



SUMMARY RATIFICATION DOCUMENT, OPEIU LOCAL 50/HNA

NATIONAL AGREEMENT

BETWEEN THE COALITION OF KAISER PERMANENTE
UNIONS AND KAISER PERMANENTE

DURATION: OCT. 1, 2019 TO SEPT. 30, 2023

National Agreement sections in red text.

WAGE INCREASES (Section 2.A.1.)

October 2019 — 3%

October 2020 — 2% plus a 1% lump sum bonus

October 2021 — 2% plus a 1% lump sum bonus

October 2022 — 2% plus a 1% lump sum bonus

If Hawaii region meets or exceeds sustainability margin performance target, the lump sum will be converted to an additional 1% across-the-board (ATB). This means your raise will be a 3% wage ATB increase for years 2020, 2021, and 2022 vs. the above formula of 2% with a 1% lump bonus.

Sustainability Performance targets will be based on operating margins of:

Year 2020 - 1%,

Year 2021 - 1.5%,

Year 2022 - 2.2%

Note: No reduction in starting wages for future employees.

RETIREMENT BENEFITS (Section 2.B.2.b. and Exhibit 2.B.2.b.)

Defined Benefit multiplier increase from 1.40% to 1.45%.

To calculate your **pension**, use the following **formula**: years of creditable service multiplied by a **pension** multiplier (1.45) and then multiplied by your **final average pay**

For example: If you retire with 30 years of service and your final average pay came to \$110,000/year. $30 \times 1.45\% \times \$110,000 = \$47,850$

HEALTH BENEFITS (Section 2.B.1.b.)

During 2020, Coalition and KP will work together on a joint education campaign to help employees understand how the mail order program works (including the convenience of ordering refills from your phone).

On January 1, 2021, in-person prescription refill copays that are available through mail order will be \$10. We will work to get mail order prescriptions to be at least 30% of all Coalition employee prescriptions by July 1, 2022. If we are not successful, in-person prescription refill copays that are available through mail order will increase to \$15. We will work to get mail order prescriptions to be at least 40% of all Coalition employee prescriptions by July 1, 2023. If we are not successful, in-person prescription refill copays that are available through mail order will increase to \$20.

There will be no decrease in the amount of days the prescription is for.

All members should be able to maintain prescription copays unchanged if we use the mail order program where possible.

JOB SECURITY (Side Letter re Subcontracting)

Maintains income security agreement that guarantees one year of income in case of position elimination and guarantees Kaiser will make an effort to place an employee in another position within Kaiser at an equal or greater rate of pay.

Kaiser will not subcontract (bring in an outside company to do the work) existing jobs and functions performed by Coalition represented employees at any KP campus or facility during the term of the agreement (this does not apply to work already subcontracted). This protects EVS and most patient care functions.

In addition, Kaiser will not subcontract Home Health services whether or not they will be performed at a KP campus or facility.

We will partner with Kaiser to improve efficiency and quality to avoid subcontracting being considered. Kaiser may pursue outsourcing of functions that will not be performed at KP facilities if they meet certain criteria and where labor costs are not a factor in the decision to outsource, subject to the presumption against outsourcing and a dispute resolution process.

EDUCATION AND PROMOTIONAL OPPORTUNITIES

(NEW SECTION OR SIDE LETTER)

Experience requirements will be waived for internal employees who want to promote to other Coalition positions and who acquire the necessary license, certification or credential. They will be paid according to this chart:

EXPERIENCE REQUIREMENT	YEAR 1	YEAR 2	YEAR 3
Less than 1 year	Step 1 of new job	Step 2	Step 3
Between 1 and 2 years	Step 1, less 5%	Step 2	Step 3
2 years or more	Step 1, less 10%	Step 2, less 5%	Step 3

Note: Nobody will get a pay reduction as a result of being placed in a new position.

(SECTION 1.D.3.C.)

Employees will be able to be reimbursed up to \$750 of their tuition reimbursement allotment to be used for travel and lodging for courses, workshops, seminars and professional conferences for continuing education (an increase from \$500).

BONUSES

(SECTION 2.A.2.)

The annual PSP bonus will continue.

The parties will work together toward a goal of improving attendance (excluding vacations, by 2% per year). This does not change individual leave accruals or rights

Beginning in 2020, for PSP bonuses paid in 2021 and beyond, attendance will be 25% of the goal. 10% will be for the Coalition submitting a plan to improve attendance and 15% will be for reaching a goal of a 2% overall reduction in non-vacation absenteeism (½ day per year).

BONUSES - (SECTION 2.A.2.) CONTINUED

The Total Health Incentive Program will be discontinued.

CONTRACT SPECIALISTS (Section 1.F.3.)

There will be more Contract Specialists to assist in resolving workplace issues. The ratio will go from 1 Contract Specialist for every 1,500 members to 1 for every 1,200.

STRONGER LABOR-MANAGEMENT PARTNERSHIP

The Coalition and Kaiser will work together to improve attendance by giving it more weight in the PSP bonus, conducting joint education, and by developing strategies to improve the ability of employees to take their vacation, review on-call policies and replacement availability, review mutually agreed upon attendance guidelines, expand flexibility through shift trades and make-up time and consider increasing cash out of unused sick leave or conversion to HRA accounts. (Section 2.A.2.)

Our National Agreement will have a stronger, faster process for resolving disputes. There is a 120-day maximum timeline to the process (previously it could go on indefinitely). Either party can advance a dispute to the next steps after 30 days (previously management could stall indefinitely). An arbitrator will be pre-scheduled so that he/she will be available for final resolution of disputes. (Section 1.L.2.)

Kaiser will contribute \$6 million a year to the Labor Management Partnership. (Section 1.B.3.)

There will be a focus on improving education and training of workers and managers on the principles and processes of the Partnership.

When new groups of Kaiser workers join Coalition Unions, they will convert to existing contractual provisions.

New Employee Orientation (NEO) with the union will now be mandatory for new employees and will be a minimum of 1 hour (an increase from 30 minutes). The Employer and the Union will provide a positive image of each other in the NEO.

Kaiser and the Coalition unions will not pursue, sponsor or support legislation or ballot initiatives, which are specifically targeted at and the primary purpose of which is to harm a member of the other party. There are no other restrictions on the right to protest, speak out, or engage politically. The union will withdraw our unfair labor practices charges against Kaiser related to outsourcing and bargaining.