



National Union of Healthcare Workers

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Optical Workers

Collective Bargaining Agreement With



KAISER PERMANENTE®

**Northern California Region
The Permanente Medical Group, Inc.**

October 1, 2016 – September 30, 2019

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AGREEMENT

THIS AGREEMENT made and entered into as of the 1st day of October, 2016 by and between The Permanente Medical Group, Inc., hereinafter designated as the Employer, and the National Union of Health Care Workers (NUHW) Optical Workers Chapter, hereinafter designated as the Union.

ARTICLE I – PURPOSE OF AGREEMENT

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 by this Agreement, to collaboratively work to provide high quality, affordable service and care for patients and members, and to promote harmonious relations between the Employer and the Union.

ARTICLE II – COURTEOUS AND RESPONSIBLE RELATIONSHIPS

The Union and the Employer, including all KP managers, supervisors, physicians, employees, and Union staff, agree:

- A. That ethical and fair treatment of one another is an integral part of providing high quality patient care.
- B. To treat one another, regardless of position or profession, with dignity, respect and trust, and recognize and appreciate the individual contribution each of us makes in our daily work.
- C. To exhibit a personal, caring attitude toward each person we interact with and do so in ways that ensure courtesy, compassion, kindness and honesty.
- D. To treat one another in the ways we want to be treated ourselves, including clear communication of expectations regarding performance, support of individual opportunities for growth, and provision of opportunities for input into decisions when they impact people directly.

The Union and the Employer shall be responsible for improving communications among all levels of the organization and shall be accountable for modeling and implementing the commitments of this Section.

ARTICLE III – MANAGEMENT RIGHTS

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

13 **ARTICLE IV – RECOGNITION**

14 **Section 1 – Recognition**

15 The Employer recognizes the National Union of Healthcare Workers, Optical Workers unit as the sole collective bargaining agent for employees working in classifications as set forth in Article VII – Scope of Agreement, Section 1 – Employee Classifications.

16 This Agreement shall also apply to any employees who are added to the bargaining unit by unit clarification, accretion and/or agreement of the parties.

17 This Agreement shall also apply to any new classification(s) which may be established within the scope of duties now included within the covered bargaining unit.

18 In the event Kaiser Permanente Northern California Region adds new facilities outside the current Northern California Health Plan service area that are within the jurisdiction of NUHW Optical Workers Unit, the parties shall meet to bargain over all wages, hours, and other terms and conditions of employment for classifications outlined in the current Labor Agreement for personnel assigned to such new facilities.

19 The Employer and the Union agree as follows:

20 A. The Employer may appoint one (1) non-union Branch Manager at each of its dispensing offices currently in operation as well as in each future dispensing office. This is without regard to ratios, the establishment of new facilities or other provisions previously outlined in past agreements between the parties.

21 B. These non-union Branch Managers shall not perform any laboratory or stock work but may perform dispensing duties or other work assigned to bargaining unit members at dispensing offices.

22 If the Employer intends to create a new job which is within the jurisdiction of the Union or if the Employer intends to change an existing job description, it will notify the Union with the intent of reaching agreement on the proposed changes to the job description or creation of the new job and accompanying wage rate. Should the parties not reach agreement, the Employer and the Union shall bargain the issue in good faith.

23 **Section 2 – Volunteers and Special Programs**

24 The volunteers' role in the facilities is to provide services to patients that may not otherwise be offered.

- 25 The Employer agrees that programs such as volunteer programs and summer youth programs shall not be utilized to displace bargaining unit employees or to fill positions previously occupied by bargaining unit employees, nor shall they be used to reduce their hours of work.
- 26 The Employer shall notify the Union upon commencement of volunteer programs and summer youth programs of the number of participants, their classification, work location, hours of work per week, and the duration of the program.
- 27 **Section 3 – Subcontracting**
- 28 In order to maintain competitive product lines and services, it may be necessary to subcontract for services not able to be done at the Regional Optical Lab. This may include vendors with proprietary protocols or technology not available in the Regional Optical Lab.
- 29 The Union recognizes that the Employer has the obligation to provide effective health care in as efficient a manner as possible. The Employer recognizes that the Union has the obligation to protect the rights of union members. To this end, they jointly establish procedures for subcontracting work which has traditionally been performed by bargaining unit employees to an outside shop or agency, and/or for bringing in temporary employees from an outside shop or agency.
- 30 Management reserves the right to meet immediate day-to-day operational needs by contracting for services, for example, through registries, temporary services, etc. It is the intent of the Employer to not subcontract work that has been traditionally performed by bargaining unit employees. Consistent with current and past practice the Employer may subcontract work to meet operational needs, provided such work is first offered to bargaining unit employees and there are insufficient volunteers to complete the work.
- 31 For subcontracting work that is expected to last more than ninety (90) days, the Employer will notify the Union at least thirty (30) days prior to such subcontracting, and the Employer and the Union shall discuss the circumstances resulting in the decision for such subcontracting including the impact, if any, it will have on existing employees. Following this procedure the Union may appeal the Employer's decision directly to arbitration, and the arbitrator shall determine if the Employer's decision was logical in light of the mutual obligations set forth in this Section.
- 32 Notwithstanding the above provisions, the Union agrees that the Employer may continue to subcontract for services not currently performed at the Regional Optical Lab, such as work for vendors with existing proprietary protocols or work using technology not available in the Regional Optical Lab.

33 **ARTICLE V – UNION SECURITY**

34 **Section 1 – Union Membership**

35 It shall be a condition of employment that all employees covered by this agreement and those hired on or after its effective date shall, within thirty-one (31) days following the beginning of such employment, become and remain members of the Union or tender to the Union a fee equal to the initiation fees and periodic dues that are the obligations of members.

36 Employees who are required hereunder to join the Union and maintain membership in the Union, or pay initiation fees and periodic dues uniformly required of members, and who fail to do so shall upon notice of such fact in writing from the Union to the Employer be discharged.

37 **Section 2 – Deduction and Remittance of Union Dues and Fees**

38 The Employer will honor written assignments of wages to the Union for the payment of Union dues and fees, uniformly required, when such assignments are authorized by a signed dues deduction form.

39 The Employer will promptly remit to the Union dues and fees deducted pursuant to such assignments together with a list on hard copy and a disk or electronically (on compatible format) supporting the amount of dues remitted including sufficient detail of employee information and individual payments.

40 **Section 3 – COPE Check-Off**

41 The Employer will honor assignment of wages to the Union's Committee on Political Education (COPE) fund, when such assignments are submitted in a form agreed to by the Employer and the Union, and will promptly remit such contributions to the Union. It is understood by all parties that such contribution will be on an individual and voluntary basis.

42 **Section 4 – Employer Indemnification**

43 The Union shall indemnify the Employer and hold it harmless against any and all suits, claims, demands and liabilities that shall arise out of or by reason of any action that shall be taken by the Employer for the purpose of complying with the foregoing provisions of this Article, or in reliance on any list or certificate which shall have been furnished to the Employer under any of such provisions.

44 **ARTICLE VI – NON DISCRIMINATION**

45 The Employer and the Union agree there shall be no discrimination against any employee or applicant because of membership in the Union or lawful activities on

behalf of the Union, or because of race, color, religion, creed, national origin, ancestry, gender, sexual orientation, age, physical or mental disabilities, political affiliation, marital status, medical condition (as defined by applicable law), or veteran status.

46 There shall be no distinction between wages paid to men and the wages paid to women for the performance of comparable quality and quantity of work on the same or similar jobs.

47 **ARTICLE VII – SCOPE OF AGREEMENT**

48 **Section 1 – Employee Classifications**

49 This Agreement covers the following employee classifications: Optical Lab Foreperson (Lead), Optical Equipment Maintenance Technician, Surface Grinder, Benchperson, Optical Lab Quality Inspector, Optical Lab Apprentice, Optical Lab Utility Worker, Senior Prescription Stock Clerk, Prescription Stock Clerk, Optical Sales Lead Dispenser, Optical Sales Dispenser, Optical Sales Dispenser Apprentice, Optical Sales Assistant, Contact Lens Fitter, Contact Lens Fitter Apprentice, Contact Lens Fitter Assistant, Optical Customer Service Lead Representative, and Optical Customer Service Representative.

50 Nothing herein shall prohibit the Employer from utilizing optical laboratory staff across or between departments to maintain adequate workload coverage.

51 For the purpose of this Agreement, these classifications are defined as follows:

52 An Optical Lab Foreperson (Lead) is one engaged in monitoring, directing, checking and controlling the work of Optical Lab staff, production of optical products, training, computer work, machinery calibration, error resolution, and troubleshooting. An Optical Lab Foreperson also oversees the enforcement of all safety standards, and maintenance of the highest standards in the manufacturing of optical eye wear consistent with the policies and procedures set forth by the Optical Services management.

53 An Optical Equipment Maintenance Technician is one engaged in the necessary repair and preventative maintenance on all optical equipment at the Regional Optical Manufacturing Lab and Sales locations. A maintenance technician must be able to read and understand schematics and blueprints; perform all tests and verification of optical equipment; diagnose system problems and correct them; keep current and assume responsibility for hazardous waste and environmental compliance. Other duties include communicating with vendors to resolve technical and automation problems, ordering and maintaining spare parts for optical equipment, developing and maintaining preventative maintenance programs and supporting documentation, adhering to all safety codes and implementing safety repairs. An Optical Equipment Maintenance Technician may be required to train personnel in the safe operation of manufacturing

equipment.

- 54 A Surface Grinder is one engaged in one or more of the following operations in connection with ophthalmic lenses of varying materials: lens cleaning, de-boxing, layout, taping, tool picking, blocking, generating, roughing, fining, polishing, engraving, hard-coating, washing, computer work and machinery calibration.
- 55 A Benchperson is one engaged in one or more of the following operations in connection with ophthalmic lenses of varying materials: lens cleaning, spotting, blocking, drilling, edging, mounting, dyeing and soldering, tinting, tabbing, hard coating, safety beveling, computer work, machinery calibration and inspecting completed work.
- 56 An Optical Lab Quality Inspector is one engaged in the inspection of prescription eyewear for the purpose of ascertaining the quality of frames, lenses, add-ons, or parts thereof upon completion conform to established mechanical, prescription, and industry standards.
- 57 An Optical Laboratory Apprentice is one engaged in one or more of the duties of a Laboratory Benchperson, AR Coating Technician, Surface Grinder, Prescription Stock Clerk or other Journeyperson level laboratory position, while completing the Apprentices training curriculum.
- 58 An Optical Lab Utility Worker is one engaged in any one or more of a variety of lesser-skilled repetitive type tasks that can be learned in less than one week and require no significant exercise of independent judgment; a minimal level of skill or optical expertise and minimal level of overall process knowledge. Optical Lab Utility Workers will be considered for Apprentice positions after one (1) year of service. No existing journey person or apprentice will be adversely affected by this description.
- 59 Optical Lab Utility Workers can be employed in each laboratory department and shift performing the appropriate duties (examples listed above). The numbers and assignments are at the discretion of the Employer; however, there may be no more than eight (8) employees in this classification.
- 60 A Senior Prescription Stock Clerk is one who will work closely with the facilities to resolve optical products issues. The Senior Prescription Stock Clerk will typically be responsible for activities such as directing, checking, reviewing, assigning, organizing and coordinating the work of three (3) or more other employees within the area of assigned responsibility. Also the Senior Prescription Stock Clerk will be responsible for training and reporting on the work performance of other employees as required. A Senior Prescription Stock Clerk will be capable of performing all duties within the area of responsibility.
- 61 A Prescription Stock Clerk is one engaged in the stock department for duties such as pulling, sorting, filing and supplying of optical inventory. Prescription Stock Clerks may operate and/or enter a variety of information into computers or other automated

devices in the performance of their duties. Prescription Stock Clerks work closely with facilities to resolve optical product issues.

- 62 An Optical Sales Lead Dispenser will specifically and regularly be required to direct, check, review, assign, organize and coordinate the work of Optical Sales staff within a specific sales office. Also, the Lead Dispenser will be responsible for training and reporting on the work of other employees as required. Other duties may also include accounting for daily cash sales activity, handling of patient complaints, enforcement of all safety standards and maintenance of the highest standards in the dispensing of optical goods consistent with the policies and procedures set forth by Optical Services management. A Lead Dispenser will perform customer service duties and floor coordinator duties. A Lead Dispenser will be capable of performing all the duties within their area of responsibility.
- 63 An Optical Sales Dispenser is one engaged in assisting the patient in the selection of eye wear, making such facial measurements and adjustments as are necessary to properly fit glasses to the patients and for providing customer service on all orders, performing floor coordinator duties and applying optical benefits. Dispensers may also repair, solder, check out prescriptions, edge, mount and complete eyeglasses for final delivery to the patients. Dispensers may sell other products or perform other services as deemed necessary by the Employer.
- 64 An Optical Sales Dispenser Apprentice is one engaged in one or all of the duties of an Optical Sales Dispenser and will also perform customer service and floor coordination. All work by an Optical Sales Dispenser Apprentice will be performed under the technical direction of an Optical Sales Dispenser, Optical Sales Lead Dispenser or Optical Sales Branch Manager.
- 65 An Optical Sales Assistant assists patients and Optical Dispensers by aiding them in the selection of frames and other optical products (excluding tints, coatings or any other prescription altering product); picking up and delivering parts, eye wear, contact lenses and other supplies at various locations; ordering supplies; cleaning, arranging, and maintaining optical displays, shop areas and other optical equipment and supplies; preparing, packing and unpacking shipments and returning shipments and other related duties as may be required and/or requested. Optical Sales Assistants will also perform customer service and floor coordinating duties and applying optical benefits.
- 66 A Contact Lens Fitter is one engaged in fitting both rigid and soft contact lenses using an approved spectacle prescription. Duties include but are not limited to measurement of corneal curvature by use of a keratometer; selection of lens size; inspection of fit through the introduction of fluorescein and the use of a Burton Lamp and/or slit lamp; training patients, individually or in groups, in the proper procedure for wear and care of daily and extended wear contact lenses; receives and inspects contact lenses; maintains and reorders stock; rotates solutions; refers for conditions that deviate from the norm, completes necessary records and requests future appointments as necessary. A Contact Lens Fitter must maintain a current National Contact Lens

Examination (NCLE) certification. A Contact Lens Fitter will also perform customer service and floor coordinating, and may assist Optical Dispensers in the performance of their duties.

- 67 A Contact Lens Fitter Apprentice is the entry-level position for the Contact Lens Fitter classification and requires completion of an on-the-job training program. Upon completion of the training program, incumbents of this classification must be able to perform the full scope of Contact Lens Fitter duties prior to promotion to Contact Lens Fitter. A Contact Lens Fitter Apprentice will also perform customer service and floor coordinating and may assist Optical Dispensers in the performance of their duties.
- 68 A Contact Lens Fitter Apprentice is eligible for relief in higher classification if the following conditions are met:
- 69 a. Eighteen (18) months in the position.
- 70 b. Completion of 1st level of the Contact Lens Fitter Apprentice Training Program.
- 71 c. Scheduled to take the National Contact Lens Examination (NCLE) within six (6) months.
- 72 d. Successfully passes the Contact Lens Fitter Journeyman test.
- 73 A Contact Lens Fitter Assistant assists the Contact Lens Fitter by conducting multiple, as well as individual training classes on the proper procedures for the wear and care of contact lenses. Other tasks include but are not limited to receiving lenses; verifying the specifications of the lenses; cleaning and polishing lenses; cleaning and maintaining stock lenses; maintaining proper inventory of stock solutions and products; explaining policies and procedures of refunds and lens replacement agreements to patients; performing checks of lenses on order to assure proper delivery and notifying the patient of any delay. A Contact Lens Fitter Assistant will perform customer service and floor coordinating duties.
- 74 An Optical Customer Service Lead Representative is one engaged in monitoring, directing, checking and coordinating the workflow and call distribution of Customer Service staff, review and resolution of customer service issues; contact lens issues, training, error resolution, and troubleshooting. Enforcement of all standards, policies, and procedures in the Customer Service department, and maintenance of the highest standards in the manufacturing of optical eye wear and contact lens delivery consistent with the policies and procedures set forth by the Optical Services management. Customer Service Lead Representatives must participate in the regular work of their classification within the department including contact lens sales and answering and placing outbound calls.
- 75 An Optical Customer Service Representative is one engaged in supporting member

and branch phone inquiries regarding eyeglass and contact lens orders; answering and placing outbound calls related to regional Optical initiatives including products, promotions, and verification of member benefit eligibility, order status, notification of order delays; modification or cancellation of eyeglass or contact lens orders where no monies are involved; place contact lens orders, collect bankcard payments and send member receipts for contact lens orders; and follow up on missing eyeglass or contact lens orders. Support branch questions; review and communicate product availability and pricing. Insure proper disposition of orders in manufacturing and orders from the contact lens distributor.

76 Prescription Stock Clerks and Optical Dispensers working in the Customer Service Center will be reclassified to the new Optical Customer Service Representative classifications as soon as practical after ratification of the collective bargaining agreement. All future job postings for the Customer Service Center will be for Optical Customer Service Representative or Optical Customer Service Lead Representative.

77 The minimum qualifications for the new Customer Service Center classifications will be those as currently required in the Prescription Stock Clerk and Optical Dispenser job descriptions.

78 Union Leads

79 1. Union Leads Defined

80 Union Leads (positions with the titles Lead, Senior or Foreperson) are bargaining unit employees who are regularly assigned by the Employer to direct and check the work of others. Union Leads must participate in the regular work of their classification. Under the supervision and direction of a manager, Union Leads may also perform the following duties:

81 a. Oversee the orientation and/or training of employees and inform management of any barriers preventing successful completion of training;

82 b. Coordinate the workflow among Employees within the work area;

83 c. Provide technical or functional direction and support to employees; and

84 d. Inform management on the work environment, defined as department resources, staffing needs, training needs and equipment needs.

85 2. Union Leads Are Not Bona Fide Supervisors

86 Union Leads do not act in the role of a bona fide supervisor and are not given any authority for performance evaluations, disciplinary actions, or decisions to hire or fire bargaining unit employees. Union leads will not act independently of management supervision and/or direction.

87 Training

88 For purposes of scheduling training, seniority will be applied within the department (applicable to the Lab) and shift separately.

89 **Section 2 – Employee Categories**

90 A Regular employee is an employee who is regularly scheduled to work a predetermined work schedule of twenty (20) or more hours per week.

91 A Temporary employee is an employee hired for a period of ninety (90) days or less for temporary work on a predetermined basis or as an interim replacement for an employee absent due to vacation, illness, or leave of absence.

92 A Short-Hour employee is an employee who is regularly scheduled to work a predetermined work schedule of less than twenty (20) hours per week.

93 A Casual employee (also known as an On-Call employee) is an employee who is employed on an intermittent basis.

94 If a Casual or Short-Hour employee averages twenty (20) hours per week for a four (4) month period, a Regular position shall be posted at the facility(ies) where the employee worked during such four (4) month period unless acting as an interim replacement.

95 In lieu of eligibility for benefits, Short-Hour, Temporary and Casual employees shall receive a wage differential of one dollar (\$1.00) per hour above the regular rate of their classification.

96 In no event will there be any duplication of pay in lieu of benefits and the accumulation or rights to fringe benefits.

97 **Section 3 – Apprentices**

98 There may be one (1) or more apprentices in each laboratory department if one (1) or more journeypersons are employed in said laboratory department. A ratio of one (1) apprentice to three (3) journeypersons, two (2) apprentices to six (6) journeypersons, three (3) apprentices to nine (9) journeypersons shall be preserved and on the same proportional basis where more than twelve (12) journeypersons are employed. Bench room, surface-grinding, customer service and stock shall be considered separate departments within the meaning of this Section. In no event shall the total number of apprentices employed throughout the Northern California region exceed twenty percent (20%) of the bargaining unit. All apprentices whether in the laboratory or in the branches must work with at least one other journeyperson present in the department or branch.

- 99 All laboratory and dispenser apprentices hired into an apprentice position after October 1, 2005 must gain all skills and knowledge of a journeyperson and will be tested for journeyperson skills and knowledge prior to being promoted to any journeyperson classification.
- 100 A joint Union/Management Board of Review shall be established to assist in the development of an adequate training program for the Contact Lens Fitter Apprentice(s), Optical Sales Dispenser Apprentice(s), and Optical Laboratory Apprentice(s) and journeypersons technicians. Union representatives on the Board of Review shall be selected by the Union. Nothing herein contained shall prevent the foreman from acting as journeyperson within the meaning of this Section, provided said foreman is engaged in such capacity the greater part of their time. An apprentice employed in any branch or lab department in conformity with this paragraph may be transferred to another branch unit or lab department, without affecting the ratio of such other branch or department provided; however, that such transfer shall not thereby entitle the Employer to an additional apprentice for the branch or department from which the transfer is made.
- 101 **Section 4 – Mechanization**
- 102 In the event that the Employer installs new processes, new machinery or new technology which results in the displacement of work currently performed by a job classification in the bargaining unit, such resulting work change and job classification shall be subject to negotiations. During such negotiations the full contract shall remain in effect in accordance with paragraph 547 with no other contract provisions subject to negotiations.
- 103 **ARTICLE VIII – NEW EMPLOYEES**
- 104 **Section 1 – Probationary Employees**
- 105 The probationary period for employees regularly scheduled for twenty (20) hours or more shall be ninety (90) calendar days.
- 106 The probationary period for employees regularly scheduled for fewer than twenty (20) hours shall be 300 hours or ninety (90) calendar days, whichever occurs later.
- 107 During the probationary period, employees may be discharged without recourse to the grievance procedure.
- 108 The probationary period may be extended only by mutual agreement between the Employer, the employee and the Union.
- 109 If an employee is on leave at any time during the probationary period, time spent on leave will not count towards fulfilling the probationary period.

110 Probationary employees shall be provided with appropriate training and orientation tools and a written performance evaluation shall be issued upon completion of sixty (60) calendar days.

111 In no case shall an employee be required to serve more than one probationary period.

112 **Section 2 – New Employee Orientation/New Hire**

113 The Union and the Employer shall coordinate times for Union Representatives/Stewards to meet with new bargaining unit members for thirty (30) minutes during the New Employee Orientation period. The Employer will provide the Union Representative with New Employee Orientation schedules and updates as they occur. Such time will be scheduled within the new employee orientation agenda. It is further understood that, should the Union designate a Union Steward to meet with the new employees, the Steward's time will be paid and the Steward will be released from work for the time needed to meet with the employees.

114 **ARTICLE IX – WORKLOAD DISTRIBUTION**

115 It is the intent of the Employer to distribute the workload equitably among employees in both single work units and departments with due regard for employee safety.

116 When an employee is absent for any reason and if a replacement cannot be obtained in time, it is the intent of the Employer to distribute the workload equitably among the employees in the work unit so that no undue hardship may be placed on an individual worker.

117 **ARTICLE X – REDUCTION IN FORCE/TERMINATION**

118 **Section 1 – Reduction in Force**

119 The Employer will provide the employee and the Union with sixty (60) days written notice of decisions to permanently lay off Regular and Short-Hour employees. A permanent layoff is defined as a reduction in force of more than thirty (30) days. Prior to implementation of such layoff, the Employer will meet with the Union to identify positions to be eliminated, the seniority of affected employees, the present work schedule, the proposed work schedule, and the date(s) of layoff. Additionally, the parties will meet and confer to discuss alternatives to layoffs that will minimize the impact on employees. Such discussions may include consideration of hiring freezes, early retirement for eligible retirees, leaves of absence, reduction of hours, transfers to other departments or facilities, reduction in utilization of contractual and temporary employees or any other alternative(s) that meet management established operational objectives prior to the designated date(s) of layoff. Any agreement or alternatives to layoffs prior to the designated date(s) of layoff, if any, shall be in writing and enforceable under the terms of this Agreement.

- 120 Regular and Short-Hour employees who are permanently laid off shall have seniority among themselves and shall be given first preference region-wide for posted vacancies at facility and bargaining unit levels (including one-day departmental postings except in the following situation: existing employees within the department bidding into a position which will not result in either an increase or decrease in scheduled hours) in the Northern California Region, provided the employee has submitted a transfer request for such vacancies and meets the posted qualifications of the position. Such transfer requests shall be valid until the employee meets the conditions set forth in paragraphs 121-124 below.
- 121 If it is necessary to permanently reduce force, seniority in each department in each facility shall govern provided merit and ability are adequate. In recalling from layoff, the last person laid off shall be the first person recalled. Permanently laid off employees shall retain seniority for:
- 122 1. Twelve (12) months, or,
- 123 2. Until they have refused recall to a position of equal pay and hours in a location to which the employee has submitted a transfer request. Employees on layoff status who accept such an offer at another facility shall have recall rights on any position of equal pay or hours at the facility from which they were laid off for a period of twelve (12) months following the date of layoff.
- 124 3. "Department" as defined in this paragraph shall mean, for purposes of permanent layoff only, the medical center (or facility) and appended medical offices as outlined in Appendix B – Facilities and Appended Medical Offices (in back of the Agreement). Facilities and appended medical offices are subject to change.
- 125 Any Regular or Short-Hour employee who is placed on a temporary layoff for a period of eight (8) days up to fifteen (15) days shall be paid for one (1) week or given one (1) week advance notice of such temporary layoff. A temporary layoff of sixteen (16) days up to thirty (30) days shall be paid for two (2) weeks or given two (2) weeks advance notice of such temporary layoff.
- 126 Notification and/or pay in lieu of notification shall only be applicable for reasons within the control of the Employer. Situations considered as being outside the control of the Employer shall include work stoppage, fire, and natural disaster or "all hazards" (man-made) disasters.
- 127 **Section 2 – Voluntary Termination**
- 128 The Union shall exercise its authority by insisting that its members give two (2) weeks advance notice of their intention to voluntarily resign their employment.

129 **ARTICLE XI – HOURS OF EMPLOYMENT**

130 The workweek is from Sunday 12:01 a.m. to Sunday 12:00 a.m. A work day is from 12:01 a.m. to 12:00 a.m. Forty (40) hours, Sunday through Saturday, will constitute a week's work consisting of five (5) days of eight (8) hours. The Employer will exercise its best efforts subject to the requirements of efficient operations to schedule two consecutive days of rest. Should it be necessary to split days off the Employer will first seek volunteers, and in the event there are not sufficient volunteers the Employer will make the assignment by inverse bargaining unit seniority among qualified employees in the department. Any work performed on the sixth consecutive day of work shall be paid for at the overtime rate of one and one-half (1½) times the regular rate of pay. The day shift shall be broken by a lunch period not to exceed one (1) hour. All work performed in excess of eight (8) hours per day or forty (40) hours per week and on holidays, as specified herein, shall be paid for at the overtime rate of one and one-half (1½) times the regular rate of pay. The Employer will make reasonable efforts to provide advance notice to the extent possible for mandatory overtime on weekends or for overtime exceeding four (4) or more hours.

131 The Employer will guarantee every third Sunday off to Regular employees and will pay time and one-half (1½) for all hours worked on the third consecutive Sunday and each Sunday thereafter until granted a Sunday off. This guarantee does not apply to Regular employees who desire a schedule which includes Sunday work. It is understood that to guarantee Regular employees every third Sunday off, it may be necessary to rotate days off for all employees.

132 The Employer will make every reasonable effort subject to operational needs to assign work on Sundays to qualified employees in the following descending order:

- 133 1. Employees at the facility who volunteer for such work.
- 134 2. Casual, Short-Hour, and Temporary employees at the affected facility.
- 135 3. Casual, Short-Hour, and Temporary employees at other facilities within the vicinity of the affected facility.
- 136 4. Regular employees at the affected facility who will be rotated based on reverse seniority.

137 Each employee is allowed a rest period during each continuous four (4) hours of work. In no case shall a rest period be longer than fifteen (15) minutes or less than ten (10) minutes.

138 The Employer shall assign overtime and additional hours to qualified employees in any one classification at any one dispensing location who have volunteered to be on the list for overtime or additional hours. Such work shall be assigned on a rotational

basis from the lists based upon seniority subject to efficient operations.

- 139 The Employer shall assign overtime and additional hours to qualified Regional Optical Laboratory employees in any one classification by work stations within a department and shift who have volunteered to be on a list for overtime or additional hours. Such work shall be assigned on a rotational basis from the lists based upon seniority subject to efficient operations.
- 140 If no one on the list volunteers for overtime or additional hours and no other qualified employee volunteers, it will be assigned on a rotational basis by reverse seniority to those who have volunteered to be on the list; or, if there had been no volunteers for such list, to those qualified employees in the unit on a rotational basis by reverse seniority. The assignment of additional hours shall not require the Employer to split the additional hours among two or more employees, to pay overtime as a result of such assignment or to change the employees' normally assigned work schedule. These provisions deal with the selection of employees for overtime or additional hours and nothing herein precludes the Employer from requiring the mandatory performance of overtime or additional hours of work.
- 141 Except for reasons beyond its control the Employer will not mandate employees to work overtime or additional hours on the same day and during the same shift after the employee arrives at work. The Employer further agrees to meet with the Union within ninety (90) days following ratification of the Agreement to identify causes that may necessitate the mandatory assignment of any unwanted work time and work towards developing mutually agreeable solutions to avoid the mandatory assignment of additional shifts or overtime.
- 142 An employee may, by mutual agreement, voluntarily reduce his/her hours by agreeing to reduce his/her weekly schedule for a mutually agreeable predetermined length of time, not to exceed six (6) months.
- 143 Should an involuntary, temporary reduction in hours be necessary, such involuntary reduction in hours shall be accomplished in inverse seniority order (least senior first) in each department at each facility by the affected classification(s) provided merit and ability are adequate. Before any such reduction is imposed, the Employer shall canvas other employees in the affected department at each facility to determine if employees would reduce their hours voluntarily as outlined in the paragraph above.
- 144 An employee's schedule will be changed only in response to operational requirements. In such event, consideration will be given to the desires of the affected employees. If there is not mutual agreement, changes will be made in reverse order of bargaining unit seniority within the department among qualified employees

145 **ARTICLE XII – WAGES**

146 **Section 1 – Wages**

147 The Employer shall provide a four percent (4%) across-the-board wage adjustment that is effective the start of the first pay period following October 1, 2016.

148 The Employer shall provide a three percent (3%) across-the-board wage adjustment that is effective the start of the first pay period following October 1, 2017.

149 The Employer shall provide a three percent (3%) across-the-board wage adjustment that is effective the start of the first pay period following October 1, 2018.

150 No salary rate herein provided shall be considered other than a minimum wage and no salary rate above the minimum provided herein shall be reduced by the signing of this Agreement.

151 **Section 2 – Classification Differentials**

152 A. Lead Differential

153 Optical Lab Foreperson (Lead), Optical Sales Lead Dispensers, Senior Prescription Stock Clerks and Optical Customer Service Lead Representatives whose duties relate to the supervision of optical technicians and prescription stock clerks shall receive a wage differential of ten percent (10%) of the contractual Journeyperson rate.

154 B. Optical Equipment Maintenance Technician Differential

155 Optical Equipment Maintenance Technicians shall receive a differential of seven percent (7%) of the contractual Benchperson Rate.

156 C. Skill Premium

157 Qualified Optical Dispensers that, upon the request of the Employer, conduct duties related to a Journey Contact Lens Fitter shall receive the rate of pay in effect for the Journey Contact Lens Fitter for the entire duration in which they are engaged in such duties.

158 D. Mentor Stipend

159 When a Contact Lens Fitting Apprentice Program is instituted, the Employer may request a Contact Lens Fitter to serve as a mentor to apprentices in the Contact Lens Fitter Apprentice Program.

160 Contact Lens Fitters who agree to serve as a Mentor to apprentice(s) shall receive a

stipend of \$300 within 30 (thirty) days following the conclusion of the Program.

Over the course of the Program, Mentors may be expected to cover the following modules with their Apprentice: Contact Lens Delivery appointments; Instrumentation; Contact Lenses; Fitting Appointment; and Pathology. These modules are subject to change at the discretion of the Employer.

161 **Section 3 – Shift Premium**

162 Employees who work on an evening shift as defined below shall receive a premium of one dollar (\$1.00) per hour above their regular rate of pay.

163 Employees who work a night shift as defined below shall receive a premium of one dollar and twenty-five cents (\$1.25) per hour above their regular rate of pay.

164 An evening shift shall be defined as any shift of four (4) hours or more commencing at or after 12:00 noon and terminating after 6:00 p.m.

165 A night shift shall be defined as any shift of four (4) hours or more commencing at or after 10:00 p.m. but before 6:00 a.m.

166 **Section 4 – Float Differential**

167 Regular employees assigned to a permanent facility who are assigned by the Employer to another facility on a temporary basis shall receive a premium of ten cents (\$0.10) per hour for work performed in the facility to which he/she is reassigned if the assignment exceeds one (1) hour.

168 This premium shall not apply to:

169 A. Employees whose primary jobs are unassigned relief employees working within their regularly assigned locations as indicated on their postings or as otherwise notified with fifteen (15) days advance notice.

170 B. Casual, Short-Hour or Temporary employees.

171 C. Reassignment caused by acts of God or workload shifts that are beyond the control of the Employer.

172 Facility includes its environs and related medical offices that are part of a specific medical center. A listing of facilities and their environs is outlined herein in Appendix B.

173 The parties agree that the above referenced Side Letter may be amended during the term of this Agreement in recognition of new facilities, or additions, or changes thereto.

174 **Section 5 – Relief in Higher Classification**

175 An employee who is directed by management to assume the duties and responsibilities of an Optical Lab Foreperson (Lead), Optical Sales Lead Dispenser, Senior Prescription Stock Clerk or Optical Customer Service Lead Representative, shall receive the higher rate of pay for the contractual classification relieved provided the employee assumes the full responsibility of the higher position for a period of four (4) hours or more.

176 No employee shall be required to relieve in a non-bargaining unit managerial position.

177 **Section 6 – Mileage**

178 Employees required to use their personal automobile for employer business will be reimbursed according to the Employer's current policy on mileage reimbursement.

179 **Section 7 – Effective Date Tenure and Across the Board Increases**

180 Tenure increases and across the board increases shall become effective at the beginning of the first full payroll period nearest the employee's date of eligibility for such increase.

181 **Section 8 – Payday and Paychecks**

182 Payday shall be every-other-Friday. When a payday falls on a holiday, employees shall be paid on the day immediately preceding the holiday.

183 Employees upon written request may direct automatic deposit of their paycheck to a bank or saving institution of their choice provided such bank or institution participates in the National Automatic Clearing House Association. Employees electing automatic deposit shall receive a check stub or equivalent information each pay period indicating all payments made.

184 Paycheck shortages shall be paid by no later than the end of the next business day upon request of the employee; otherwise, paycheck shortages shall be paid on the next pay period or per applicable law.

185 **Section 9 – Termination Pay**

186 When an employee is voluntarily or involuntarily separated from employment, the employee will be paid all monies owed pursuant to this collective bargaining agreement, state or federal laws.

187 **Section 10 – Placement into Tenure Steps**

188 Placement in the tenure steps for Optical Sales Dispenser Apprentice and Optical

Laboratory Apprentice positions shall be as follows: Apprentices with less than six months of optical experience will be placed in Step 1; Apprentices with six (6) months but less than one (1) year of optical experience will be placed in Step 2; Apprentices with one (1) or more years of optical experience will be placed in Step 3.

189 **Section 11 – Optical Sales Dispensers – Higher Pay**

190 Optical Sales Dispensers working in a Contact Lens Fitter Apprentice or Contact Lens Fitter Assistant position will receive the higher Optical Sales Dispenser wage rate.

191 **Section 12 – Bilingual Differential**

192 The Bilingual Differential for qualified employees shall be fifty-five cents (\$0.55) for all compensated hours.

193 Employees who are currently certified as QBS Level 2 and/or who currently hold a “bilingual required” position shall be automatically considered qualified. Employees who are currently certified as QBS Level 1 or who wish in the future to qualify for a bilingual differential must first pass an assessment in a language required by the Employer in a given Optical Branch or the Customer Service Center (excluding the manufacturing lab).

194 The Employer, with input from the Union, will develop an appropriate assessment tool to determine the necessary skill level required of an employee to provide Optical service and support in a foreign language. Employees who are currently certified as QBS Level 1 will continue to receive the current Bilingual differential attributed to that level until such time that the Employer has determined eligibility for the fifty-five cents (\$0.55) differential through the new assessment tool.

195 Except for employees who have qualified for a bilingual differential for a bilingual differential neither the Employer nor its agents will direct any employee to use his/her language skills in any interaction with a plan member unless he/she has passed an assessment of language skills applicable to this bargaining unit. The assessment tool and skill level will be determined and developed by the Employer with input from the Union.

196 The Employer, as needed, may prospectively designate new positions as bilingual positions in any language determined by the Employer, post these positions and fill them in accordance with the Agreement. Prior to posting a bilingual required position the Employer will notice the Union and, if requested, meet and confer to review the need for such designation.

197 **ARTICLE XIII – PAID LEAVES**

198 **Section 1 – Sick Leave**

199 A. Any employee who is unable to work on account of bona fide illness, confirmed by a
doctor's certificate, shall be assured of his/her job upon returning to work at any time
within a period of ninety (90) days, provided the illness has not incapacitated the
employee from performing his/her duties.

200 B. Each Regular employee shall accumulate three quarters (3/4) day sick leave with
pay for each calendar month of employment, or nine (9) days of Annual Sick Leave
per year. After completion of the fourth (4th) year of employment, each Regular
employee shall accumulate one (1) day sick leave with pay for each calendar month
of employment, or twelve (12) days of Annual Sick Leave per year. Part-time
Regular employees' Annual Sick Leave will be credited proportionately, based on
scheduled hours. A Regular employee with one or more years of continuous
service will be credited with his/her entire annual allotment of Annual Sick Leave at
the beginning of the pay period in which the employee's anniversary date of hire
falls. If an employee's anniversary date has been adjusted, the "leave accrual
service date" will be used as the date for allotment of Annual Sick Leave. An
employee shall not be entitled to sick leave with pay unless he/she has acquired
three (3) months continuous service credit and in no case shall sick leave be
retroactive to any absence due to sickness during the first three (3) months of
service credit.

201 Pay for sick leave shall be that straight time pay which the employee would have
received had he/she worked his/her regular schedule that day. Paid sick leave shall
count as time worked for purposes of computing overtime and shall be applicable
only if the employee is ill on days he/she was regularly scheduled to work.

202 If an employee claims sick leave, the Employer may require reasonable proof of
disability sufficient to justify the employee's absence from work for the period
claimed, if the Employer has reasonable doubt of the validity of the disability.

203 If the employee claims sick leave immediately prior to or following a holiday, the
employee must, however, provide reasonable proof of disability sufficient to justify
the employee's absence from work for the period claimed to the Employer in order
to be eligible for any sick leave. An employee becoming injured or physically ill while
on vacation is eligible to utilize unused sick leave provided the employee is admitted
as an inpatient to a hospital. Reasonable proof of hospitalization must be provided
in each case.

204 For the purposes of this section only, holidays are as defined in Section 3 –
Holidays below.

205 If an employee is absent on paid sick leave and a holiday occurs during such

absence, if the employee was eligible for holiday pay such pay shall be charged to the holiday and not against sick leave.

206 If an employee is eligible for basic UCD (Disability) benefits, Employer paid sick leave shall be reduced by the amount of the UCD benefit the employee is eligible to receive. Payments received in the form of basic UCD benefits shall not be charged against the employee's accumulated sick leave. If an employee is eligible for Workers' Compensation Insurance payments, the same method of integration with Employer-paid sick leave shall apply.

207 C. For employees with one (1) or more years of continuous service, paid sick leave shall also apply for hours directly associated with medical or dental appointments including appointments covered by the Kaiser Psychiatric Plan "A." For those employees whose appointments are away from the facility where they work, the appointment will be scheduled so that at least part of the scheduled appointment falls either in the first or last hour of the employee's shift or in the hour immediately preceding or following any unpaid meal period. The employee will give written notice of at least twenty-four (24) hours and supply verification that the appointment was kept.

208 D. Sick Leave Accounts

209 An eligible employee has two sick leave accounts: an Annual Sick Leave account, which contains his/her earned, unused sick leave for the current calendar year, and a Banked Sick Leave account, which consists of both a pre-2006 account for any unused sick leave hours earned prior to 2006, and a post-2005 account for any unused sick leave hours rolled over at the end of 2006 and any unused sick leave hours earned and rolled over at the end of any subsequent year. Each year there will be an Annual Sick Leave Cash-Out election period where an eligible employee may elect to cash out unused Annual Sick Leave under either Option 1 or Option 2.

210 Option 1: If an employee has unused Annual Sick Leave hours, and if the employee has at least eighty (80) hours (pro-rated for a part-time employee) in his/her Banked Sick Leave account, the employee may elect to cash out up to eighty (80) hours (pro-rated for a part-time employee) of unused Annual Sick Leave at fifty percent (50%) of its value. Option 2: If an employee has at least one year's worth of accrued sick leave in his/her post-2005 account, the employee may elect to cash out up to eighty (80) hours (pro-rated for a part-time employee) of unused Annual Sick Leave at seventy-five percent (75%) of value. Any unused Annual Sick Leave hours that are not cashed out will automatically roll over into the employee's Banked Sick Leave account.

211 An employee may use his/her Banked Sick Leave hours when the employee is ill or injured, after the employee has exhausted his/her Annual Sick Leave hours. An employee may also use his/her Banked Sick Leave hours immediately when the employee is hospitalized, or for statutory leaves such as Family and Medical Leave,

without first exhausting the Annual Sick Leave. Unused sick leave hours from either Annual Sick Leave or Banked Sick Leave may be used to care for an ill family member in accordance with State Kin Care law.

212 Paid sick leave hours from Banked Sick Leave shall be debited first from an employee's pre-2006 Banked Sick Leave hours and then, only once the employee's pre-2006 Banked Sick Leave hours balance is zero, from the employee's post-2005 Banked Sick Leave hours.

213 Upon retirement or termination for any reason, employees will not be paid for any remaining unused sick leave hours.

214 Pre-2006 Banked Sick Leave Conversion to Credited Service

215 An employee who separates from employment with a balance of two hundred fifty (250) or more pre-2006 Banked Sick Leave ("BSL") hours at the time of retirement or termination will receive Credited Service under K-PEPP equal to the number of hours remaining in his/her pre-2006 BSL account, provided the employee is vested in the K-PEPP. If the employee meets the KPEPP requirements for eligibility under the Normal, Early, Disability or Postponed Retirement provisions, his/her pre-2006 BSL hours will be counted as Credited Service, even if there is a BSL balance of fewer than 250 hours.

216 Post-2005 Banked Sick Leave Conversion to BSL Health Reimbursement Account

217 An employee who separates from employment with eligibility for post-retirement medical benefits (meets age and years of service requirements) will be eligible to have post-2005 Banked Sick Leave ("BSL") converted to a BSL Health Reimbursement Account ("HRA"). Eighty percent (80%) of the post-2005 BSL hours that remain unused at termination will be credited to an unfunded BSL HRA established for retirement, at the employee's base wage at termination, provided the employee's Post-2005 BSL has enough hours so that the sick leave conversion value at termination is at least one hundred dollars (\$100.00). The terms of the BSL HRA are governed by the HRA Plan Document.

218 Upon retirement or termination for any reason, employees will not be paid for any remaining unused sick leave hours.

219 BSL HRA Rules of Application

220 The following rules shall apply to reimbursements from the BSL HRA:

221 1) A former employee or retiree may access the BSL HRA for reimbursement of out-of-pocket medical, dental, vision and hearing care expenses that qualify as federal income tax deductions under Section 213 of the Internal Revenue Code, or for premiums paid to a Kaiser Permanente medical plan. If the former

employee resides in an area where no Kaiser Permanente medical plan is offered, she/he may submit premiums for a non-KP medical plan to the HRA for reimbursement, subject to additional documentation requirements.

- 222 2) In the event of a retiree's death, any balance in the BSL HRA will be available for the benefit of the retiree's surviving spouse or domestic partner who is an eligible dependent as defined by the Internal Revenue Code. The surviving spouse or domestic partner may access the BSL HRA for reimbursement of eligible medical expenses, subject to the same BSL HRA Rules. Any balance in the BSL HRA will remain available until remarriage, entering a new domestic partnership or death.

- 223 The terms of the BSL HRA are governed by the HRA Plan Document.

224 **Section 2 – Vacation**

- 225 All Regular employees who have been in the service of the Employer continuously for one (1) year shall be granted at least two (2) weeks' vacation with pay. All Regular employees who have been in the service of the Employer for two (2) years shall be granted three (3) weeks' vacation with pay annually. All Regular employees who have been in the service of the Employer for five (5) years shall be granted four (4) weeks' vacation with pay annually. All Regular employees who have been in the service of the Employer for ten (10) years shall be granted five (5) weeks' vacation with pay annually.

- 226 On the basis of seniority, the Employer will accommodate requests for consecutive scheduled vacation weeks up to a maximum of four (4) weeks, but not less than one (1) day. Employees will submit to their supervisors by February 1 of each year a list of their choices for vacation periods occurring during the twelve (12) month period commencing April 1. Each employee may request as many vacation periods as he/she has weeks of vacation. A vacation period is defined as any selection of from one (1) to five (5) vacation days in any one (1) calendar week. For instance, two (2) consecutive weeks off equals two (2) vacation periods. A Friday off and the following Monday off also equals two (2) vacation periods. Such requested vacation period shall be granted by seniority subject to efficient operations.

- 227 Seniority shall also apply in granting requests for any vacation time remaining after the application of the above procedure. Vacations not scheduled in accordance with the procedure above may be scheduled in increments not less than one-half (½) day subject to supervisory approval.

- 228 In no event will seniority be utilized to reschedule vacation time already scheduled and granted to employees who have complied with this Section; however, if an employee voluntarily cancels scheduled vacation time, seniority shall govern among employees requesting vacation time which becomes available as a result of such cancellation.

- 229 Vacation seniority, as defined in Article XIX, shall be applied in both the laboratory and dispensing locations by department and, within the laboratory departments to each shift independently. If an Optical Dispenser relieves a Contact Lens Fitter/Trainee and both request the same vacation period, the more senior of the two shall be granted the vacation period subject to efficient operations.
- 230 For purposes of vacation bidding only, at the time of hire, a Utility Optical Worker will be assigned a department. Thereafter, vacation bidding for the Utility Optical Worker will be consistent with the provisions of this Article.
- 231 No employee shall be eligible for vacation benefits as set forth above if such employee is discharged, quits or is terminated for any reason prior to satisfying the conditions of continuous service. Continuous service shall not be deemed to have been broken by absences up to thirty (30) days per year on account of illness, layoff, or leaves of absence granted by the Employer.
- 232 If a holiday occurs during an employee's vacation period, he/she shall receive an extra day's pay or an additional day of vacation.
- 233 Vacation pay shall be at the rate in effect at the time the vacation is taken. In instances where there is a combination of vacation time and work on a pre-scheduled basis, vacation hours paid shall count as hours worked in determining eligibility for weekly overtime.
- 234 Regular employees whose services terminate after six (6) months or more of service shall be paid in cash for vacation time accrued on a prorated basis at the time of separation.
- 235 Employees may cash out vacation time up to one hundred sixty (160) hours per year of their annual accrual as provided in the Kaiser Permanente "In-Service Cash Out" (ISCO) benefit provisions. Such election must be made during Open Enrollment of the year preceding the year the cash out will occur. Such election is irrevocable.
- 236 Special Selection of New Year's Eve and Christmas Eve
- 237 A. Half the staff in each branch may request and be granted either Christmas Eve or New Year's Eve as a vacation day deducted from the employees' accrued vacation. Preference for the vacation day (Christmas Eve or New Year's Eve) will be awarded by seniority. Employees must be scheduled to work on the day and have sufficient hours available in their vacation bank to be eligible for this provision.
- 238 B. Half the staff in the Regional Optical Lab may request and be granted either Christmas Eve or New Year's Eve as a vacation day deducted from the employees' accrued vacation. Preference for the vacation day (Christmas Eve or

New Year's Eve) will be awarded by seniority. Employees must be scheduled to work on the day and have sufficient hours available in their vacation bank to be eligible for this provision.

- 239 C. The use of vacation for purposes of this subsection shall not be considered as a
"vacation period" for purposes of vacation requests.

240 **Section 3 – Holidays**

- 241 The following holidays shall be observed: New Year's Day, Martin Luther King Day, Washington's Birthday, Memorial Day, Independence Day, Labor Day, Thanksgiving Day and Christmas Day.

- 242 Each Regular employee with ninety (90) days service shall become eligible for two (2) floating holidays per year. Each year (November 1 through October 31) the Employer and the employee shall agree on the days to be taken as float holidays. If agreement is not reached on which days, two (2) days will be added to the employee's vacation.

- 243 If a holiday falls on a Regular employee's day off, except Saturday holidays as addressed below, he/she shall receive an additional day off within four (4) weeks either prior to or subsequent to the holiday with pay. In the event two (2) or more employees request the same day off, seniority shall govern subject to efficient operations.

- 244 There shall be no deduction in pay on account of holiday closing and any work performed by Regular part-time and Regular full-time employees on the above-mentioned holidays shall be paid for at the overtime rate of time and one-half (1½) in addition to regular pay.

- 245 Employees having a regular workweek shall receive their regular rate of pay for any holiday previously referred to falling on Monday even though the employee has not worked on said holiday. Holidays paid for, but not worked, shall count as time worked for computing weekly overtime for work performed later in the same week if the holiday falls on the employee's normally scheduled work day.

- 246 Holidays falling on Sunday shall be observed on the following Monday. Holidays that fall on a Saturday which is also an employee's scheduled day off shall be converted to an additional floating holiday to be used during the contract year (November 1 through October 31). If agreement is not reached on which day this floating holiday will be taken, it will be added to the employee's vacation. Employees who are normally scheduled to work on Saturday and who are given the day off shall celebrate and be paid for the holiday on Saturday. Employees who are normally scheduled to work on Saturday and who do work on Saturday shall receive the holiday pay/premiums as outlined in paragraph 245.

247 Short-hour, casual and temporary employees who actually work on a holiday specified in paragraph 241 above (but excluding Float holidays) shall be paid at the overtime rate of time and one-half (1½) for all hours worked on said specified holiday.

248 **Section 4 – Flexible Personal Days**

249 Each Regular employee shall be entitled to three (3) Flexible Personal Days per year. Personal Days may be used for personal reasons in increments of not less than (2) hours. Requests for a single Flexible Personal Day off, or for hours within a single shift, shall be granted upon receipt of at least two (2) weeks' notice. Requests for consecutive days off, for days before or after a holiday, or for other days designated by mutual agreement, will be reviewed and approved or denied on a case-by-case basis in order to meet core staffing needs.

250 All unused Personal Days will be converted at fifty percent (50%) of value to cash at the end of each payroll calendar year. Personal Days may be cashed out upon resignation or termination; however, upon retirement, Personal Days will be converted at 50% of value. For the purposes of this Section, a retirement means that the employee has retired from the organization pursuant to the terms of a qualified Kaiser Permanente retirement plan.

251 **Section 5 – Paid Educational Leave**

252 A. Eligible Employees

253 After the completion of one (1) full year of service, Regular employees shall be eligible to use up to forty (40) hours of paid educational leave each year, subject to the operational needs of the Employer. Paid educational leave may be taken by full days or by hourly increments as time away from the job, commencing with the thirteenth (13th) month of service. Part-time Regular employees shall have their educational leave earned on a pro-rata basis, based on their scheduled hours. Educational leave may be cumulative to a maximum of one hundred sixty (160) hours.

254 B. Educational Programs

255 Educational programs and programs necessary for licensure or re-licensure will be related to the current job or jobs within the healthcare field in accordance with the following.

256 Educational programs to be considered for paid educational leave will be as follows:

257 1. Formally organized courses related to the employee's current job or jobs within the healthcare field or, if mutually agreed, in another appropriate job field.

- 258 2. Formally organized seminars and symposia dealing with contemporary practices in the employee's current job or jobs within the healthcare field or, if mutually agreed upon, in another appropriate job field.
- 259 3. Formally organized courses in related subjects leading to a degree in the employee's current job or jobs within the healthcare field or, if mutually agreed upon, in another appropriate job field.
- 260 4. Formally organized specialized courses relating to the employee's current job field.
- 261 5. Continuing Education Unit (CEU) hours based upon presentation of original proof of successful completion of course. One CEU is equal to one hour of educational leave.

262 The various programs covered above include those sponsored by educational institutions, government agencies, hospital, union, or professional associations. It is agreed that the above set forth activities shall be job related or those to which the employee can expect to transfer or be promoted in the usual course of eligibility. Educational leave shall be applicable only for actual attendance in the course, seminar, class or symposia and shall not apply for preparatory time incidental to those courses, seminars, classes or symposia.

263 C. Administration

264 Requests for leave shall be made in writing setting forth the details, i.e., dates, hours, subject, faculty and purpose of taking the course. The employee may be requested by the Employer to make a report on subject activity in writing to be presented to the employee's supervisor or department manager.

265 If an employee submits a written request for paid educational leave at least one (1) month in advance, the Employer will notify the employee in writing at least two (2) weeks in advance as to whether the requested leave will be permitted or denied. A later request will not be denied solely because of non-conformance with this time limit.

266 Such leave shall not be unreasonably denied without adequate cause based upon operational requirements nor because of the season of the year.

267 D. Hours Paid

268 Employees who attend the above-defined programs on their normally scheduled days of work shall be eligible for paid educational leave in accordance with the following:

269 1. If four (4) or more hours of an educational program fall within the employee's normally scheduled shift, the employee will be excused from his/her shift assignment and will receive educational leave pay equal to his/her regularly scheduled shift that day.

270 2. If less than four (4) hours of the educational program fall within an employee's shift, the Employer shall have the option of excusing the employee from his/her shift assignment or scheduling the employee to work the remainder of his/her shift. If the employee is scheduled off, the employee shall receive educational leave equal to his/her regularly scheduled shift that day. If the employee is scheduled to work the remainder of his/her shift, then the employee shall be paid the combination of educational leave and worked time which shall equal but not exceed his/her regularly scheduled shift that day.

271 E. Night Shift Employees

272 A night shift employee (as opposed to a day or evening shift employee) who is presently licensed, certified or registered as defined by the Collective Bargaining Agreement who attends educational programs which would otherwise qualify under the educational leave and pay provision but fall entirely outside of the employee's night shift may accumulate such educational leave time until he/she has accumulated the equivalent of a full shift. At that time equivalent paid time off at the mutual convenience of the facility and the employee will be arranged.

273 F. Tuition Reimbursement

274 Eligible employees will be reimbursed according to the Employer's current policy on tuition reimbursement.

275 **Section 6 – Bereavement Leave**

276 When a death occurs in the immediate family of an employee, (s)he shall be entitled to a leave of absence of up to three (3) days with pay for deaths in the area and two (2) additional days with pay for travel of 300 miles (each way) or more for a funeral or memorial service. Additional time off will not be unreasonably denied. An employee may use their paid time off for such purposes. Immediate family is defined as spouse domestic partner, parent, step parent, parent-in-law, step parent-in-law, in loco parentis, step child, legal ward, foster child, adopted child, daughter, step daughter, daughter-in-law, step daughter-in-law, son, step son, son-in-law, step son-in-law, sister, step sister, sister-in-law, step sister-in-law, brother, step brother, brother-in-law, step brother-in-law, grandparent, step-grandparent, grandchildren, step grandchildren and relatives living in the same household.

277 **Section 7 – Jury Duty Summons and Subpoenas**

278 A. Pay

279 An Employee required to report for jury service or subpoenaed to appear as a witness in a judicial procedure arising out of his/her employment will be excused from work on such days and shall be paid for such time at his/her regular rate of pay including applicable premiums/differentials.

280 B. Adjustment of Schedule

281 When an Employee is called for such service, his/her schedule shall be adjusted accordingly, for scheduling purposes only, with no loss of pay, unless the Employee requests to maintain his/her current schedule.

282 C. Evidence of Attendance

283 The Employee must present his/her supervisor with a copy of the jury summons and evidence of attendance.

284 D. Return to Work

285 On any day of jury service in which an Employee is excused entirely or in sufficient time to permit the Employee to return to work for a minimum of one-half (1/2) his/her scheduled workday, he/she shall be required to do so.

286 **ARTICLE XIV – LEAVES OF ABSENCE**

287 Leaves of absence without pay for emergency situations may be granted to employees at the discretion of a senior manager. Normally, an employee must have at least six (6) months' service to be considered for a leave of absence. A leave of absence request shall not be unreasonably denied because of the season of the year. The following are some of the situations normally considered to be just reasons for such leave: (a) death in the immediate family; (b) sickness or injury in the immediate family; (c) other bona fide emergencies.

288 Such leaves of absence shall not be in excess of thirty (30) days, but may be extended beyond that time at the discretion of a senior manager. Leaves of absence for a non-industrial physical disability including maternity leaves shall be granted for the period of disability provided that a physician's certification setting forth the length of such disability is submitted. Leaves of absence as referred to in this paragraph shall not exceed a total of six (6) months. The period of any leave of absence, except those of a duration of less than thirty (30) days, will not accrue to the service credit of the employee for the purposes of tenure increases or for vacation and sick leave computations or any other benefit where length of service is a condition of entitlement.

- 289 Leaves of absence and renewals thereof shall be in writing with one (1) copy to the employee and one (1) copy to the Personnel Office.
- 290 An employee placed on an authorized leave of absence must pay the required premium necessary for continued health plan and life insurance coverage as specified in Article XV during the period of any authorized leave of absence, except in the case of an industrial illness or injury.
- 291 Leaves of absence for an industrial injury or illness shall be granted for the period of the employee's disability or for thirty (30) day renewable increments based upon a physician's certification setting forth the length of such disability. Such industrial leaves shall not exceed a total of six (6) months. However, for those employees with two (2) or more years of continuous service, such industrial leaves shall be extended beyond that time for a period not to exceed an additional six (6) months upon a physician's verification of need. During the period of time during which an employee is on a leave of absence resulting from an industrial injury or illness incurred in the course of employment or arising out of employment with the Employer, they shall accrue service credit for the purposes of promotions and wage tenure increases. For a maximum of six (6) months during the period of the leave, the employee shall continue to be covered by the Kaiser Foundation Health Plan and the life insurance policy defined in Article XV of this Agreement at the Employer's expense.
- 292 When an employee returns to duty from an authorized leave of absence, s/he shall be reinstated in the same classification in which s/he was employed before his or her absence, but if conditions have so changed in the optical laboratories that it is not reasonable to reinstate the employee in the same classification, the Employer will reinstate the employee in a classification that is as nearly comparable to his or her original classification as is reasonable under the circumstances. Prior notice of two (2) weeks of intent to return from a leave of absence must be given by the employee to the employee's supervisor as a condition of reinstatement to any position.
- 293 In the event the employee has returned to a job in a department other than that from which they were granted their leave of absence, they shall retain their total departmental seniority which they had accrued at the time the leave of absence commenced. Such seniority shall be used for the purposes of bidding on vacancies in their prior department for a period of six (6) months or until they have declined a position in their prior department and classification, whichever occurs first.
- 294 All persons hired to 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 from leave.
- 295 During the term of this Agreement, nothing herein shall prohibit the Employer or the Union from mutually agreeing to "reasonable accommodations" for injured or disabled workers. Any "reasonable accommodation" shall be in accordance with a physician's recommendation.

296 **ARTICLE XV – INSURANCE BENEFITS**

297 **Section 1 – Health Insurance for Active Employees**

298 The Employer agrees to provide Kaiser Foundation Health Plan benefits for employees regularly scheduled to work twenty (20) hours or more per week and eligible dependents, to include eligible domestic partners, or to pay the premium required to provide the Alternate Medical Plan as described in the plan document for employees regularly scheduled to work twenty (20) hours or more per week and eligible dependents, to include eligible domestic partners. Eligible dependents shall include children up to twenty-six (26) years of age. The Employer agrees to provide the benefit currently described as Kaiser Foundation Health Plan “Mid Benefit” (e.g., \$20 DOV, \$50 ER, and \$10 generic drug and \$15 brand drug co-pays) to all Regular employees, their spouses/eligible domestic partner and their eligible dependents. A detailed list of co-payments for the “Mid Benefit” is in Appendix E. The Alternate Medical Plan remains available only through December 31, 2017.

299 The Employer agrees to pay any additional premium payments required to provide the benefits described above during the term of this Agreement, except as otherwise stated.

300 Kaiser Foundation Health Plan or Alternate Medical Plan coverage for employees and dependents shall become effective the first day of the month following the date the employee is regularly scheduled to work twenty (20) hours or more per week.

301 Employees may change from one health insurance plan to another during the annual Open Enrollment period.

302 **Section 2 – Health Insurance for Retired Employees**

303 **Retiree Medical Program for Active Employees On or After January 1, 2015**

304 **Section 1 – Retiree Health Plan Coverage for Active Employees on and After January 1, 2015**

305 **Retiree Medical Program “Eligibility” For Active Employees**

306 Category 1. Is an active employee who was hired before January 1, 2015, and who is age fifty-five (55) or older with fifteen (15) or more years of service upon termination. A year of service is defined as 1,000 compensated hours or, if more favorable, as otherwise defined under the rules existing prior to January 1, 2015. On or after January 1, 2015, a year of service is equal to two thousand (2,000) compensated hours, and pro rated for years in which the employee has at least 1,000 hours but fewer than 2,000 hours.

- 307 Category 2. An active employee hired on or after January 1, 2015 who is age fifty-five (55) years or older with twenty (20) or more years of service upon termination. A year of service is defined as two thousand (2,000) compensated hours, and pro rated for years in which the employee has at least 1,000 hours but fewer than 2,000 hours.
- 308 Retiree Medical Program “Medical Subsidy” For Category 1 and 2 Employees
- 309 Category 1. Upon attainment of age sixty-five (65) or older, or Medicare-eligibility if earlier, a Category 1 retiree shall receive a Medical Subsidy toward enrollment in the Northern California Region Kaiser Permanente Senior Advantage Plan (“KPSAP”) or as further described in the “Medical Subsidy” rules below. The Medical Subsidy for 2017 shall be equal to the greater of \$186 per month or the monthly plan premium of the highest cost basic individual Northern California Region Kaiser Permanente Senior Advantage Plan or its successor as of January 1, 2017 (the maximum Medical Subsidy for 2015 was \$175 and for 2016 is \$180.25). After 2017, the Medical Subsidy shall increase by three percent (3%) each year. A Category 1 Retiree’s spouse or eligible domestic partner shall receive a Medical Subsidy equal to one hundred percent (100%) of the retiree’s Medical Subsidy. If the Category 1 retiree’s spouse or domestic partner is not yet Medicare-eligible when the Retiree attains age 65, the spouse or domestic partner shall be covered under the active employee plan in effect, until attainment of age sixty-five (65), or Medicare-eligibility if earlier. A Category 1 retiree’s eligible dependent child and disabled dependent child shall be covered under the active employee plan in effect at the time that the eligible dependent receives services. The Retiree Medical Program for a Category 1 retiree’s eligible dependents (spouse, domestic partner, and/or eligible children) will not apply until the retiree attains age 65 or Medicare eligibility. Eligible spouse/domestic partner, or eligible disabled dependent children, who are not yet Medicare eligible, must enroll in Medicare and Kaiser Permanente’s Senior Advantage Plan as soon as they become eligible in order to maintain retiree medical coverage.
- 310 Category 2. A Category 2 retiree, his or her spouse or domestic partner, and his or her dependent child will not receive a Medical Subsidy.
- 311 Retiree Medical Program “Medical Subsidy” Rules of Application (Category 1 only)
- 312 If the Medical Subsidy amount exceeds the premium costs, then the excess amount will be forfeited. Any cost of medical coverage above the Medical Subsidy shall be borne by the retiree. A retiree who does not pay the retiree’s share of KPSAP premiums shall lose coverage in accordance with KPSAP terms. If a retiree does not pay the retiree’s share of KPSAP premiums for his or her Medicare-eligible spouse or domestic partner, the spouse or domestic partner shall lose coverage in accordance with KPSAP terms. Within the Northern California Region or another Kaiser Permanente Service Area, Medical Subsidy applies only for the amount of basic KPSAP coverage (and not for any non-Kaiser Permanente plan). A retiree must enroll in Medicare Parts A & B and any other relevant Parts of Medicare, assign his or her Medicare rights to the applicable Kaiser Permanente Plan, and take such other action as the applicable Kaiser

Permanente Plan determines is necessary to assign/coordinate Medicare. The spouse or domestic partner must also take the same actions when eligible. If the retiree does not pay the balance of the premiums for the spouse or domestic partner, the spouse or domestic partner shall lose coverage in accordance with the plan terms. If a Category 1 retiree and/or his or her eligible dependents reside outside of a Kaiser Permanente service area, the Medical Subsidy can be used for any medical premiums permitted by the Internal Revenue Code.

313 The Medical Subsidy for a Category 1 retiree, for his or her spouse or eligible domestic partner, and coverage for the Category 1 retiree's eligible dependent children, shall not apply until the Category 1 retiree attains age 65 or is Medicare eligible unless the retiree meets the definition of Category 3: Disabled Employees as described in Section 2.

314 In the event of a Category 1 retiree's death, the Medical Subsidy for a surviving spouse or eligible domestic partner will continue for the survivor until remarriage/recommitment or death.

315 Retiree Medical Health Reimbursement Account ("HRA") For Category 1 and 2 Employees

316 A Category 1 employee will receive an Employer allocation to an unfunded Retiree Medical Health Reimbursement Account ("HRA") at the time of retirement in the amount of \$750 per year of service. A Category 1 employee who retires on and after January 1, 2017 will receive an Employer allocation to an unfunded Retiree Medical HRA at the time of retirement in the amount of \$1,400 per year of service. A year of service is equal to 1,000 compensated hours or as otherwise defined under the rules existing prior to January 1, 2015. On or after January 1, 2015, a year of service is equal to two thousand (2,000) compensated hours, and pro rated for years in which the employee has at least 1,000 hours but fewer than 2,000 hours.

317 A Category 2 employee will receive an Employer allocation to an unfunded Retiree Medical HRA at the time of retirement in the amount of \$750 per year of service up to a maximum of thirty-five (35) years. A Category 2 employee who retires on and after January 1, 2017 will receive an Employer allocation to an unfunded Retiree Medical HRA at the time of retirement in the amount of \$1,400 per year of service up to a maximum of thirty-five (35) years. A year of service is equal to two thousand (2,000) compensated hours, and pro rated for years in which the employee has at least 1,000 hours but fewer than 2,000 hours.

318 Retiree Medical HRA Rules of Application

319 The following rules shall apply to reimbursements from the Retiree Medical HRA:

320 1) A retiree may access the Retiree Medical HRA for reimbursement of IRS-approved expenses (with limitations described in paragraphs 2) and 3)

below) upon attainment of age sixty-five (65). A retiree who becomes Medicare-eligible prior to age sixty-five (65) may access the Retiree Medical HRA prior to age sixty-five (65).

- 321 2) For a retiree residing within a Kaiser Permanente Service Area, reimbursements shall be limited to the KPSAP (or other plans offered by Kaiser Foundation Health Plan) coverage costs, consisting of premiums in excess of the Medical Subsidy and deductibles or co-payments required for covered services under KPSAP (or other plans offered by Kaiser Foundation Health Plan).
- 322 3) A retiree residing outside the Kaiser Permanente Service Area may receive Retiree Medical HRA reimbursements for any Medicare supplemental plan costs, consisting of Medicare supplemental plan premiums in excess of the Medical Subsidy, and Medicare supplemental plan deductibles or co-payments, based on guidelines issued by the Internal Revenue Service.
- 323 4) To the extent the Retiree Medical HRA mechanism is not available for a retiree's same-sex spouse or domestic partner, due to federal tax limitations, this paragraph shall apply. If an eligible retiree has an eligible domestic partner or same-sex spouse who is not a dependent as defined in the Internal Revenue Code, one-third (1/3) of the amount that otherwise would be allocated to the Retiree Medical HRA will instead be paid out in cash to the retiree within ninety (90) days of the later of the date the retiree attains age sixty-five (65) or separates from service. The amount described in this section shall, in no event, be paid later than the end of the applicable calendar year (or the 15th day of the third month after the applicable event, if later).
- 324 5) In the event of a retiree's death, any balance in the Retiree Medical HRA will be available for the benefit of the retiree's surviving spouse or domestic partner who is an eligible dependent as defined by the Internal Revenue Code. The surviving spouse or domestic partner may access the Retiree Medical HRA for reimbursement of eligible medical expenses, subject to the same Retiree Medical HRA Rules of Application in sections 2) and 3) above, when the retiree would have been eligible to access the HRA. Any balance in the Retiree Medical HRA will remain available until remarriage, entering a new domestic partnership or death.

325 Section 2 – Retiree Medical Program for Disabled Employees On or After January 1, 2015

326 Retiree Medical Program “Eligibility” for Disabled Employees On or After January 1, 2015

327 Category 3. An active employee who is eligible for employer-paid health benefits as an active employee, who retires (separates from service) on or after January 1, 2015, after becoming disabled, and who has at least fifteen (15) years of service

and who is eligible for disability benefits under Title II of the Social Security Act. For the purpose of determining an employee's eligibility under Category 3, a year of service is defined as one thousand (1,000) compensated hours or, if more favorable, as otherwise defined under the rules existing prior to January 1, 2015. On or after January 1, 2015, a year of service is equal to two thousand (2,000) compensated hours, and pro rated for years in which the employee has at least 1,000 hours but fewer than 2,000 hours.

328 Retiree Medical Program "Medical Subsidy" For Disabled Employees

329 A Category 3 disabled retiree shall be entitled to a Medical Subsidy equal to the greater of \$186 per month or the monthly plan premium of the highest cost individual Northern California Region Kaiser Permanente Senior Advantage Plan or its successor ("KPSAP") as of January 1, 2017. After 2017, the Medical Subsidy shall increase by three percent (3%) each year. Unless the Category 3 disabled retiree also meets the requirements in Category 1, a Category 3 disabled retiree's spouse, eligible domestic partner and non-disabled children shall not receive a Medical Subsidy. Disabled dependent children shall be covered under the active employee plan in effect at the time services are received. If the Category 3 disabled retiree also meets the requirements in Category 1, see Category 1, above for 100% Medical Subsidy for spouse/domestic partner, and for dependent coverage for a spouse/domestic partner who is not yet Medicare-eligible, and for non-disabled children.

330 The Retiree Medical Program "Medical Subsidy" Rules of Application above, for Category 1 Retirees shall also apply for Category 3, Disabled Retirees.

331 Employer Allocation to Retiree Medical Health Reimbursement Account ("HRA") For Disabled Employees

332 A Category 3 disabled retiree will receive an Employer allocation to an unfunded Retiree Medical HRA at the time of retirement (separation from service) in the amount equal to the greater of \$15,000 or \$750 per year of service. A Category 3 disabled retiree who retires on and after January 1, 2017 will receive an Employer allocation to an unfunded Retiree Medical HRA at the time of retirement (separation from service) in the amount equal to the greater of \$28,000 or \$1,400 per year of service. For periods before January 1, 2015, a year of service is based on a one-thousand (1,000) hour compensated year or as otherwise defined prior to January 1, 2015, if more favorable. On or after January 1, 2015, a year of service is equal to two thousand (2,000) compensated hours, and pro rated for years in which the employee has at least 1,000 hours but fewer than 2,000 hours.

333 The Retiree Medical HRA Rules of Application above for Category 1 and 2 retirees shall also apply to Category 3, Disabled Retirees.

334 **Section 3 – Life Insurance**

335 Beginning January 1, 2018, the Employer will provide each employee regularly scheduled to work twenty (20) hours or more per week with fifty thousand dollars (\$50,000) Group Life Insurance and five thousand dollars (\$5,000) Accidental Death and Dismemberment coverage and the cost of such coverage shall be paid by the Employer. Coverage shall become effective the first of the month following the date the employee is regularly scheduled to work twenty (20) or more hours per week.

336 Employees are eligible to purchase up to fourteen thousand dollars (\$14,000) of additional contributory life insurance. This fourteen thousand dollars (\$14,000) includes six thousand five hundred dollars (\$6,500) accidental death and dismemberment coverage.

337 **Section 4 – Dental Insurance**

338 After six (6) months of continuous employment, Employer-paid basic dental plan coverage will be provided to all Regular employees, their spouses, eligible domestic partners and their unmarried dependent children up to twenty-six ~~five~~ (26~~5~~) years of age, provided they have the same regular residence as the employee, and are dependent on the employee for support and maintenance.

339 Through December 31, 2017, the basic plan shall pay for covered services at the rate of ninety percent (90%) of usual, reasonable, and customary fees, one thousand dollars (\$1,000) per calendar year maximum per covered individual, fifty percent (50%) for prosthodontics. Additionally, dental insurance includes orthodontic coverage for dependent children at the rate of fifty percent (50%) of usual, reasonable, and customary fees with a one thousand dollar (\$1,000) lifetime maximum.

340 Beginning January 1, 2018, the basic plan shall pay for covered services at the rate of ninety percent (90%) of usual, reasonable, and customary fees, one thousand five hundred dollars (\$1,500) per calendar year maximum per covered individual, fifty percent (50%) for prosthodontics. Additionally, dental insurance includes orthodontic coverage for dependent children at the rate of fifty percent (50%) of usual, reasonable, and customary fees with a one thousand five hundred dollar (\$1,500) lifetime maximum.

341 **Section 5 – Continuance of Coverage**

342 An employee placed on authorized leave of absence must pay the required premium necessary for continued medical, dental and group life insurance coverage during the period of any authorized leave of absence, except in the case of an industrial illness or injury or FMLA leave.

343 This Labor Agreement contains a brief description of health and welfare benefits. Further information on benefits can be found in the Summary Plan Description in

MyHR. Coverages, limitations and exclusions of these Health and Welfare Plans are established and governed by the Employer's service agreements with respective providers, insurance contracts and Plan Documents, which are available for inspection.

344 **ARTICLE XVI – PENSION**

345 **Section 1 – Kaiser Permanente Employees Pension Plan (KPEPP)**

346 Effective January 1, 2015, a newly hired employee will not be eligible for, and will not become a participant in, the Kaiser Permanente Employees Pension Plan ("KPEPP"). A newly hired employee will be covered under the Kaiser Permanente Northern California Employees Defined Contribution (EDC) plan, as described below.

347 For employees hired prior to January 1, 2015, the Employer provides the Kaiser Permanente Employees Pension Plan (KPEPP). An Optical Worker becomes eligible to participate in the plan upon the first anniversary of hire date provided that the employee worked at least 1000 hours during that 12-month period.

348 A. Years of Service determines eligibility for participation, vesting and retirement. Any calendar year in which an eligible Optical Worker receives pay for 1,000 or more hours of employment is a year of Service.

349 B. Years of Credited Service determine the pension benefit amount. Any calendar year in which an eligible Employee receives pay for two thousand (2,000) or more hours of employment is a full year of Credited Service. For years in which an eligible Employee has fewer than two thousand (2,000) compensated hours, he/she shall receive partial Credited Service.

350 **Pension Offset Rules**

351 If an Employee is entitled to receive a benefit from another qualified defined benefit plan maintained by Kaiser Permanente, other entities related to Kaiser Permanente, or from a Joint Labor Management Trust, for hours which are considered credited service under KPEPP, the Normal Retirement benefit amount attributable to the overlapping credited service will be offset from the Normal Monthly Pension amount from KPEPP.

352 **When Eligible Employees Can Retire Under KPEPP**

353 **Normal Retirement**

354 An eligible Employee is entitled to Normal Monthly Pension if he/she retires on his/her sixty-fifth (65th) birthday and has completed at least one year of Service. The Normal Monthly Pension amount shall be 1.45% of Final Average Monthly Compensation (FAMC is the average of the employee's base monthly compensation rate for the highest sixty consecutive months with in the last 120 months of employment) multiplied

by years of Credited Service.

355 Postponed Retirement

356 An eligible Employee is entitled to a Postponed Pension if he/she retires after his/her sixty-fifth (65th) birthday.

357 Early Retirement

358 An eligible Employee is entitled to Early Pension if he/she retires after his/her fifty-fifth (55th) birthday and has ten (10) or more years of service. The Early Pension is computed in the same manner as a Normal Pension but is reduced for starting payments prior to age sixty-five (65).

359 Disability Retirement

360 An eligible Employee is entitled to a Disability Pension if he/she is eligible for and receives disability income benefits under Title II of the Social Security Act when he/she retires and has (10) or more years of service. Eligibility for a Disability Pension is subject to periodic review by the Administrative Committee of the Plan. The Disability Pension is computed in the same manner as a Normal Pension, but does not receive an Early Pension reduction for starting payments prior to age sixty-five (65).

361 Deferred Vested Pension

362 An eligible Employee is entitled to a Deferred Vested Pension if his/her employment terminates and he/she has completed five (5) or more years of service. If such Employee dies prior to receiving benefits and is survived by a spouse, the spouse will receive a monthly benefit equal to the amount that would have been payable if the Employee had retired the day before his/her death and elected the joint and survivor method of payment with a fifty percent (50%) continuation to the survivor. The Deferred Vested Pension is computed in the same manner as a Normal Pension. Payments commence at age sixty-five (65), subject to filing a retirement application.

363 Survivor Annuity

364 An eligible Employee who has attained five (5) or more years of service is entitled to survivor annuity coverage. If such an Employee dies while still employed, and is survived by a spouse or a designated domestic partner, the spouse or domestic partner will receive a monthly benefit equal to the amount that would have been payable if the Employee had retired the day before his/her death and elected the joint and survivor annuity method of payment with a fifty percent (50%) continuation to the survivor.

365 Payment

366 Pensions are paid under a method of payment elected by the Employee. The

Employee may elect a method of payment as provided by KPEPP. Details can be found in the Summary Plan Description.

367 Plan Terms

368 The KPEPP is governed by the plan documents as amended from time to time.

369 **Section 2 – Kaiser Permanente Northern California Employees Defined Contribution (EDC) Plan**

370 Eligibility

371 Effective January 1, 2015, a newly-hired employee shall become a participant in the Kaiser Permanente Northern California Employees Defined Contribution (EDC) plan.

372 An Employee hired on or after January 1, 2015 automatically participates in the EDC upon his or her first day of employment in an eligible status under the terms of the EDC. An employee hired on or after January 1, 2015 may participate in EDC regardless of scheduled hours.

373 Employer Contribution

374 An eligible participant in the EDC will receive an Employer contribution of five percent (5%) of base wages. Effective the first pay period ending after January 1, 2017 or as soon as administratively possible thereafter, an eligible participant in the EDC will receive an Employer contribution of six percent (6%) of base wages. An employee will be provided with a variety of investment options. An employee who does not make investment selections will default into investment alternatives in accordance with DOL rules as specified in the EDC.

375 Employee Contribution

376 An eligible participant in the EDC may contribute up to ten percent (10%) of salary on an after-tax basis.

377 Vesting

378 An eligible participant in the EDC is immediately one hundred percent (100%) vested in the Employer and employee contributions.

379 Distributions and Withdrawals

380 An eligible participant in the EDC shall qualify for age 65 in-service distributions in accordance with the terms of the EDC and applicable IRS rules. Upon termination or retirement, the EDC account balance is distributed or deferred in accordance with applicable IRS rules.

381 Plan Terms

382 The EDC is governed by the plan documents as amended from time to time.

383 **Section 3 – Kaiser Permanente 401(k) Plan**

384 All Employees shall be eligible to participate in the Kaiser Permanente 401(k) Plan on date of hire. Employees may contribute to the Plan on a pre-tax basis and have a variety of investment options.

385 An employee with one (1) or more years of service, who contributes to the 401(k) Plan will be eligible for the Employer Contribution Match program. The Employer will make contributions to match 100% of the eligible employee's contribution, up to 1.25% of the employee's salary. The Employer contributions will vest in increments of 20% per year, with participants becoming fully vested in the Employer Contribution after five (5) years of service.

386 Plan Terms

387 The 401(k) Plan is governed by the plan documents as amended from time to time.

388 **Section 4 – Building Service Employees Pension Trust**

389 The provisions for computing pension under K-PEPP for employees who were covered by the Pension Trust before April 1, 2002 are contained in and governed by the Plan Document.

390 Contact Lens Assistants or Contact Lens Fitter Trainees (formerly called Contact Lens Technicians I and II) and Contact Lens Fitters who were hired on or after November 1, 1990 and before October 1, 2000 may be entitled to a benefit under the Building Service Employees Pension Trust for years in which the Employees were covered under that Plan.

391 **ARTICLE XVII – ELIGIBLE DOMESTIC PARTNERS**

392 Effective August 1, 1996, the following benefits and policies shall be offered to employees' domestic partners and their eligible dependents who meet the eligibility requirements as stated in Section 1 below:

- 393
- Medical Benefits
 - Dental Benefits
 - Bereavement Leave
 - Post-Retirement Medical Benefits

394 **Section 1 – Eligibility**

395 In order for an employee to be eligible for domestic partner benefits provided in this Agreement, he/she and the individual for whom benefits are being applied must provide a completed Affidavit of Domestic Partnership as requested by the Employer. For purposes of this Agreement, a domestic partnership is one in which the employee and the domestic partner both meet all of the following requirements:

- 396 A. Live together, sharing the same living quarters as a primary residence, in an intimate, committed relationship of mutual caring;
- 397 B. Have no other domestic partner at this time;
- 398 C. Are responsible for each other's basic living expenses during the domestic partnership, and agree to be financially responsible for any debts each other incurs as a direct result of Kaiser Permanente's extension of benefits to either domestic partner;
- 399 D. Are not married to anyone;
- 400 E. Are 18 years of age or older;
- 401 F. Are not related to each other as a parent, brother or sister, half brother or sister, niece, nephew, aunt, uncle, grandparent, or grandchild; and
- 402 G. Have not been covered by Kaiser Permanente sponsored benefits with another domestic partner at any time during the last 12 months.

403 **Section 2 – Applicability of Law**

404 The Employer's provision of insurance benefits to domestic partners and their eligible dependents will be in accordance with applicable federal and state laws, withholding tax requirements and Internal Revenue Service requirements.

405 **ARTICLE XVIII – DEPENDENT CARE REIMBURSEMENT PROGRAM**

406 An employee funded dependent care reimbursement program shall continue to be made available to Regular full-time and Regular part-time employees.

407 **ARTICLE XIX – SENIORITY DEFINED**

408 A. Definition

409 Seniority for all employees shall be defined as an employee's most recent date of hire in a bargaining unit position. Wherever the term "seniority" is used in this Agreement it shall have this definition.

410 B. Seniority Lists

411 Seniority lists of employees will be maintained and readily accessible within each department at the Optical Laboratory and within each branch. Seniority lists shall be provided to the Union Representative, steward or concerned employee upon request.

412 C. Seniority Tiebreaker

413 In the event two (2) or more employees are hired on the same day, the employee with the lower employee number will be considered the more senior.

414 **ARTICLE XX – VACANCIES/TRANSFER REQUESTS/JOB POSTINGS**

415 **Section 1 – Job Postings**

416 All vacancies will be posted in the Laboratory department or Optical Branch in which the vacancy occurs for one (1) weekday, i.e., not on Saturday or Sunday. If the position is not filled during the one (1) day posting, it will be posted across the Northern California Optical branches and the Laboratory for five (5) days. For new facilities, a five (5) day posting will occur across the Northern California Optical branches and the Laboratory.

417 The Employer will provide one copy of the job posting to the Union, or its designee, on or before the day the job is posted.

418 Qualifications for vacant positions shall appear on postings and shall be based on job requirements.

419 **Section 2 – Filling Vacancies**

420 A. Process for Filling Vacancies

421 In filling any vacancy, seniority shall govern among qualified applicants who applied during the posting period, who have passed their probationary period and who have not received formal written discipline in the six (6) months prior to the job posting date (excluding leaves of absence). Positions will be awarded by seniority in the following order of application:

- 422
- 1) Regular Employees in the Laboratory department or Optical Branch
 - 2) Regular Employees in the Region
 - 3) Short-Hour Employees in the Laboratory department or Optical Branch
 - 4) Short-Hour Employees in the Region
 - 5) Temporary or Casual Employees in the Laboratory department or Optical Branch
 - 6) Temporary or Casual Employees in the Region.

7) External Applicants

423 The Surface Department, Bench Department, Stock Department, and Customer
Service Center shall be considered separate and distinct departments within the
Regional Laboratory. Nothing herein shall prohibit the Employer from utilizing
staff across or between departments to maintain adequate workload coverage.

424 All qualified Journey Technicians with two (2) or more years of experience will be
given preference over outside applicants in filling vacancies as Optical
Dispensers.

425 B. Exceptions to Process for Filling Vacancies

426 1. Lead Positions

427 Lead/Foreperson/Senior positions will be appointed, at the discretion of the
Employer, from among qualified applicants. The Union will be provided an
opportunity for input in the selection process provided such participation does
not unduly delay the awarding of the position.

428 2. Contact Lens Fitter Positions

429 Applications for transfer to a permanent Contact Lens Fitter vacancy shall be
granted in the following order: 1) to the most senior Contact Lens Fitter in the
Region; 2) to the most senior among Contact Lens Fitter Apprentices and
Optical Dispensers within the Region provided, however, that an applying
Contact Lens Fitter Apprentice or Optical Dispenser must be qualified to
perform the full scope of the Contact Lens Fitter position.

430 3. Contact Lens Fitter Apprentice Positions

431 Contact Lens Fitter Apprentice positions are awarded at the discretion of the
Employer and require completion of an on-the-job training program.

432 4. Contact Lens Fitter Assistant Positions

433 Contact Lens Fitter Assistants are appointed at the discretion of the Employer.

434 5. Optical Dispenser Positions

435 Applications for transfer to a permanent Optical Dispenser position will be
awarded by seniority in the following order: 1) Optical Dispensers in the
Branch; and 2) Optical Dispensers in the Region. If there are no applicants
currently classified as an Optical Dispenser the position will be filled as set
forth in the "Filling of Vacancies" provision of this Article.

436 6. Regional Laboratory Positions

437 The Employer, in filling Regional Laboratory positions, may consider, in seniority order, applicants from other Regional Laboratory Departments before applicants from the Region.

438 **Section 3 – Automatic Bids**

439 Employees may submit written notification on an appropriate form to the Laboratory department or branch manager for another position within the Laboratory or branch. Such requests shall be maintained for three (3) months and shall constitute an automatic bid for jobs that may subsequently become vacant. Such requests may be renewed, in writing, for additional three (3) month periods.

440 Transfer requests for positions outside of the employee's Optical branch or Laboratory department must be made electronically on the Employer's recruitment system during the five (5) day posting period.

441 **Section 4 – Waiting Periods for Bidding on Positions**

442 Any employee or new hire who applies for and is awarded a position may not apply for another vacancy before three (3) months or while in their probationary period (up to one hundred twenty (120) days), unless there is mutual agreement between the Employer and the employee. If no employee bids for such vacancy within the posting period, this provision is waived for employees who are not on their probationary period as outlined in Article VIII, Section 1 – Probationary Employees, provided the employee submitted a bid during the initial posting period or had a valid transfer request on file.

443 **Section 5 – Notification to Unsuccessful Bidders**

444 Unsuccessful bidders for promotion or transfer will be notified by the Employer. Upon written request, such employees will receive a written statement of the reasons for the denial of promotion or transfer within ten (10) days.

445 **Section 6 – Involuntary Transfers**

446 In transferring from one branch/facility to another branch/facility on a temporary basis, involuntary transfers will be made on a rotational basis whenever possible.

447 **ARTICLE XXI – UNION STAFF REPRESENTATIVES AND SHOP STEWARDS**

448 **Section 1 – Union Staff Representatives**

449 A duly authorized Union Staff Representative shall have access to the facility at any operational time for the purpose of observing working conditions, monitoring

compliance with this Agreement or following-up on inquiries and concerns of bargaining unit employees.

450 It is understood by the parties that Union Staff Representatives have legal obligations as employee representatives and, as such, have access rights beyond those of the public and other non-employees.

451 Union Staff Representatives will abide by patient confidentiality, infection control, and other Employer policies applicable to employees when using their access rights.

452 When entering any of the Employer's facilities, Union Staff Representatives will wear their Union Representative badge issued by the Employer or the Union.

453 Union Staff Representatives may confer with an employee and/or his/her supervisor or an Employer representative on Employer time in connection with a complaint or problem concerning the employee, but such conference should not interfere with the work of the employee or the delivery of patient care.

454 **Section 2 – Union Shop Stewards**

455 Periodically, the Union will notify the Employer in writing the names of duly authorized Union Shop Stewards.

456 The Employer agrees that there will be no discrimination against the Shop Steward because of Union activity.

457 Shop Stewards will obtain permission from their immediate supervisor before leaving their work area to conduct Union business. Stewards shall not lose pay because of their participation in activities related to grievances, investigations or disciplinary meetings.

458 The facility's designated representatives are only required to meet with one (1) Shop Steward on any grievance, investigation or disciplinary meeting. The activities of the Shop Stewards under this Article shall not unduly interfere with the Shop Steward's work or the work of any other employee.

459 **Section 3 – Bulletin Boards**

460 The Employer will provide adequate space at each facility for posting Union communications. In the event the Union demonstrates the need for a glass-enclosed, locked bulletin board, such shall be provided for the Union's use.

461 **Section 4 – Steward Training**

462 Thirty two (32) Shop Stewards will be provided six (6) days per year to participate in an Stewards Training Days sponsored by the Union. The Employer will make every

effort to release employees subject to operational need. Stewards who attend the Stewards Training Days on a regularly scheduled day of work shall be paid for the number of hours at the straight-time rate the employee would have received had he/she worked that day.

463 Upon written request to the Union, the Employer may request up to four (4) hours per year to participate in upcoming scheduled Stewards Training Day(s). The written request shall be submitted a minimum of two weeks in advance of the next scheduled Stewards Training Day(s) and shall include the agenda of items to be discussed.

464 **Section 5 – Bargaining Committee**

465 The Employer will pay up to five (5) employees who are members of the Union contract bargaining committee “release time” for participation in the collective bargaining sessions. Such pay shall not exceed the number of hours at the straight-time rate the employee would have received had he/she worked that day.

466 **ARTICLE XXII – DISCIPLINE AND DISCHARGE**

467 **Section 1 – Corrective Action**

468 The Corrective Action Procedure shall be applied and relied on by both parties as the basic means of progressive discipline. It is intended to be an open process that utilizes a problem solving approach to address issues and explore alternatives to correct performance and/or behavioral concerns using a “just cause” standard. All disputes arising out of the Corrective Action Procedure shall be subject to the Grievance/Arbitration Procedure, however, once an employee has agreed to any of the first three Levels in writing within the Corrective Action Procedure, that Level is not grievable.

469 No employee shall be disciplined or discharged without just cause. Any employee who is discharged shall be informed in writing at the time of the discharge of the reason(s) for the discharge.

470 Supervisors shall ask the employee if he/she wishes the presence of a Union Steward and/or Union Staff Representative in any meeting or investigation that may result in discipline. The selection of a union representative shall not unduly delay the proceeding.

471 It is the Employer’s intent normally to make use of progressive discipline in accordance with established practices and policy.

472 In the event the Employer disciplines or discharges an employee, the Employer will, at the request of the employee and/or Union, furnish copies of necessary and/or relevant documents or written statements used by the Employer as a basis for the

disciplinary action.

473 Employees shall have the right to respond in writing to any written disciplinary
474 notices and documentation of employee counseling sessions, and shall have that
response attached to the relevant material.

474 A. Level 1 – Oral Reminder

475 The manager/supervisor meets privately with the employee and a representative
of the Union (unless such representation is refused), to clarify the performance
and/or behavioral issue(s). The manager/supervisor's primary role at Level One is
to gain the employee's understanding and agreement to solve the problem.

476 The focus of the oral reminder is to remind the employee that (s)he has a
personal responsibility to meet reasonable standards of performance and/or
behavior. The supervisor/manager and employee should use this opportunity to
problem-solve the issues, clarify expectations, and explore and agree upon
behavioral changes including measurements of achievement and time lines.

477 B. Level 2 – Individual Action Plan

478 This is the second level of the Corrective Action Procedure and should be utilized
if the employee's performance and/or behavioral problems continue.

479 At this level the supervisor/manager will meet privately with the employee and a
representative of the Union (unless such representation is refused), to revisit the
issues/problems, and clarify the need for the employee to meet reasonable
standards of performance and behavior. This discussion will include a review of
the progress made by the employee based on input at Level 1; the joint
development of a written Individual Action Plan; and the time frame in which the
employee is expected to meet performance and/or behavioral standards. The
employee and supervisor should both sign the Individual Action Plan.

480 C. Level 3 – Corrective Action Plan

481 This is the third level of the Corrective Action Procedure and should be utilized if
the employee's performance and/or behavioral problems continue, or if the
employee refused to sign the Individual Action Plan at Level 2.

482 At this level the supervisor/manager will meet privately with the employee and a
representative of the Union (unless such representation is refused), to revisit the
individual action plan, timelines, and progress made under the Individual Action
Plan.

483 The preferred outcome of this meeting is that the supervisor/manager and the
employee, through a collaborative process, will mutually agree and sign a

Corrective Action Plan. However, if the employee refuses to acknowledge the issue or if agreement cannot be reached, the supervisor/manager will prepare the Corrective Action Plan necessary for the employee to correct performance and/or behavioral issues. In these circumstances, the supervisor/manager may unilaterally implement the Corrective Action Plan after notification to the employee.

484 D. Level 4 – Day of Decision

485 This is the fourth level of the Corrective Action Procedure and should be utilized if the employee has not shown improvement in performance and/or behavioral problems after having gone through Level 3 of the Corrective Action Procedure.

486 At the conclusion of the follow-up meeting at Level 3, and after having determined that prior efforts have failed to produce the desired changes, a meeting will be scheduled between the supervisor/manager and the next higher level manager/chief, the employee, the union steward and the next higher union representative (unless such representation is refused) to discuss the continuing problem. The purpose of this meeting is to review the continuing performance and/or behavioral issues and the lack of improvement.

487 If management decides to invoke the Day of Decision, the next higher level manager will explain the severity of the situation to the employee and will place the employee on a paid Day of Decision. (The Day of Decision is paid to demonstrate the Employer's commitment to retain the employee.) The higher level manager will stress the need for the employee to use the Day of Decision as a day of reflection and choice. The employee has the opportunity to choose to change his/her performance and/or behavior and return to the organization, or voluntarily sever the employment relationship. Management will document the meeting in a memorandum, which will include the date, location, attendees, and summary of the discussion.

488 Upon the employee's return, the supervisor/manager, the employee, and the union representative (unless such representation is refused), will meet to review the employee's decision. If the employee's decision is to change his/her performance and/or behavior and continue employment, the supervisor/manager, employee and Union representative (if any), will meet to develop and sign a Last Chance Agreement. The Last Chance Agreement will include a Final Corrective Action Plan.

489 E. Level 5 – Termination

490 Termination is the final level of the Corrective Action Procedure and should be utilized if performance and/or behavioral issues still persist despite the Oral Reminder, Individual Action Plan, Corrective Action Plan, and Day of Decision.

491 **Section 2 – Purging of Documentation**

492 Written disciplinary notices and documentation of employee counseling sessions shall be invalid after a period of one (1) year from the date of issuance except when there are other materials of the same or related nature. It is understood that while the employer may retain expired documents to satisfy legal and regulatory requirements, such documents will not be used to justify further disciplinary action.

493 **Section 3 – Maintenance of Documentation**

494 In order to satisfy governmental record keeping requirements, purged documentation will be maintained by the Employer in a separate file to which supervisors/managers do not have access.

495 **Section 4 – Investigatory Suspensions**

496 In situations where the Employer determines that removal of an employee is warranted due to the nature of a reported incident or allegation, such employee will be placed on a paid investigatory suspension. At the conclusion of the investigatory suspension, the Employer will determine at what level, up to and including Level 5, to place the employee in the Corrective Action Procedure.

497 **Section 5 – Acts of Gross Misconduct**

498 Acts of gross misconduct and/or gross negligence will subject the employee to an accelerated level in the Corrective Action Procedure, up to and including Last Chance Agreement or Termination.

499 **Section 6 – Performance Evaluations**

500 Performance evaluations shall be based on objective and observable behaviors or activities as outlined in job descriptions. Performance evaluations are to be used as a teaching tool, provide an opportunity for feedback, recognition, and identification of mutual areas of interest.

501 Performance evaluations are not intended to be used as a means of discipline; therefore, the contents of such evaluations will not serve as a basis to deny transfer rights or promotions. Employees shall be provided performance evaluations annually and given a written copy of the performance evaluation document. Employees shall sign and date such material only as proof of receipt.

502 Employees shall be given an opportunity to read and attach written comments to performance evaluations prior to placement in the employee's personnel file.

503 Performance evaluations shall not be grievable.

504 **ARTICLE XXIII – GRIEVANCE AND ARBITRATION PROCEDURE**

505 **Section 1 – General Principles**

506 A. Basic Means of Settling Grievances

507 The following procedures shall be applied and relied upon by both parties as the
basic means of seeking adjustment of and settling grievances. Grievance, as
referred to in this Article, includes every dispute concerning interpretation and
application of this contract and/or any dispute concerning wages, hours, or
working conditions. All such disputes shall be subject to the grievance procedure.

508 B. Time Limits

509 Except for grievances alleging errors in wages, benefits errors, or discharge, each
grievance arising under this Agreement shall be presented to the appropriate
party within thirty (30) calendar days after the grievant had knowledge of the
event or should have had knowledge of the event. All discharge grievances shall
be referred immediately to Step Two of this procedure within ten (10) calendar
days from the date of discharge. Any grievance not timely filed is deemed waived
by the aggrieved party.

510 Both parties agree that the grievance and arbitration procedure should proceed
as expeditiously as possible; however, by mutual agreement between the Union
and the Employer, the time limits of any step of the grievance procedure may be
extended and this extension must be confirmed in writing within the specific time
limits. Both parties agree, however, to make their best effort to abide by the time
limits outlined in the Agreement. In the event the Union fails to appeal a
grievance in a timely manner, the grievance will be treated as “withdrawn” by the
Union. If the Employer fails to respond to the grievance within the time limits
specified, the grievance may be appealed to the next step of the grievance
procedure by the Union.

511 C. Mandatory Meetings

512 There shall be a mandatory meeting at each step of the grievance procedure
unless waived by mutual agreement of the parties. Employees participating in
such meetings shall not suffer any reduction in pay due to their participation.

513 D. Written Grievance Documents

514 All grievances, grievance appeals, grievance responses, time-limit extension
requests and agreements to extend time limits shall be submitted in writing.

515 E. Non-Precedent Setting Settlements

516 Grievance settlements or resolutions reached at Step One or Two of the
grievance procedure shall not be precedent setting for any purpose and shall not
be used to interpret the language of associated practices of the Agreement.

517 F. Good Faith Efforts to Resolve Issues

518 The goal of the parties is to achieve early and prompt resolution of issues and
disputes through informal and formal interest-based discussions between the
steward, employee(s) and the direct supervisor or department head at Step One
and Step Two. The use of the procedures contained in this Article should not
preclude or be used by any party to avoid active good faith efforts to achieve
dispute or issue resolution.

519 G. Union Staff Representatives

520 Union staff representatives may participate at any level of the grievance
procedure.

521 H. Necessary and/or Relevant Information

522 The parties agree and understand that the free exchange of necessary and/or
relevant information is essential to their mutual understanding and satisfactory
resolution of issues and disputes. Accordingly, the parties agree to respond
adequately, in a timely, good faith manner to requests for Information, and to
promptly address and resolve any disputes relating to the provision of requested
information.

523 **Section 2 – Steps of the Grievance and Arbitration Procedure**

524 A. Step One

525 Step One of the grievance procedure is an informal process. The parties
recognize that most issues or disputes can and should be resolved informally at
the closest possible level to the unit/department in which they occur.

526 The Grievance procedure shall be initiated at Step One, except grievances
specified in this Article as going directly to Step Two. A Union Steward
representing an employee shall initiate the grievance procedure at Step One by
presenting the issues to the employee's immediate supervisor. Within ten (10)
calendar days after submission of the issues, a meeting shall be held. The parties
are encouraged to continue to work collaboratively on the issue until either party
feels that further work at this step will not resolve the issue. Once resolution is
reached, or the decision is made that joint resolution is not possible, the
supervisor shall respond to the grievant(s) and the Union Steward within ten (10)

calendar days. Participants in Step One discussions should include the employee(s), the involved supervisor, and the Union Steward.

527 B. Step Two

528 All issues that are not resolved at Step One may be appealed to Step Two within fifteen (15) calendar days. An appeal to Step Two shall be submitted in writing as a formal grievance after either party feels the issue(s) cannot be resolved at Step One in a timely manner. The parties shall attempt to resolve the grievance within ten (10) calendar days after the appeal is received. If the parties are unable to resolve the grievance within these time limits, a grievance response shall be given within ten (10) calendar days thereafter. Grievances regarding discharge must be initiated at Step Two within ten (10) calendar days after the action. In addition, grievances involving workload and suspension shall be introduced directly to Step Two of the Grievance and Arbitration Procedure. Participants in Step Two should include the employee(s), the Union Steward, the supervisor, and the human resources representative.

529 C. Step Three

530 All grievances that are not resolved at Step Two may be appealed to Step Three within fifteen (15) calendar days. The appeal to Step Three shall be submitted in writing to the parties' designees. Within ten (10) calendar days of the receipt of such appeal, a meeting shall be held including the parties' designees, union Steward and grievant(s). Within ten (10) calendar days after such meeting, the Employer's designee shall respond to the Union staff representative and other meeting participants in writing.

531 D. Step Four – Arbitration

532 In the event the grievance remains unresolved, the grieving party may appeal the grievance to arbitration. Written notice of such appeal must be received by the Director of Labor Relations or Designee within fifteen (15) calendar days after receipt of the Step Three response. No grievance shall be appealed to arbitration without first being processed through the appropriate steps of the Grievance and Arbitration Procedure except by mutual agreement.

533 E. Selection of Arbitrator

534 An impartial arbitrator shall be selected by mutual agreement of the parties. In the event mutual agreement is not reached, the party appealing the grievance to arbitration shall request a panel of arbitrators from the Federal Mediation and Conciliation Service. Upon receipt of said panel, the parties will select an arbitrator by alternately striking names.

535 F. Authority of Arbitrator

536 The arbitrator shall be prohibited from adding to, modifying or subtracting from the terms of this Agreement or any supplemental written agreement of the parties. Further, it shall not be within the jurisdiction of the arbitrator to change any existing wage rate or establish a new wage rate. However, grievances involving reclassification and upgrade are within the scope of the grievance procedure and are within the jurisdiction and powers of the arbitrator; the decision of the arbitrator, however, is limited to changes in the classification of a position within the existing wage schedule. The award of the arbitrator shall be final and binding on both parties.

537 G. Cost of Arbitration

538 Each party shall pay one-half (1/2) the cost of the arbitration proceedings which include but are not limited to the cost of the arbitrator, court reporter and transcript for the arbitrator, if mutually agreed to as necessary, conference room costs and other related costs, and each party shall be responsible for the cost of its own representatives and witnesses.

539 **ARTICLE XXIV – DISPUTES**

540 Work Stoppages. The Employer and the Union realize that the Employer's facilities are different in their operations from other industries because of services rendered to the community and for humanitarian reasons, and agree that there shall be no lockouts on the part of the Employer, no suspension of work on the part of the employees, it being one of the purposes of this agreement to guarantee that there will be no strikes, lockouts or work stoppages.

541 All disputes in other matters of controversy coming within the scope of this Agreement will be settled by the procedure hereinafter provided.

542 **ARTICLE XXV – CONFIDENTIALITY OF RECORDS AND PROTECTED HEALTH INFORMATION**

543 In accordance with the Employer's compliance policies, indiscriminate or unauthorized review, use or disclosure of protected health information regarding any patient or employee is expressly prohibited. Reviewing, discussing, photocopying or disclosing patient information, medical or otherwise, is expressly prohibited, except where required in the regular course of business and where proper authorization has been obtained.

544 **ARTICLE XXVI – SERVICE AND QUALITY COMMITTEE**

545 A Service and Quality committee shall meet up to four (4) hours to exchange views on various methods of improving service and quality to health plan members. Up to four

(4) hours of meeting time shall be counted as paid time for employees at their regular rate of pay. In addition, the Employer will pay travel time and reimburse for mileage, in accordance with applicable Employer policies. Topics may include need for training, improved methods of operation, etc. The committee shall include up to five (5) members chosen by each party. The bargaining unit committee members shall include one person from each of the four service areas and one person from the Regional Laboratory. The committee shall meet no more than four (4) times per year. Two of the meetings will be in-person, and at the Employer's discretion two meetings may be conducted electronically (e.g., via Web-ex). Labor Relations Representatives and Union Business Representatives shall be excluded from attendance. Issues which are covered by the provisions of the Collective Bargaining Agreement or are proper subjects of the grievance procedure shall not be discussed at these committee meetings and nothing in this Section shall be subject to the grievance and arbitration provisions of Article XXIII.

546 **ARTICLE XXVII – CONFORMITY TO LAW**

547 If any provision of this Agreement is found to be in conflict with State or Federal law, the remaining provisions of the Agreement 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.

548 **ARTICLE XXVIII – COMPLETION OF AGREEMENT**

549 The Employer and Union expressly acknowledge and agree that they have had full and fair opportunity to bargain, have fully exercised and exhausted that opportunity to bargain regarding all mandatory and permissive subjects of bargaining, and have reached agreement as to all such proper subjects of bargaining.

550 **ARTICLE XXIX – DURATION OF AGREEMENT**

551 Except as otherwise specifically provided, this Agreement shall be effective as of October 1, 2016 and shall continue in effect through September 30, 2019 and shall be automatically renewed from year to year thereafter, unless amended, modified, changed or terminated.


552 Either party wishing to change or terminate this Agreement must serve written notice of a desire to amend to the other party at least 90 days prior to the expiration date. Notice of desire to change or terminate given by one party shall render unnecessary a similar notice by the other party.

IN WITNESS WHEREOF, we have hereunto set our hands and seal this 1st day of October, 2016.

The Permanente Medical Group, Inc.



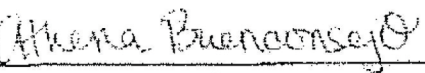
Robert Pearl, M.D.
Executive Director and CEO



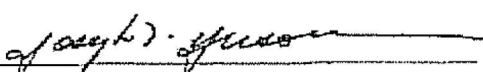
Jerry Vincent
Regional Director, Labor Relations



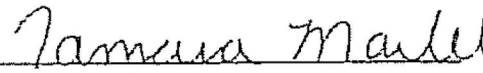
Steve French
General Manager, Vision Essentials



Athena Buenconsejo
Chief Negotiator, Labor Relations

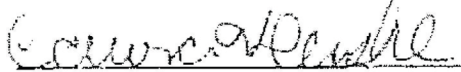


Joe Yuson
Asst. General Manager, Vision Essentials



Tamara Marlett
Regional Director, Med Group Support

Sue Thergesen
Labor Relations

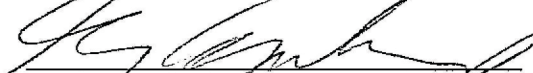


Laura Klenske
Director, Benefits Strategy & Labor Anal.

National Union of Healthcare Workers,
Optical Workers



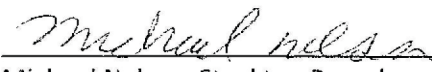
Sal Rosselli
President



Greg Tegenkamp
Chief Negotiator, Kaiser Division Director



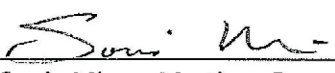
Gloria Villaseñor, Union City Branch



Michael Nelson, Stockton Branch




Sonia Askew, South Sacramento Branch



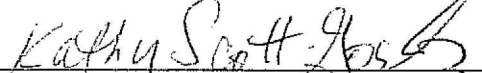
Sonia Minor, Martinez Branch



Elvia Plata, Fresno Branch



Connie Lewis, Richmond Branch



Kathy Scott-Goelz, Oakland Branch



Toni Gianti, Antioch Sand Creek Branch



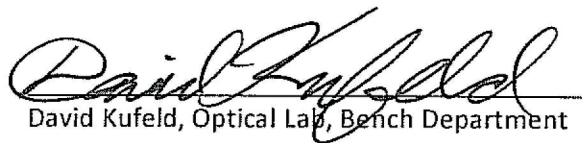
Laura Gailey, Lincoln Branch




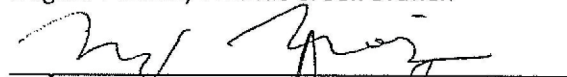
Jeff Cannon, Optical Lab Bench Department




William Edwards, Sacramento Branch


David Kufeld, Optical Lab, Bench Department


Miguel Posada, Walnut Creek Branch


Mike Moniz, Modesto Branch


Francisco Gomez, Optical Lab, Bench Department

APPENDIX A – WAGE SCALES EFFECTIVE OCTOBER 2, 2016

NUHW - Optical Workers								
Structure A applicable to employees hired on or before October 25, 1986								
Job Code	Job Title	Step 1						
063302	BENCHMAN JOURNEYPerson	35.0432						
033352	CONTACT LENS FITTER	37.9287						
033323	LEAD OPTICAL DISPENSER	38.5480						
033312	OPTICAL DISPENSER	35.0432						
030306	OPTICAL EQUIPMNT MAINT TECH	37.4968						
054024	PRESCRIPTION STOCK CLERK JOURNEYPerson	35.0432						
054023	SR. PRESCRIPTION STOCK CLERK	38.5480						
063312	SURFACE GRINDER JOURNEYPerson	35.0432						
063364	WORKING FOREMAN-OPT LAB L505	38.5480						
			hire	after 6 mos	after 12 mos	after 18 mos	after 24 mos	after 30 mos
Job Code	Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
063350	OPTICAL DISPENSER APPRENTICE	22.7786	24.5307	26.2828	28.0349	29.7871	31.5390	33.2914
Structure B applicable to employees hired on or after October 26, 1986								
Job Code	Job Title	Step 1						
063302	BENCHMAN JOURNEYPerson	29.7871						
033352	CONTACT LENS FITTER	36.8241						
033323	LEAD OPTICAL DISPENSER	32.7656						
033312	OPTICAL DISPENSER	29.7871						
030306	OPTICAL EQUIPMNT MAINT TECH	31.8723						
063372	OPTICAL SERVICES ASSISTANT	19.3619						
054024	PRESCRIPTION STOCK CLERK JOURNEYPerson	29.7871						
054023	SR. PRESCRIPTION STOCK CLERK	32.7656						
063312	SURFACE GRINDER JOURNEYPerson	29.7871						
063371	UTILITY OPTICAL WORKER	19.3619						
063364	WORKING FOREMAN-OPT LAB L505	32.7656						
			hire	after 6 mos	after 12 mos	after 18 mos	after 24 mos	after 30 mos
Job Code	Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
033371	CONTACT LENS ASSISTANT	25.0092	26.6111	27.2768				
033358	CONTACT LENS TRAINEE	25.7980	26.6111	27.6706	29.0505			
063350	OPTICAL DISPENSER APPRENTICE	19.3619	20.8506	22.3401	23.8292	25.3186	26.8087	28.2977
054022	OPTICAL LAB APPRENTICE	19.3619	20.8506	22.3401	23.8292	25.3186	26.8087	28.2977

APPENDIX A – WAGE SCALES EFFECTIVE OCTOBER 01, 2017

NUHW - Optical Workers								
Structure A applicable to employees hired on or before October 25, 1986								
Job Code	Job Title	Step 1						
063302	BENCHMAN JOURNEYPerson	36.0945						
033352	CONTACT LENS FITTER	39.0666						
033323	LEAD OPTICAL DISPENSER	39.7044						
033312	OPTICAL DISPENSER	36.0945						
030306	OPTICAL EQUIPMNT MAINT TECH	38.6217						
054024	PRESCRIPTION STOCK CLERK JOURNEYPerson	36.0945						
054023	SR. PRESCRIPTION STOCK CLERK	39.7044						
063312	SURFACE GRINDER JOURNEYPerson	36.0945						
063364	WORKING FOREMAN-OPT LAB L505	39.7044						
		hire	after 6 mos	after 12 mos	after 18 mos	after 24 mos	after 30 mos	after 36 mos
Job Code	Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
063350	OPTICAL DISPENSER APPRENTICE	23.4620	25.2666	27.0713	28.8759	30.6807	32.4852	34.2901
Structure B applicable to employees hired on or after October 26, 1986								
Job Code	Job Title	Step 1						
063302	BENCHMAN JOURNEYPerson	30.6807						
033352	CONTACT LENS FITTER	37.9288						
033323	LEAD OPTICAL DISPENSER	33.7486						
033312	OPTICAL DISPENSER	30.6807						
030306	OPTICAL EQUIPMNT MAINT TECH	32.8285						
063372	OPTICAL SERVICES ASSISTANT	19.9428						
054024	PRESCRIPTION STOCK CLERK JOURNEYPerson	30.6807						
054023	SR. PRESCRIPTION STOCK CLERK	33.7486						
063312	SURFACE GRINDER JOURNEYPerson	30.6807						
063371	UTILITY OPTICAL WORKER	19.9428						
063364	WORKING FOREMAN-OPT LAB L505	33.7486						
		hire	after 6 mos	after 12 mos	after 18 mos	after 24 mos	after 30 mos	after 36 mos
Job Code	Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
033371	CONTACT LENS ASSISTANT	25.7595	27.4094	28.0951				
033358	CONTACT LENS TRAINEE	26.5719	27.4094	28.5007	29.9220			
063350	OPTICAL DISPENSER APPRENTICE	19.9428	21.4761	23.0103	24.5441	26.0782	27.6130	29.1466
054022	OPTICAL LAB APPRENTICE	19.9428	21.4761	23.0103	24.5441	26.0782	27.6130	29.1466

APPENDIX A – WAGE SCALES EFFECTIVE OCTOBER 14, 2018

NUHW - Optical Workers								
Structure A applicable to employees hired on or before October 25, 1986								
Job Code	Job Title	Step 1						
063302	BENCHMAN JOURNEYPerson	37.1773						
033352	CONTACT LENS FITTER	40.2386						
033323	LEAD OPTICAL DISPENSER	40.8955						
033312	OPTICAL DISPENSER	37.1773						
030306	OPTICAL EQUIPMNT MAINT TECH	39.7804						
054024	PRESCRIPTION STOCK CLERK JOURNEYPerson	37.1773						
054023	SR. PRESCRIPTION STOCK CLERK	40.8955						
063312	SURFACE GRINDER JOURNEYPerson	37.1773						
063364	WORKING FOREMAN-OPT LAB L505	40.8955						
		hire	after 6 mos	after 12 mos	after 18 mos	after 24 mos	after 30 mos	after 36 mos
Job Code	Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
063350	OPTICAL DISPENSER APPRENTICE	24.1659	26.0246	27.8834	29.7422	31.6011	33.4598	35.3188
Structure B applicable to employees hired on or after October 26, 1986								
Job Code	Job Title	Step 1						
063302	BENCHMAN JOURNEYPerson	31.6011						
033352	CONTACT LENS FITTER	39.0667						
033323	LEAD OPTICAL DISPENSER	34.7611						
033312	OPTICAL DISPENSER	31.6011						
030306	OPTICAL EQUIPMNT MAINT TECH	33.8134						
063372	OPTICAL SERVICES ASSISTANT	20.5411						
054024	PRESCRIPTION STOCK CLERK JOURNEYPerson	31.6011						
054023	SR. PRESCRIPTION STOCK CLERK	34.7611						
063312	SURFACE GRINDER JOURNEYPerson	31.6011						
063371	UTILITY OPTICAL WORKER	20.5411						
063364	WORKING FOREMAN-OPT LAB L505	34.7611						
		hire	after 6 mos	after 12 mos	after 18 mos	after 24 mos	after 30 mos	after 36 mos
Job Code	Job Title	Step 1	Step 2	Step 3	Step 4	Step 5	Step 6	Step 7
033371	CONTACT LENS ASSISTANT	26.5323	28.2317	28.9380				
033358	CONTACT LENS TRAINEE	27.3691	28.2317	29.3557	30.8197			
063350	OPTICAL DISPENSER APPRENTICE	20.5411	22.1204	23.7006	25.2804	26.8605	28.4414	30.0210
054022	OPTICAL LAB APPRENTICE	20.5411	22.1204	23.7006	25.2804	26.8605	28.4414	30.0210

APPENDIX B – FACILITIES AND APPENDED MEDICAL OFFICES (BRANCHES)

FACILITY	MEDICAL OFFICE (BRANCH)
Regional Offices	930 Marina Way South (Richmond) Bench, Customer Service, Stock, Surface
Antioch	Antioch Sandcreek, Antioch Delta Fair
Fresno	Fresno
Manteca	
Modesto	Modesto
Oakland	Oakland
Redwood City	Redwood City, San Mateo
Richmond	Richmond
Roseville	Lincoln, Roseville Parkway, Roseville Riverside
Sacramento	Davis, Folsom, Rancho Cordova, Point West
San Francisco	San Francisco Divisadero, San Francisco Mission Bay
San Jose	San Jose, Gilroy
San Leandro	Fremont, Union City
San Rafael	San Rafael, Petaluma
Santa Clara	Santa Clara Homestead, Milpitas, Mountain View
Santa Rosa	Santa Rosa, Rohnert Park
South Sacramento	South Sacramento, Elk Grove
South San Francisco	Daly City
Stockton	Stockton, Tracy
Vacaville	Vacaville, Fairfield
Vallejo	Vallejo, Napa
Walnut Creek	Park Shadelands, Livermore, Martinez, Pleasanton, Walnut Creek

* Facilities and appended medical offices (branches) are subject to change.

APPENDIX C – PROTECTIVE CLOTHING

The Employer and the Union agree as follows:

The Employer agrees to make available protective clothing (smocks, lab coats, etc.) to those employees performing edging and similar activities at the dispensing locations that, in some instances might cause normally required apparel to become soiled. The wearing of such protective clothing will only be permissible during those periods when performing work without member contact. Other dress code requirements may be relaxed as may be appropriate while wearing such protective clothing away from member contact.

APPENDIX D – FORMER APPAREL BONUS

All new employees hired on or after October 26, 1986 will not receive any "bonus" payments. Employees on Structure A shall continue to receive the "bonus" payments which will be paid annually the first full pay period in December. If an employee severs his/her employment prior to December, he/she shall receive a pro-rated benefit at the time of his/her separation.

APPENDIX E – KFHP “MID BENEFIT” CO-PAYMENTS*

COVERED SERVICES	CO-PAYMENT
<u>Annual Co-payment Limit</u>	
Individual	\$1,500
Family	\$3,000
<u>Outpatient Services</u> (including professional services)	
Primary and specialty care office visits	\$20 per visit
- Allergy injection visits	\$3 per visit
- Allergy testing visits	\$20 per visit
Physical, occupational, and speech therapy	\$20 per visit
Outpatient surgery and certain other outpatient procedures, including anesthesia, imaging, lab tests, and administered drugs	\$50 per procedure
Imaging, lab tests, and special procedures	No charge
Blood, blood products, and their administration	No charge
Health education:	
- Individual visits	\$20 per visit
- Group educational programs	No charge
<u>Hospital Inpatient Care</u>	
Including room and board, surgical services, nursing care, anesthesia, X-rays, and lab tests	\$100 per admission
<u>Routine and Preventive Care Services</u>	
Physical exams	\$20 per visit
Well-child visits (through age 23 months)	No charge
Most vaccines (including travel immunizations)	No charge
Family planning visits	\$20 per visit
Scheduled prenatal care visits and first postpartum visit	No charge
Hearing tests	\$20 per visit
Flexible Sigmoidoscopies	\$20 per visit
<u>Emergency Department</u>	
Emergency room visits	\$50.00 per visit
<u>Urgent Care</u>	
Urgent Care visits	\$20.00 per visit
<u>Ambulance</u>	
(medically necessary or KP approved)	No charge

COVERED SERVICES	CO-PAYMENT
<u>Prescription Drugs, Supplements, and Supplies – Outpatient</u> KP Pharmacy (up to 30-day supply) - Generic formulary - Brand formulary Mail Order (up to 100-day supply) - Generic formulary - Brand formulary Infertility Drugs Diabetes urine testing supplies (up to 100-day supply) Certain IV drugs, supplies, and supplements (up to 30-day supply) Sexual dysfunction drugs (8-dose supply in a 30-day period not to exceed 27-dose supply in a 100-day period) Continuity (nonformulary) drugs (30-day supply in a 30-day period) <i>Note: Certain prescription items may have a different co-payment or supply limit.</i>	 \$10 per fill \$15 per fill \$20 per fill \$30 per fill \$20 per fill No charge No charge 50% Coinsurance 50% Coinsurance
<u>Mental Health Care</u> Inpatient Outpatient Outpatient group visits	 \$100 per admission \$20 per visit \$10 per visit
<u>Alcohol and Drug Dependency Care</u> Inpatient (detox only) Outpatient (individual) Group therapy	 \$100 per admission \$20 per visit \$10 per visit
<u>Hospice</u>	No charge
<u>Home Health Services</u>	No charge
<u>Skilled Nursing Facility</u> (up to 100 days per benefit period)	 No charge
<u>Vision Care</u> Eye examinations for eyeglasses Eyeglass lenses, eyeglass frames, and/or contact lenses (credit allowance must be used all at one time—no carry over credit)	 \$20 per visit \$175 allowance every 24 months toward the purchase of covered lenses, frames, and/or contact lenses

COVERED SERVICES	CO-PAYMENT
<u>Durable Medical Equipment and Prosthetic and Orthotic Devices</u> (when approved, in accordance with the formulary) <i>Note: \$15 co-pay applies to Temporomandibular Joint (TMJ) splint therapy provided by a contract dentist</i>	No charge

* Affordable Care Act preventive care services are provided at no charge.

SIDE LETTER OF AGREEMENT

OPTICAL INCENTIVE PLAN

2016: The 2012 Plan used to pay employees the August 2016 Incentive Plan shall be the governing plan for the remainder of 2016. The Plan shall expire at the end of the 2016 performance period.

2017, 2018, and 2019: An optical incentive plan is intended to be over and above base wage rates and is based on identified performance factors and targets. Such plan is self-funded through an operating margin gate. The plan will be based on key performance factors, including, but not limited to: quality, service, revenue, margin, or other Optical related measures. Within 60 days following ratification of the Agreement the parties will meet and confer over an Optical Incentive Plan (the "Plan") to recognize and reward employees in the bargaining unit for their contributions to the achievement of organizational and team goals. The Plan is intended to be a tool that will help drive business performance. The parties shall endeavor to work collaboratively and in good faith on development of the Plan, however it is understood that the Employer shall have the sole right, in its discretion, to establish, design or modify the Plan.

Within 21 (twenty one) days following the finalization of the Plan, the Employer shall provide a copy of the Plan to all current employees.

This Side Letter shall sunset with this Collective Bargaining Agreement. The continuance or modification of any incentive plan beyond the expiration of this Collective Bargaining Agreement must be negotiated and agreed to.

**SIDE LETTERS OF AGREEMENT – TRANSITION FROM
PENSION TRUST TO KPEPP AND PENSION GAP BRIDGING**

The parties agree to retain the following Side Letters in the Appendix of the Collective Bargaining Agreement:

Appendix I – Side Letter of Agreement (2002)
Transition from Pension Trust to K-PEPP
SEIU, Local 535 Optical Workers Unit

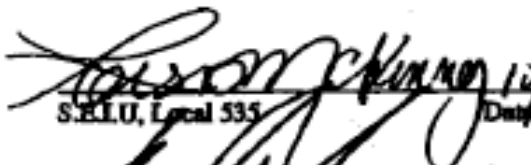
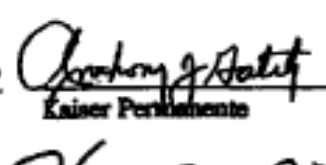
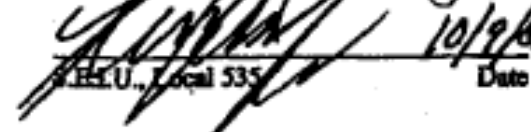

Appendix J – Side Letter of Agreement (2005)
Transition from Pension Trust to K-PEPP
SEIU, Local 535 Optical Workers Unit

Appendix K – Side Letter of Agreement (2005)
Pension Gap Bridging
SEIU, Local 535 Optical Workers Unit

SIDE LETTER OF AGREEMENT
TRANSITION FROM PENSION TRUST TO K-PEPP
S.E.I.U., LOCAL 535 OPTICAL WORKERS UNIT

This Agreement is made and entered into by and between The Permanente Medical Group, Inc. and Service Employees International Union, Local 535 - Optical Workers Unit.

1. Effective April 1, 2002, all Employer contributions to the Building Service Employees Pension Trust ("Pension Trust") will cease.
2. Effective October 1, 2000, all employees will be covered under the provisions of the Kaiser Permanente Employees' Pension Plan ("K-PEPP").
3. For purposes of determining pension benefits under K-PEPP, employees will receive Credited Service since October 1, 2000. Credited Service is defined as a calendar year in which a participant has 2,000 or more compensated hours. Proportional Credited Service is granted if the participant has less than 2,000 compensated hours in a calendar year.
4. The benefit determined under KPEPP will be reduced by the Union Trust benefit earned under the Pension Trust from October 1, 2000 through March 31, 2002.
5. For purposes of determining pension eligibility under K-PEPP, employees will receive a year of vesting credit for each calendar year in which the employee earned 1,000 compensated hours.
6. Contact Lens Assistants, Contact Lens Fitter Trainees (formerly called Contact Lens Technician I and II) and Contact Lens Fitters, hired prior to November 1, 1990 and currently enrolled in K-PEPP, will continue to receive service credit from such earlier date of employment.
7. The terms and definitions of the Kaiser Permanente Employees' Pension Plan are contained in and governed by the Plan Documents.
8. The Employer agrees to refer the issue of Credited Service for the period preceding October 1, 2000 to the LMP Benefits Task Force for study with no binding recommendation.
9. This Agreement shall not constitute precedent for either party, nor shall either party use this Agreement in any pending or future case of a similar or dissimilar nature.

 S.E.I.U., Local 535 Date 10/9/02	 Kaiser Permanente Date 9/23/02
 S.E.I.U., Local 535 Date 10/9/02	 Kaiser Permanente Date 9/25/02

SIDE LETTER OF AGREEMENT

TRANSITION FROM PENSION TRUST TO KPEPP S.E.I.U. LOCAL 535 OPTICAL WORKERS UNIT

This Agreement is made and entered into by and between The Permanente Medical Group, Inc. and Service Employees International Union, Local 535 – Optical Workers Unit.

1. The Kaiser Permanente Employees Pension Plan ("KPEPP") will recognize all employment prior to October 1, 2000 in the determination of Credited Service for all employees on active payroll as of June 1, 2004, who were previously vested in the Building Service Employees Pension Trust ("Pension Trust") as of October 1, 2000.
2. Credited Service will be determined in accordance with KPEPP plan provisions, and the terms and definitions of KPEPP are contained in and governed by the Plan Documents.
3. The resulting KPEPP benefit will be offset by the value of the corresponding Pension Trust benefit for the same period.
4. KPEPP will not recognize pre-October 2000 employment as Credited Service for any employees not on active payroll as of June 1, 2004.
5. KPEPP will not recognize pre-October 2000 employment as Credited Service for employees on active payroll as of June 1, 2004, but who were not vested in the Pension Trust as of October 1, 2000.
6. Any costs resulting from this Agreement will be paid by The Permanente Medical Group, Inc.
7. This Agreement shall not constitute precedent from either party, nor shall either party use this Agreement in any pending or future case of a similar or dissimilar nature.

Anna Adams 4/20/05
S.E.I.U., LOCAL 535 Date

Donna Wilson 3/30/05
Kaiser Permanente Date

Leslie Kennedy 4/20/05
S.E.I.U., LOCAL 535 Date

Shane Eastwood 4/20/05
Kaiser Permanente Date

SIDE LETTER OF AGREEMENT
PENSION GAP BRIDGING
S.E.I.U. LOCAL 535 OPTICAL WORKERS UNIT

This Agreement is made and entered into by and between The Permanente Medical Group, Optical Services Division and Service Employees International Union, Local 535 - Optical Workers Unit. This Agreement provides for the Employer to bridge the partial gap in the Union retirement fund agreement through operational funding.

The parties listed above will utilize the Labor Management Partnership leadership team representatives which have been selected by the parties to make regional LMP decisions for the division. This leadership team will insure that input is obtained from both management and labor in the service areas and laboratory.

- a. Revisit minimum productivity standards for the Laboratory. Modifications to existing standards will be made by consensus.
 - b. Set and implement minimum productivity standards for the branches and contact lens fitters.
 - c. For new lab apprentices, implement existing new hire journey person assessment standards for promotion to journey person.
 - d. Equity dollars remaining from the 2000 negotiations will be used to fund the retirement plan.
1. The parties agree that if a dispute arises from the above minimum productivity standards, the parties will immediately convene the Dispute Resolution committee according to the Optical LMP Agreement.
 2. The pension gap bridging will be effective June 1, 2004.
 - a. A "clean list" of eligible employees will be provided to the union within 30 days.
 - b. Employees in the affected group who retire on or after June 1, 2004 are eligible.
 3. All Agreements and standards will be implemented at all facilities and the laboratory by no later than July 1, 2005. This Agreement shall not constitute precedent for either party, nor shall either party use this Agreement in any pending or future case of a similar or dissimilar nature.
 4. All terms of the prior letter agreement regarding retirement funding will be adhered to by the Union and Management. Any disputes arising under any other pension agreement, provisions will be referred to the National Labor Management Partnership.

Samuel Akau 4/20/05
S.E.I.U., LOCAL 535 Date

Corinne Wilson 3/30/05
Kaiser Permanente Date

Leiston Peltan 4/20/05
S.E.I.U., LOCAL 535 Date

June Eastwood 4/20/05
Kaiser Permanente Date