teams will be involved in determining, within allocated organizational resources, how departments will be staffed. Partnership staffing teams will be expected to recommend annually a staffing design (plan) that encompasses mutually acceptable numbers, mix and qualifications of staff in each work unit. This plan should lead to the development of staffing methodologies (e.g. ratios, hours per patient day, or other tools) to improve measures of quality health care and service and employee satisfaction. Developing staffing plans in this manner will result in less variability in staffing (numbers, mix and qualifications) across a region or service area. Partnership staffing teams are encouraged to demonstrate creativity and flexibility and the agreements reached will be non-precedent setting. We encourage and desire sharing and adaptation of the best practices in order to promote functioning as a superior health care system.

At the regional/local level, the staffing plan features should include:

- The ability to track quality outcomes to determine the impact of various staffing plans on quality
- The identification of system and process problems that undermine quality health care and service
- The use of an interest-based model for modifying the staffing plan in the future
- Full sharing of all information and review of best practices, internally and externally

Consideration of the following factors:

Replacement needs

Patient needs and acuity

Technology

Inpatient and outpatient volume

Department/unit size

Geography

Standards of professional practice

Experience and qualification of staff

Staff mix

Regulatory requirements

Nature of services provided

Availability of support resources

Model of care

Needs and acuity of the entire medical facility as well as specific department/unit

Consideration and support for meals and breaks

Departmental/area budgets

Adherence to any and all guidelines promulgated by any reviewing or regulatory agency and any other applicable laws and regulations is mandatory.

c. PATIENT SAFETY

We agree that improving the quality of care delivered to our members/patients requires significantly increasing the reporting of actual errors and "near misses". It is recognized that the reporting of such errors can only improve if employees are assured that punitive discipline is not seen as the appropriate choice to handle most errors. We must jointly create a learning environment which views errors as an opportunity for continued, systematic improvement. This environment must encourage all employees to openly report errors or "near misses" and participate in analyzing the reason for the error and the determination of the resolution and corrective action needed to prevent recurrence.

Regionally, there will be joint labor management development, administration, promotion, and evaluation of the reporting system.

The reporting system will include the following components:

- Reporting of errors, with systematic, standardized analysis of errors and near misses
- Communication of learnings to help make needed policy and procedure changes
- Confidentiality of involved employees unless prohibited by statute or law
- Involvement of staff in error analysis and/or resolution
- Making reporting a positive experience

Training and education programs that enhance skills and competency to help prevent future errors
Maintenance of the integrity of privileged information
Ability to collect and trend data across the organization

Information regarding errors reported through this system will be handled through the Labor Management Partnership approved issue resolution/corrective action process and will not be used as the basis for discipline except in rare cases when punitive discipline is indicated such as the employee:

- Was under the influence of drugs or alcohol
- Deliberately violated rules or regulations
- Specifically intended to cause harm
- Engaged in particularly egregious negligence

Reporting through this system does not relieve the employee of the responsibility to complete an incident report when indicated by policy.

2. PERFORMANCE AND WORKFORCE DEVELOPMENT

Workforce development and performance improvement—together with our quality programs and training and education—are key pillars in the organizational transformation we envision.

a. PERFORMANCE

Kaiser Permanente and the AFL-CIO Coalition of Kaiser Permanente Unions are competing in a challenging market that is characterized by a limited workforce, changes in technology, changes in clinical practice, cultural diversity, changing demographics, and high demand for quality service. We can enhance performance by:

- Investing in people and infrastructure
- Developing a formal approach to improve communication skills throughout the organization
- Fostering leadership at work
- Supporting involvement in community services

Investing in People and Infrastructure

We must make a significant new investment in people in order to build a high performance organization rooted in the Partnership and the KP Promise. This will be done through a focus on education, development, and opportunity.

Developing a Formal Approach to Improve Communication Skills Throughout the Organization

We will work to develop, implement and maintain communication standards and practices that will support our vision.

At the facility level, this will be supported through leadership accountability for ongoing face-to-face communication with employees. Reports should include:

- Performance goals and targets shared at the beginning of each year
- Work group and local organizational performance reported quarterly

In addition, union and management leadership have joint accountability for quarterly performance reports to all employees, addressing issues around key business initiatives, customer feedback, and financial and membership information. In accomplishing this, local parties will explore distribution of information via the KP Intranet connection and employee mailboxes.

Fostering Leadership at Work

We will foster leadership competencies and behaviors that include creating trust, promoting employee engagement in decision making, building relationships, sharing information, encouraging growth and development of self and others, and modeling the Labor Management Partnership. These competencies will be developed in employees, managers, and union leadership.

In their performance appraisals, managers and employees will be held accountable for demonstration of leadership competencies and behaviors, and a commitment to the principles and progress of the Labor Management Partnership. Recognition should be based on these competencies as well as work group and organizational performance.

Front-line managers have historically served a vital role in leading the workforce. When the partnership evolves to the point that self-directed work teams are functional, front-line managers will continue to play a crucial role in providing leadership and support to front-line workers, but the role will change in style, scope, and content. The role will evolve from directing the workforce to coaching, facilitating, and supporting a large self-directed workforce.

Supporting Involvement in Community Services

Kaiser Permanente and the Coalition of Kaiser Permanente Unions will support involvement in sponsored and unsponsored community service. This will further serve our communities and make them a better place for our members and staff to live and work, while providing learning opportunities for employees.

b. FLEXIBILITY

Kaiser Permanente and the Coalition of Kaiser Permanente Unions are committed to enhancement of organizational performance by developing and investing in people and aligning the systems and processes that support the achievement of organizational and partnership goals. Further, we are committed to becoming a high performance organization and to the KP Promise and the Labor Management Partnership as a foundation for reaching this goal.

We recognize that market-driven change has created a challenging competitive situation that is characterized by a limited number of skilled workers and new entrants into the workforce, changes in technology, changes in clinical practice, cultural diversity, changing demographics and high demand for quality service. To become a high performance organization in this environment requires organizational change.

Becoming a high performance organization also requires a pledge from Partner unions and Kaiser Permanente to modify traditional approaches, to work diligently to enhance flexibility in labor contracts, to willingly explore alternative ways to apply seniority and to address jurisdictional issues in order to achieve organizational performance goals. It is expected that the parties will undertake this in a way that is consistent with the Partnership, while at the same time preserving the principles of seniority and union jurisdiction.

The following is minimally required to create an environment that balances Kaiser Permanente's need for flexibility in removing barriers to enhanced performance with Partner unions' need to honor seniority and jurisdiction. The goal is to create a climate based on trust that promotes achievement of Partnership outcomes and fosters an environment in which Kaiser Permanente, Partner unions, and employees effectively respond to and address issues at the local level. It is not the intent of the parties to undermine the principles of seniority and union jurisdiction or to reduce the overall level of union membership. Management is not looking for the right to make changes unilaterally to achieve greater flexibility, but expects the unions to work with them to address flexibility needs. The need for and desirability of joint decision making is acknowledged.

Management recognizes the union's interest in a balanced approach which will not disadvantage one union relative to another and acknowledges that a broad, long-term perspective be adopted.

Commitment to performance improvement through joint, continuing efforts to redesign business systems and work processes. This includes simplifying workflow, eliminating redundant or unnecessary tasks and coordinating workflow across boundaries. It also requires alignment with and implementation of the business strategy and the principles of the Labor Management Partnership.

Incorporation of labor management partnership principles in redesign efforts. These include:

- Involving affected employees and their unions in the process
- Assessing impact on employees
- Minimizing impact on other units due to bumping and other dislocation
- Providing fair opportunity for current employees to perform new work
- Re-training or re-deploying affected employees
- Applying the principles of employment and income security

Creation of mutually agreeable local work design processes to address local conditions while ensuring high levels of quality, service, and financial performance. Flexibility will enhance management's ability to meet its employment security obligations, just as flexibility will be enhanced by joint labor management influence over workplace practices. Principles to be observed include:

- Respect for seniority and union jurisdiction
- Flexibility for employees' personal needs
- Flexibility in work scheduling, work assignments, and other workplace practices

Commitment of local labor management partners to exhibit creativity and trust to resolve difficult issues such as:

- Contractual and jurisdictional issues that are inconsistent with partnership principles and/or that are barriers to achievement of partnership goals

Considering reciprocity of seniority between bargaining units to facilitate employee development and performance improvement

Enhancing employee mobility across regions and partner unions and into promotional opportunities

Cross training staff across job classifications and union jurisdictional lines where it makes operational or business sense or where union and employee's interests are accommodated

Enabling team members to perform operational functions across boundaries (job classification, department and/or union jurisdiction) within their scope of practice and licensure to serve members/patients

Utilizing a joint process to resolve issues of skill mix, classification, and the application of the provisions of the National Employment and Income Security Agreement.

Mechanisms for flexibility include, but are not limited to:

Expanding skills of staff

Developing innovative and flexible scheduling and work assignments to balance staffing and workload

Alternative work assignments and schedules to accommodate variations in staff workload

Shifting tasks to accommodate periods of peak demand

Temporary assignments to other work

Using supply-demand management tools to anticipate staffing needs

Other innovative employment options such as seasonal employment and job sharing.

In applying the principles of the Partnership, local labor management partners may make a variety of joint agreements or practices to enhance organizational performance and to accommodate employee interests. In order to encourage creativity and joint risk taking, such agreements will be non-precedent setting and not apply to other units, departments, medical centers, or service areas. However, sharing and adoption of best practices is highly encouraged.

c. EDUCATION AND TRAINING

We recognize that in order to achieve the KP Promise, the vision of the *Pathways to Partnership*, and enhanced organizational performance, a significant commitment must be made to invest in the training and education of the workforce. Furthermore, most of the policies, commitments and plans described in this Agreement cannot be successfully accomplished without the committed efforts of Kaiser Permanente employees. Meaningful participation requires a high level of knowledge and understanding of the business of health care, the operations of Kaiser Permanente and the principles of the Labor Management Partnership. Therefore, we share the goal of a comprehensive, jointly-administered education and training effort with joint design and oversight teams.

National Support

The BTGs identified a variety of educational requirements necessary to advance the partnership and transition into high performing, committed work teams. To address these recommendations, the Strategy Group will establish a national education task force to evaluate the BTG educational recommendations and develop a plan for integrating the recommendations into the organizational structure.

The committee will consider:

- Development of a uniform and consistent tracking mechanism for all National Labor Management Partnership and regional employee education and training
- Methods to secure and coordinate funds from external sources
- Jointly administered educational funds for partnership training
- Integrating education into current processes and funding mechanisms
- National templates for employee education
- Providing national guidance and coordination to Regions including the collection and dissemination of best practices in training design and content
- National support for the development of Partnership activities.
- Support for the educational requirements of Partnership teams including:
 - Partnership orientation
 - Business education (root learning maps)
 - Interest-based problem solving
 - Consensus decision making
 - Union education
 - Issue resolution and corrective action and
 - Understanding institutional unions.
- Support includes program development, train-the-trainer programs, partnership team orientation and consultation.

Joint Employee Education Design and Teams

Joint oversight of local Partnership and other joint training will be provided under the guidance of the Regional Partnership Teams. The national education committee will provide guidance for local/regional teams concerning:

- National and Regional oversight/administration
- Processes to inventory current employee education activities
- Audit current spending (total and percentage of payroll)
- Create/implement a funding tracking system
- Determine feasibility of a National Education Resource Center

3. EMPLOYEE HEALTH AND SAFETY

Creating an environment that respects and supports the health and safety of employees as well as patients is key to achieving performance results. Therefore, Kaiser Permanente and the Coalition of Kaiser Permanente Unions commit to the guiding principles that best insure employee health and safety: protect yourself, protect our employees and protect our members, and protect Kaiser Permanente assets. By adopting these principles we are initiating and identifying specific areas through which these principles can be promoted and institutionalized.

Health and Safety programs should provide integrated services, benefits, and programs. The collective goal is to integrate current health and safety teams into partnership teams.

Health and safety teams, integrated as partnership teams will assist in prioritizing and implementing funding, determining accountability and developing measurements, and may assist in or oversee the implementation of consistent Health and Safety and prevention programs. These teams may be linked to and will coordinate with the Regional Partnership Teams or National Teams as appropriate.

The existing California Draft Integrated Disability Management policy and the guidelines for temporary placement of bargaining unit employees will be reviewed and considered for national adoption. As areas adopt the plan, local Labor Management Partnership Teams will work with local health and safety teams/departments to coordinate and assist in implementation. A communication plan will then be developed and timetables established to implement the program. The priority guidelines for temporary placement of bargaining unit employees will be followed.

Priorities at the national and local levels may include reporting and performance measurement systems, with accountability measures to determine the return on investment and continuation of the program, injury and illness prevention, and other jointly developed outcomes.

A Consistent Set of Prevention Programs

An Environmental Health and Safety partnership effort will determine a set of prevention programs that include the following tasks:

Patient handling: develop a Code of Safe Practice, conduct Team Patient Handling training, purchase equipment, establish lift teams

Bloodborne pathogens: form National Labor Management Partnership Sharps Safety Committee; pursue the goal of obtaining, maintaining, and utilizing the safest sharps safety devices that ensure the most passive features; develop sharps injury log; monitor sharps disposal; implement training

Workplace violence: collect and review incident data; implement training; determine cellular phone needs/allowances; establish uniform policies for a) visitor access, b) communication with family on patient status, c) staffing, training, equipment, and procedures for cash handling, d) immediate employee access to emergency services, e) confidentiality of employee information, and f) other related topics deemed necessary; recommend engineering and administrative controls; provide debriefing and counseling for impacted employees; develop a uniform system for recording workplace violence incidents.

Chemical exposure: review current chemical hazards training efforts and develop new training; ensure chemical information is available and accessible; set clear policies and procedures.

Facility cleanliness: improve orientation and training of environmental service employees and involve employees in efforts to improve the cleanliness of facilities.

4. WORK-LIFE BALANCE

As a health care organization, Kaiser Permanente and the Coalition are committed to the health and well-being of employees and to work-life practices, programs and services that balance work and life cycle challenges. Employees who are supported in balancing their work and personal lives are more effective in their work, more productive as team members, and better able to deliver quality health care and service to members/patients. The organization's responsiveness to individuals' needs, both on and off the job, is a powerful predictor of productivity, job satisfaction, commitment and retention.

The Labor Management Regional Teams should provide leadership on work-life balance issues. They should develop operational policies, oversee implementation of work-life balance programs, and coordinate ongoing training and communication about life balance.

There are two key components that together enable us to improve work-life balance: time away from work and services that support health and well-being.

Time Off

Partnership unions and management believe that time away from work is essential to achieve work-life balance. It is important for employees to take time for leisure as well as time to manage the demands of their personal lives.

Attendance education: Education about the appropriate use of sick leave, coupled with monitoring and corrective action when needed, can help managers and employees balance the obligation to be at work with the need to take care of health and well-being. For those bargaining units with traditional sick leave time off benefits, the "Labor Management Education Program: Attendance" currently used in the North Valley Service Area, may be a model for attendance education.

Donating days: The Partnership should create a mechanism for employees to voluntarily donate some earned time off, vacation, or life balance days to employees in need.

Work-Life Balance Services

To achieve work-life balance goals, Partner unions and Kaiser Permanente should evaluate a continuum of available services—health promotion, employee assistance services, and referral services.

There are three parts to work-life balance services:

Health promotion focuses on keeping people healthy. Health promotion services and programs may include, but are not limited to, self-help classes, support groups, stress management, conflict management, and cultural sensitivity/awareness training.

Employee assistance services are intended to maximize employees' ability to cope and remain productive during stressful events and life crises. Such services should be sponsored nationally and implemented locally. They include work-life problem assistance, such as drug and alcohol assistance.

assessment and referral, short-term family counseling, and manager/union consultation services. Life crisis services include emergency financial aid and grief counseling.

Referral services provide a caring environment that is sensitive to the variety of employee needs.

Company sponsored, arranged or subsidized services may be provided. We should utilize Kaiser's size to obtain discounts in contracts for goods and services. This should benefit employees with minimal added cost. Examples include mass transit incentives, financial counseling services, concierge services, and computer discounts. Some of these services are provided currently through the California Division Employee Activity Program. Expansion of these services nationally may be evaluated by the Strategy Group during future years of the contract.

Regional, service area, or facility partnership teams will be responsible for overseeing and insuring implementation of work-life balance programs as mutually agreed. Some of the responsibilities include:

- Inventory of existing services

- Assess high priority new or expanded services to include health promotion services and programs, employee assistance services and referral services

- Work with local employee assistance personnel to ensure implementation of recommended new or expanded services

- Ensure communication to all employees regarding access to available services

- Periodically evaluate utilization, cost savings and satisfaction with services

▶ D. UNION SECURITY

1. UNION LEAVES OF ABSENCE

In support of the Partnership relationship, upon request, the Employer will grant time off to employees for official Union business so long as the number of employees absent for union business does not impose an unreasonable burden on the Employer and the Employer receives reasonable notice.

Union leaves will be defined according to the following:

Short Term Leaves are defined as leaves up to thirty days. Employees will continue to accrue seniority, service credit and benefits during the time of the absence, at the expense of the Employer. The impact of multiple short term leaves on the operations must be considered.

Long Term Leaves are defined as leaves of absence for more than 30 days and up to a maximum of one year. Such leaves will be granted by the Employer in increments of three months and shall be reviewed periodically by the Regional Partnership Teams. Seniority, service credit, credited service and health, dental, and life insurance benefits will continue during the leave so long as the union reimburses Kaiser Permanente for the cost of such.

Elected Official Leave. Any employee elected to a union office will be automatically granted a leave of absence for the duration of the term or three years, whichever is less. Employees must return to work after the completion of one term. Seniority, health, dental, and life insurance benefits will continue during this time, so long as the Union reimburses Kaiser Permanente for the costs of such. Service credit and credited service will be applied for a maximum of two years, so long as the union reimburses the Employer for such costs. Per local agreement, leaves beyond one term may be granted, but will not include service credit.

Kaiser Permanente will pay employees for absences in order to participate in grievances, issue resolution meetings, Kaiser Permanente Work Committees and interest-based negotiations under the Living Agreement Section. Paying employees for participation in panel arbitrations will be the decision of the Regional Partnership Team.

The Employer and the leaders of the Partnership Unions will work together to ensure reasonable notice and to minimize impact on service and care delivery associated with this provision.

2. CORPORATE TRANSACTIONS

The parties recognize that unions and employers do not stand still. Unions merge with each other, or in some cases, split into smaller parts. Employers buy and sell operations, spin off business units, merge with other entities, or otherwise restructure their operations.

Through implementation of the Partnership principles embedded in this National Agreement, the parties expect to establish open communication concerning business and organizational issues affecting their respective operations. The parties anticipate that in most instances through such communication and the Partner Unions' ongoing involvement in Kaiser Permanente's business matters, the Unions will be aware of

business issues that may cause Kaiser Permanente to consider transactions such as those described above. In such circumstances, the parties contemplate that they will move to more formal discussions concerning such contemplated transactions as Kaiser Permanente's consideration of options proceeds. The parties intend that the Coalition of Kaiser Permanente Unions and the affected Partner Unions will be involved in such consideration in a manner consistent with Partnership principles and that the legal and contractual rights of the affected employees will be honored in any resultant transaction.

3. VOLUNTARY COPE CHECK-OFF

The Employer agrees to administer a voluntary check-off of employee contributions to the Union's political education and action fund. The program shall include the following provisions:

Contributions to the political education and action fund are voluntary for employees

The Union is responsible for obtaining check-off authorization from each employee who wishes to have a voluntary payroll deduction

The Union will reimburse Kaiser Permanente for the costs of administering the payroll deduction

Kaiser Permanente will implement this program if its attorneys advise, or if the IRS offers either an informal opinion or a controlling letter or decision, that this proposed program does not jeopardize Kaiser Permanente's non-profit status. In the latter case, the parties commit to seek the IRS opinion before the implementation of the National Agreement on October 1, 2000. Under no circumstances will the check-off be implemented before ratification of the Agreement.

4. SUB-CONTRACTING

[A] Consistent with current practice, Management reserves the right to meet immediate day-to-day operational needs by contracting for services, for example, through registry, temporary services, etc.

[B] The Parties reaffirm a Partnership presumption against the future sub-contracting of bargaining unit work.

[C] The parties further affirm their commitments to address any regional or national issues concerning future subcontracting of bargaining unit work through a process of joint problem solving at the Regional Partnership Council and at the National Labor Management Partnership Strategy Group level respectively.

[D] Coincident with paragraph [C] above, the parties agree that the newly formed Strategy Group will be charged, at its first meeting, with the responsibility for (1) reviewing subcontracting in view of current and future business realities as well as the employment and income security needs of the workforce; (2) developing a national policy which will address policy and practice guidelines with respect to past, current and future contracting; and (3) establishing appropriate decision making and issue resolution processes for issues arising under the national or any local or regional subcontracting policy.

In developing these policies, the Strategy Group will solicit and consider input and recommendations from the Local and Regional Partnership Teams. In making these recommendations, the Local and Regional Partnership Teams will collect and analyze data regarding the nature and scope of regional and local subcontracting.

[E] Nothing in this section is intended to supplant or replace more restrictive subcontracting provisions contained in existing local contracts or issues currently being processed within those provisions or negotiated subcontracting policies made at the local level.

► E. PROBLEM-SOLVING PROCESSES

I. ISSUE RESOLUTION AND CORRECTIVE ACTION PROCEDURES

An effective means of resolving issues is fundamental to the long-term success of the Labor Management Partnership. Solving workplace concerns quickly and by those most directly involved is essential to reducing conflicts, grievances, and patient/member complaints. It will also contribute to better relations and a more constructive work environment. Issue Resolution and Corrective Action procedures work in tandem to achieve these outcomes. To that end, the procedure has two components:

- A system for raising and quickly resolving workplace issues using interest-based problem solving by those directly involved with the issue and
- A method of resolving performance and behavior issues in a non-punitive fashion in which employee, supervisor and Union representatives work together to identify the problem and craft the solution.

The Issue Resolution and Corrective Action Plan

Summary of Issue Resolution:

Issues are raised at the work unit level and the stakeholders within the work unit will meet to attempt to resolve the concern. Issues unresolved at the work unit level are reviewed by the local Partnership Team. If the concern continues to remain unresolved, the issue can be referred to the Regional Partnership Team for resolution. Issue Resolution is an alternative to, but does not replace the Grievance Procedure.

Summary of Corrective Action:

The Corrective Action Plan has five levels: Oral Reminder, Individual Action Plan, Corrective Action Plan, Day of Decision and Termination. The first two steps are informal with no documentation in the personnel file. There are no warning letters or suspensions. The goal is to jointly correct the performance or conduct, rather than punish the employee. An employee who disputes any action at any level under this procedure, shall have the right to file a grievance.

Implementation of the Procedure:

- By no later than April 1, 2002, Regional/Service Area Partnership Teams should have in place the following, which will replace any existing procedures:
- A jointly developed and adopted Issue Resolution and Corrective Action Procedure which, although it can be locally customized, is consistent with the National Issues Resolution and Corrective Action Plan. The Plan should be obtained from the Office of Labor Management Partnership.
- Managers, stewards, and Partnership Team members trained in interest-based problem solving and corrective action procedure.
- A thorough orientation in how to access and utilize the procedures for all covered employees.

The procedure must be implemented simultaneously throughout an entire Service Area or Region after all the required training and orientation has been accomplished.

To address matters pertaining to the National "Responsible Reporting" initiative, interim measures may be necessary while the above-mentioned Issue Resolution and Corrective Action Procedures are jointly crafted and employees, stewards, and managers trained in their use. Patient care errors should be separated from other performance issues and be processed in accordance with the Responsible Reporting guidelines and not by utilizing traditional disciplinary procedures.

2. PARTNERSHIP AGREEMENT REVIEW PROCESS

(Applicable to Section 2 and Section 3 as noted)

After sharing information and fully discussing and exchanging ideas and fully considering all views about issues of interest and concern to the parties, decisions should be reached that are satisfactory to all.

However, it is understood that the parties may not always agree. Disagreement at the facility level which arises out of the interpretation and/or implementation of Section 1, should be referred to the local level Partnership Team for discussion in an attempt to reach a consensus decision. If it is unresolvable at the local level, the Regional Partnership Team must address and attempt to resolve the issue at its next scheduled meeting but no later than 30 calendar days following its referral. The Regional Partnership Team will, after careful review of all facts and interests, craft a consensus decision designed to resolve the issue.

If consensus proves impossible, the matter may then be referred to a national panel comprised of two union and two management members of the Labor Management Partnership Strategy Group, along with a *predetermined neutral designee selected by the Strategy Group*. The panel will be designated immediately upon receiving a request. The panel will meet, confer and ultimately craft a solution within 30 days unless the time is extended by mutual agreement. It is the responsibility of the neutral designee to ensure that a final resolution to the issue is crafted. The resolution will be final and binding on all parties. The Strategy Group members selected should be from among those least vested in the substance of the disagreement. Questions involving interpretation of the National Agreement may also be submitted to this Review Process by national parties.

▶ F. TERM OF THE PARTNERSHIP

In recognition that the substance, as well as the spirit and intent, of this Agreement is largely dependent upon the existence of the Labor Management Partnership, the labor and management signatories commit to continue participation in and support of the Partnership throughout the term of this Agreement.

While the Labor Management Partnership Agreement, inclusive of clarifying addenda of Employment and Income Security and Recognition and Campaign Rules, provides for a sixty-day notification period for either of the parties to disengage from the partnership relationship, the Review Process in Section 1 of this Agreement substitutes said notification with an alternative process of reviewing and resolving issues that could otherwise individually or collectively result in the dissolution of this partnership.

Notwithstanding the parties' commitment to this ongoing relationship, there may be instances where either side may engage in such egregious non-partnering behavior that the corresponding partner takes unilateral action and may also withdraw some or all of the partnership privileges extended to the other party. Such conduct, unilateral action or withdrawal could likewise be submitted to the Review Process for determination and resolution.

Until the partnership relationship matures, the parties recognize that, on occasion, either party may engage in behavior that conflicts with partnership principles and elicits corresponding behavior from the other party. It is expected that this Review Process could also be instrumental in providing guidance to the parties for the future.

Although the commitment to use the Review Process as the alternative to serving a sixty-day notice of termination of the partnership agreement runs concurrently with the National Agreement, the Labor Management Partnership Agreement continues in effect and does not terminate with the expiration of this Agreement.

SECTION 2: WAGES AND BENEFITS

(Ongoing Obligations)

> A. COMPENSATION

To promote Partnership principles and support our guiding principle that Kaiser Permanente become the "employer of choice" in the health care industry, Partnership employees should receive excellent wages. We recognize, however, that wages alone will not support our "employer of choice" strategy. In addition to wages, we are committed to investing in benefits, workforce engagement, training and development opportunities, and leadership development as critical elements in pursuing this goal.

In valuing and rewarding employees for length of service with Kaiser Permanente, the parties agree that wages should be tenure based. In addition to length of service, the parties agree to consider these factors in developing and adjusting compensation levels: labor market conditions, changes in cost of living, internal alignment, recognition of the value of the Labor Management Partnership, and ability to recruit new employees.

Compensation changes during the term of this contract include three components:

Annual across-the-board (ATB) wage increases

Equity adjustments in the first two years of the contract and

Potential for performance sharing bonuses in the last three years of the contract.

1. ACROSS-THE-BOARD WAGE INCREASES

Effective Date¹	California	Regions Outside California	California RNs²	Regions Outside of California RNs
10/1/00	4%	4%	[See note 3]	6% ⁴
10/1/01	4%	4%	6%	6%
10/1/02	4%	4%	5%	5%
10/1/03	4%	3% ⁵	5%	4% ⁵
10/1/04	4%	3.5% ⁵	5%	4.5% ⁵

¹ Effective beginning of pay period closest to October 1.

² For Southern California RNs include: UNAC (RNs, RNPs, PAs), AFN, KPNAA and Social Service psych RNs.

³ UNAC – 6/00 (2%), 10/00 (6%), 6/01 (2%); AFN – 4/00 (4.4%) [previously implemented], 10/00 (4%)

⁴ OFNHP – 4/00 (6%), 10/00 (1.5%), 4/01 (1.5%)

⁵ Potential to increase up to 4% (5% for RNs) if regional performance targets are met.

2. EQUITY ADJUSTMENTS

Equity dollars are available for a broad range of issues and will be distributed by mutual agreement of the parties at local negotiations. Examples of possible uses of Equity adjustment are two-tier systems (geographic, date of hire), differentials (senior, lead, charge, shift, bilingual), overtime or premium pay, reclassifications, internal or external equity, internal job classification alignment, market-sensitive and hard-to-recruit situations, longevity pay, specialty pay, across-the-board wage increase enhancements, benefits not covered by the National Agreement, and implementation of Bargaining Task Group recommendations, as appropriate.

Year	Northern California	Southern California	Regions Outside California
1	1.5%	.75%	1%
2	0.6%	1.75%	0.5%

The equity percentages listed above are percentages of each local labor union's total payroll, defined as all compensated hours times the weighted average wage rate. Distribution of equity monies is to be negotiated in local negotiations within the guidelines stated above.

3. PERFORMANCE SHARING

Performance Sharing is intended to recognize that, through the Labor Management Partnership, employees and their Unions have a greater opportunity to impact organizational performance and employees should, therefore, have a greater opportunity to share in any performance gains. Performance Sharing is over and above base wage rates and will be based on mutually-agreed-to performance factors and targets. Performance targets will be set by Region and may be based on quality, service, financial performance or other mutually acceptable factors.

If targets are met, Performance Sharing opportunities will be as shown below. All amounts will be based on total payroll for employees covered by the Partnership in each Region:

- Year 3-1% payout at target to be paid out in First Quarter 2003, based on 2002 performance
- Year 4-2% payout at target to be paid out in First Quarter 2004, based on 2003 performance
- Year 5-3% payout at target to be paid out in First Quarter 2005, based on 2004 performance

The National Performance Sharing Program is dependent and based on the implementation of Partnership structures and processes that empower employees to have an impact on the program's targeted factors. To afford employees a reasonable opportunity to earn the above Years 3, 4 or 5 payouts, Partnership structures and processes must reach critical thresholds to support the program. Further, the factors used must be measurable against mutually agreed upon predetermined targets. The resources for the National Performance Sharing Program will be achieved through enhanced organizational performance.

As the Labor Management Partnership continues to grow and evolve, an important element is to ensure that employees share in the success of the organization as enhanced performance is achieved through the Partnership. Specifically, all Partnership employees will participate in a National Performance Sharing Program, which provides an annual cash bonus based upon Regional performance in the areas of quality, service, financial health and other mutually acceptable factors. To that end, during the first quarter of 2001, the Strategy Group shall appoint a joint Labor Management Partnership Work Group to develop a National Performance Sharing Program. The jointly designed Program will reward partnership employees for reaching mutually agreed upon Regional targets.

In developing the new National Performance Sharing Program, the design Work Group will adhere to the following agreements reached during Common Issues Bargaining:

All Kaiser Permanente employees covered under the Labor Management Partnership Labor Agreement shall participate in the Program. This includes full-time, part-time, short-hour, casual, on-call and per diem employees.

Other incentive, gain sharing or reward programs may currently cover some Labor Management Partnership employees. In such cases, employees may not receive a payment from the National Program in addition to a payment from a current program. Instead, employees shall receive the higher of either the new National Program or their current program.

At any time during the term of this Agreement additional sub-regional plans may be mutually developed. In these instances, the covered employees will not receive a payment from both programs, but will receive a payment from the program that provides the highest payment.

The Program year shall be the calendar year, with mutually agreed upon Regional targets set at the beginning of each year. The Program shall run for the calendar year with final results determined and payments issued during the first quarter of the year following the end of the Program year.

The Performance Sharing Program will establish mutually agreed upon Regional targets with a bottom threshold (minimum payment) and an upper limit stretch target (maximum payment) in the areas of quality, service, financial health and other mutually acceptable factors. Each Region will establish a process to develop mutually agreed upon targets with thresholds and maximums. To the extent appropriate and if mutually agreeable, Regional targets should be aligned with, and may be identical to, physician and managerial incentive targets. The percentage payouts listed above will be paid for achieving performance at targeted levels. Proportional payouts (i.e., higher or lower than listed above at target level) will be made for performance achieved that is either above or below targeted levels.

Employees must be in job classifications covered by the Labor Management Partnership Labor Agreement during the Program year and be an active employee on December 31st to receive a payment under the National Program for that year. However, employees who retire during the Program year or prior to the payment date or transfer to another Kaiser Permanente job classification not covered under the Partnership Labor Agreement shall receive a pro-rated payment based upon compensated hours attained during the Program year in a job classification covered under the Partnership.

While the actual targets may be different from Region to Region, the factors used (i.e., quality, service, finance, etc.) and the cash opportunity for reaching each of the targets shall be consistent across all Regions.

The design of the National Program and the setting of annual targets shall enhance service and quality of care.

Targets should be set to stimulate and reward improvement; however, from Region to Region there must be a reasonable and relatively equal opportunity to reach each of the targets.

The Strategy Group, or other joint committee appointed by the Strategy Group, shall annually review the targets set in each Region to ensure relative equity in achieving the targets across the Regions.

Distribution of the Performance Sharing pool will be calculated as a percentage of the Regional total payroll, defined as total compensated hours times the established Weighted Average Rate (WAR) for all employees represented by local unions who are party to this agreement.

Payouts will be made in the form of lump sum bonuses proportional to the compensated hours of each employee. However, employees with 1800 compensated hours or more in the program year shall be considered full time employees for the purposes of the Performance Program and have their hours capped at 1800 hours. Employees with compensated hours less than 1800 hours shall receive a bonus pro rated for compensated hours.

The joint Work Group shall complete the design of the National Performance Sharing Program and submit it for final approval to the Strategy Group, or other joint committee appointed by the Strategy Group, by end of the second quarter of 2001. The National Program shall be based on performance targets for calendar year 2002 with payment opportunity during the first quarter of 2003 and yearly thereafter.

► B. HEALTH AND WELFARE BENEFITS

1. MEDICAL BENEFITS

a. BASIC COMPREHENSIVE PLAN

The parties agree to jointly request that Kaiser Foundation Health Plan, Inc. (KFHP) identify them as a national purchaser of health care benefits ("national group"), and that one or more marketing account managers be assigned to the national group. Upon granting of this status, the Employers and the Coalition of Kaiser Permanente Unions will each designate a senior representative to be responsible for managing the account on behalf of the Employers and the Partner Unions ("partnership benefit representatives"). Their responsibilities will include, but will not be limited to, working with KFHP, Inc. concerning the initial design of the national benefit plan, and working with KFHP, Inc. concerning any changes in benefits or benefit coverage contemplated by KFHP, Inc. The parties agree that any such discussions should be initiated no less than eight months prior to the effective date of any proposed changes, and that such discussions should be concluded no less than six months prior to the effective date.

Upon granting of national group status, the partnership benefit representatives shall meet promptly with KFHP, Inc.'s marketing account managers to finalize the Basic Comprehensive Medical Plan ("Basic Plan") for employees covered by this Agreement. The Basic Plan shall be based on a "Kaiser Foundation Health Plan Traditional HMO Plan". The parties understand that some variation in benefits may be necessary, but the intent is to achieve national uniformity where possible.

The parties agree that beginning January 1, 2001 the Basic Plan shall include outpatient and hospital and other services in addition to the following features:

- Expand quantity of dispensed prescription drugs beyond 30 days for up to 100 days/3 months for maintenance medications, barring state statutory or other legal or technical barriers
- Eligibility: 20+ hours (Colorado flex impact 20+/*wk* 100% allocation for mid-level plan)
- Effective Date: 1st of month following eligibility
- Dependents (spouse, domestic partner, unmarried children up to 25, special dependent) and
- Coverage for Durable Medical Equipment (DME): add a benefit to the Health Plan coverage which matches the DME benefit provided to other KP employee groups in the region.

The parties agree that all local plans shall remain in effect as negotiated locally until the commencement of the 2002 Plan Year or sooner, at which time the Basic Plan shall supercede and replace all local plans. Flexible benefit programs in local labor agreements, amended to reflect the features above, will remain unless another plan is implemented by mutual agreement.

Effective October 1, 2000, the employee benefits, co-pays and premium shares paid by the employee established in the local plans shall be maintained for the life of this Agreement. Disputes arising under this provision will be handled in accordance with Section One, Article E, Problem-Solving Processes.

Effective October 1, 2000, the premium shares in the Northwest Region will be reduced to pre-1996 levels.

Effective October 1, 2003, the premium shares in the Mid-Atlantic Region will be reduced by 50% of the current levels. The parties may agree to a more favorable premium sharing plan that shall be funded by Year 2 Equity Adjustment funds.

b. PARENT COVERAGE

Parents and parents-in-law of eligible employees residing in the same service area will be able to purchase Health Plan coverage, pending legal review for compliance.

c. HEALTH CARE SPENDING ACCOUNT

Effective January 1, 2001, all employees will be offered the following:

A Health Care Spending Account (HCSA) option will be provided to employees eligible for benefits.

This account is a voluntary plan that allows the employee to set aside pre-tax dollars to pay for eligible health care expenses. The maximum HCSA annual contribution will be \$3,000. HCSA may be used to pay for certain expenses for the employee and eligible family members as permitted under IRS Code.

d. FLEXIBLE BENEFIT STUDY

An important consideration in attracting and retaining a changing workforce is the benefit package and our mutual need to ensure that the high financial commitment toward benefits are structured in a manner which delivers high value to both current and prospective employees. Kaiser Permanente and the Partnership Unions have a mutual interest in maximizing employee satisfaction and supporting successful recruitment and retention of employees by examining creative options for the delivery of employee benefits.

The parties have committed to a Labor Management Partnership study to evaluate best practices and recommend an approach that will increase employee satisfaction in the benefits, which constitute an important and costly portion of total compensation. Both parties agree that flexible benefit delivery mechanisms will be thoroughly examined as part of the study.

The Strategy Group shall appoint a joint workgroup within 60 days of ratification, to commence work on this study. The workgroup will deliver findings and recommendations to the Strategy Group no later than April 1, 2001.

The work group will:

- Explore benefit options that neither add nor decrease current costs to the organization
- Ensure that as benefit costs escalate, the Employer will bear the costs as in prior plans
- Develop options that give employees the opportunity to select high, medium and low medical and dental plan options
- Develop options that give employees the opportunity to enhance existing benefits (e.g. vision, life insurance, income protection, etc.)
- Develop options that give employees the opportunity to select increased income protection (short-term disability, long-term disability, life insurance, etc.)
- Develop options that give employees the opportunity to select new benefits not previously provided (long-term care, chiropractic, orthodontia, etc.).

In completing this study, the work group will consider options that increase employee choice and provide creative benefit options in an affordable manner. Any option that may be offered requires mutual agreement before implementation.

2. RETIREMENT BENEFITS

a. JOINT DEFINED CONTRIBUTION/DEFINED BENEFIT STUDY

Labor and Management agree that it is important to provide long service employees with an adequate level of income replacement at retirement. We also believe our retirement program should support recruitment of new employees, improve retention of existing employees, and enhance overall employee satisfaction with their benefits.

We believe this can be accomplished through the consideration of a retirement program that includes Social Security, an employer-provided defined benefit pension plan, and a defined contribution plan. Coupled with education and information, this program would be intended to encourage the participation of all employees in personal investment choices and planning to better prepare them for retirement.

The study is expected to address the interests of Labor, Management and employees. Therefore, the parties have committed to a Labor Management Partnership Project to evaluate best practices and existing programs and recommend a design that meets both our interests and the diverse needs of the workforce.

Any revisions to the current Pension Plans resulting from the study will be jointly developed and must be mutually agreed upon.

b. COMMON RETIREMENT PLAN

A Labor Management Partnership Committee composed of four members, two union and two management, will be formed. Two of these members will also participate on the Joint Defined Benefit/Defined Contribution Study committee mentioned above. This committee will consider the implementation of a modified common multiplier and early reduction factor for the defined benefit plans. *The multiplier evaluation will occur within year two of the contract. Any retroactive application for employees retiring between October 1, 2000 and the implementation date of the plan change will be determined by the committee. The early reduction factor evaluation will occur within year three of the contract.*

Any retroactive application of the early reduction factor for employees who retire on or after January 1, 2002 will be determined by the committee.

Any revisions to the current Pension Plans recommended by the committee will be jointly developed and must be mutually agreed upon.

Effective October 1, 2000, any existing caps on the defined benefit multiplier will be removed.

c. PRE-RETIREMENT SURVIVOR BENEFITS

Under the pension plans, a pre-retirement survivor benefit is payable to the spouse of a deceased employee. The survivor benefit will be expanded to include domestic partners and/or qualified dependents of employees.

Domestic Partner Benefits Under the Pension Plan

Under the pension plans, a survivor benefit will be payable to an employee's designated domestic partner upon the employee's death. An affidavit must be completed whereby the domestic partner and employee certify that they:

- Live together, sharing the same living quarters as their primary residence, in an intimate, committed relationship of mutual caring
- Have no other domestic partner at the time of the Participant's death
- Are responsible for each other's basic living expenses during the domestic partnership
- Are not married to anyone
- Are each 18 years of age or older
- Are not related to each other as a parent, brother or sister, half brother or sister, niece, nephew, aunt, uncle, grandparent, or grandchild and
- Have not been covered by Kaiser Permanente-sponsored benefits with another domestic partner at any time during the last six months.

Non-Spouse Survivor Qualified Dependent

Under the pension plans, survivor benefits will be payable to a qualified dependent. A qualified dependent is one or more individuals who, at the time of the employee's death, meet the definition for a dependent as defined by Section 152(a)(1) of the Internal Revenue Code. The amount of the monthly benefit will be based on the employee's accrued benefit as of the date of death or retirement, whichever is earlier, and will be determined as if the employee had retired on the day before death, and had elected the Guaranteed Years of Payment method for 120 months with the qualified dependent as beneficiary.

If a spouse or domestic partner and a qualified dependent survive the employee, the spouse or domestic partner will receive the survivor benefit. If the employee is survived by a spouse or domestic partner and a qualified dependent and the employee's surviving spouse or domestic partner dies before the tenth anniversary of the employee's death, the qualified dependent will receive a monthly benefit effective the month following spouse's death and ending on the tenth anniversary of the employee's death.

d. GATT AMENDMENT

Effective January 1, 2000, pension plans will be amended to move to the GATT interest rate (the average yield on 30-year Treasury Constant Maturities) and mortality tables (GAM 83). All benefits under the plans will be calculated using GATT provisions. The interest rate for payments will be determined monthly and will be based on the Treasury yield from two months earlier.

Payments made during 2000 will continue to be based on the greater of the applicable monthly GATT rate using the two-month look-back (e.g., payments each month will be based on the Treasury yield from two-months earlier) and GAM 83; GATT rate for January, 2000 and GAM 83; and January, 2000 annual PBGC rate and UP-84.

e. RETIREE MEDICAL BENEFITS

A Labor Management Partnership Committee composed of four members, two union and two management representatives, will be formed. This committee will meet no later than January 1, 2003 to consider modification of the eligibility for retiree medical benefits for Northern California partner employees based on the criteria that apply to Southern California employees.

The leaders of Regions Outside of California (ROC) and the leaders of their partner unions will meet no later than October 1, 2003 to examine the possibility of initiating or modifying eligibility for post retirement medical coverage, depending on individual regional performance.

Any revisions to the current retiree medical benefits will be jointly developed and must be mutually agreed upon.

3. OTHER BENEFITS

Effective January 1, 2001, all employees will be offered the following:

a. DEPENDENT CARE SPENDING ACCOUNT

A Dependent Care Spending Account (DCSA) option will be provided to employees eligible for benefits. This account is a voluntary plan that allows the employee to set aside pre-tax dollars to pay for eligible dependent care expenses. The maximum DCSA annual contribution will be \$5,000. DCSA may be used to pay for certain expenses for eligible family members as permitted under IRS Code.

b. SURVIVOR ASSISTANCE BENEFIT

The Survivor Assistance Benefit will cover employees who are eligible for benefits. This benefit will provide the employee's chosen beneficiary(ies) with financial assistance upon the employee's death. The amount payable is equal to one times the employee's monthly base salary (pro-rated for part-time employees based on regularly scheduled hours). Should death occur while the employee is on a leave of absence of less than one year, the beneficiary(ies) will continue to be covered by this benefit.

4. REFERRALS TO THE STRATEGY GROUP

In order to maximize the value of retirement and other benefits, employees should be educated periodically throughout their careers to better understand and utilize the benefits provided and to assist in effective retirement planning. The Strategy Group will appoint a committee to develop the content and materials for an education program for all Kaiser Permanente employees.

Phased-Retirement: We agree that the Partnership should work to develop enabling legislation and a business case to support phased-retirement.

A representative of the Coalition of Kaiser Permanente Unions will be designated to serve on the Investment Committee of the Kaiser Permanente Pension Plans.

By November 1, 2000, a subcommittee will recommend resolutions to the following issues:

Group 3000: Eligible retirees residing within a KFHP service area but outside the Region in which they were employed;

Out-of-area: Eligible retirees residing outside of a KFHP service area;

Medicare Risk Plan Participation requirements for retirees eligible for retiree medical; and

Workers Compensation: Whether or not workers compensation should be counted toward retirement or retiree medical eligibility.

► C. DISPUTES

Mutual Review and Resolution Processes

(For Sections 2 and 3)

The Parties agree that any dispute concerning interpretation or application of Section 2 or 3 of this National Agreement should be first addressed at the local level by the parties directly involved in the dispute. Such disputes should be initially handled in accord with the grievance procedure set forth in the applicable Local Agreement. Any resolution of the dispute at the local level shall be non-precedent setting.

If no resolution is achieved at the Regional step of the applicable Local Agreement's grievance procedure, within 15 days after receiving the Regional response the moving party may submit the dispute to a National Review Council (NRC). The National Review Council will be composed of one permanent representative designated by the Union Coalition and one permanent representative designated by Kaiser Permanente organizations. The NRC will meet within 10 days after receiving the dispute in an effort to achieve a satisfactory resolution. The NRC will notify the parties, in writing, of any proposed resolution. Unless otherwise mutually agreed by the parties, any resolution shall be non-precedent setting. If no proposed resolution is achieved, or if the moving party does not accept the resolution proposed by the NRC, then the moving party may submit the issue to arbitration within 15 days after receiving notice of the proposed resolution. Arbitration shall be conducted in accord with the procedures set forth below.

Arbitrations shall be conducted before panels consisting of two Union representatives, two Employer representatives and one neutral, third-party arbitrator who will serve as the panel chair.

Within 30 days after ratification of this National Agreement, the Parties will designate a list of seven arbitrators (one from the East, one from the Rocky Mountain area, two from the Northwest and three from California) to serve as panel chairs in their respective geographic areas. The parties will reach mutual agreement on arbitrators based on their common experience with arbitrators in each geographic area. Arbitrators selected shall be provided an orientation to the National Labor Management Partnership and the principles and philosophy of this National Agreement.

Each arbitrator shall provide at least three days in a calendar year for panel hearings, so that the panels chaired by each arbitrator shall be scheduled to convene at least once every four months. A panel date may be cancelled *no more than 4 weeks in advance if there are no cases to be heard by that panel on the scheduled date*. Additional dates may be added based on the caseload and the need for timely resolution; in such circumstances, the parties will give strong consideration to assigning the case to a panel for a particular geographic area whose arbitrator is able to provide the earliest available date.

Cases will be assigned to each arbitration panel by mutual agreement of the parties at the national level. More than one case may be presented to a panel at each session, and the parties will use their best efforts to assure that cases are presented within the same calendar quarter; preferably within 30 days after the referral to arbitration.

The order and manner of case presentation shall be consistent with the expedited procedures currently used

by Local parties pursuant to their Local Agreement. Decisions shall be rendered by a panel majority, and written Opinions and Awards shall be prepared by the neutral arbitrator. The panel decisions shall be final and binding, and written decisions shall issue within 30 days after the hearing is closed. The panel decision shall be precedent-setting, unless otherwise mutually agreed by the parties prior to the hearing.

Time limits may be extended by mutual agreement. At any time prior to issuance of a panel Opinion and Award, the Parties at the National level may agree to remand a dispute to an earlier step of the process.

The arbitrator and arbitration panel shall not be authorized to add to, detract from, or in any way alter the provisions of the National Agreement, the Partnership Agreement, or any Local Agreement.

The arbitrator's fee and all incidental expenses of the arbitration shall be borne equally by the parties; however each party shall bear the expense of presenting its own case and expenses associated with its party panel member(s).

SECTION 3: SCOPE OF THE AGREEMENT

▶ A. SIGNATORIES

This Agreement is entered into this first day of October, 2000 by and between the labor organizations participating in the Coalition of Kaiser Permanente Unions (Union Coalition) and signatory hereto (collectively, "Unions" or individually "Union") and the undersigned organizations participating in the Kaiser Permanente Medical Care Program ("Kaiser Permanente"; collectively "Employers" or individually, "Employer").

▶ B. COVERAGE

This National Agreement applies only to bargaining units represented by Local Unions that Kaiser Permanente and the Coalition of Kaiser Permanente Unions mutually agreed would participate in the national common issues bargaining process and who, prior to the effective date, agreed to include this National Agreement as an addendum to their respective Local collective bargaining agreements. Application to any other bargaining unit, other than newly organized bargaining units as described below, will be subject to mutual agreement of the parties.

The parties agree that when a Local Union signatory to this National Agreement is recognized to represent a new bargaining unit composed of employees of an Employer pursuant to the provisions of the Labor-Management Partnership Agreement and the Recognition and Campaign Rules, the Local parties shall use an interest-based process to negotiate the terms of a Local Agreement and the appropriate transition to the National Agreement.

▶ C. THE NATIONAL AGREEMENT AND LOCAL AGREEMENTS

Provisions of Local Agreements and this National Agreement should be interpreted and applied in the manner most consistent with each other and the principles of the National Partnership. If an irreconcilable conflict exists between specific provisions of a Local Agreement and this National Agreement, the dispute shall be resolved pursuant to the dispute resolution process contained in Section 1.

If there is a conflict, unless expressly stated otherwise, the National Agreement shall supersede the Local Agreement; however, in cases where a Local Agreement contains explicit terms which provide a superior wage, benefit or condition, or where it is clear that the parties did not intend to eliminate and/or modify the superior wage, benefit or condition of the Local Agreement, this National Agreement shall not be interpreted to deprive the employees of such a wage, benefit or condition. It is understood that it is not our intent to inadvertently enrich or compound wages, fringe benefits or other conditions or to create opportunities for "cherry picking," "double dipping," etc.

► D. TERM OF AGREEMENT + EXPIRATION OF LOCAL BARGAINING AGREEMENTS

This National Agreement and its terms shall be effective on October 1, 2000 and end on September 30, 2005.

The local agreements covered by and incorporating this National Agreement as an addendum shall be extended by five years.

The following shall apply in the event that the National Agreement is not renewed at the end of its term.

Group I

Local bargaining agreements that have expired or will expire on or before September 30, 2000 (Group I) will continue during the term of the National Agreement, and expire on September 30, 2005.

Group II

Local bargaining agreements that have expired or will expire between October 1, 2000 and January 31, 2002 (Group II) will be extended by five years, and as a result will expire between October 1, 2005 and January 31, 2007. Employees covered by Group II agreements will receive a wage increase on October 1, 2005 of not less than 3% across-the-board (ATB) in recognition of the extended expiration date. The 3% may be increased by an escalator method based on the Bargaining Task Group wage philosophy factors recommended to the Common Issues Committee on July 6, 2000. The method will be determined no later than April 1, 2001. The method and its application will be subject to resolution in the review process in Section 1 of this National Agreement.

Group III

Local bargaining agreements scheduled to expire on or after February 1, 2002 (Group III) will be extended by five years, and as a result will expire on or after February 1, 2007. Group III agreements will be reopened on a staggered basis between October 1, 2005 and April 1, 2006. The actual dates to reopen each local agreement will be determined no later than April 1, 2001. Group III reopener settlements will apply up to the extended expiration date of the agreement or for a new full term as determined in local bargaining.

► E. LIVING AGREEMENT

The parties acknowledge that during the term of this National Agreement, a party at the National level may wish to enter into discussions concerning subjects covered by this National Agreement or to modify specific provisions of this National Agreement or a party at the Local level may wish to enter discussions concerning subjects covered by the Local Agreement or to modify specific provisions of the Local Agreement. The parties agree that neither a Union nor any Kaiser Permanente entity shall refuse to engage in such discussions. The parties further agree that, consistent with the Partnership principles set forth above, they will engage in such discussions with the intent to reach mutual agreement; however, during the term of this Agreement, no party shall be required to agree to any modifications of either the National or Local Agreement.