

**SOUTHERN CALIFORNIA PERMANENTE MEDICAL GROUP,
KAISER FOUNDATION HOSPITALS
And
NUHW PSYCH-SOCIAL**

2018 Contract Negotiations

June 12, 2019

The following is hereby submitted as a package proposal and no one item can be accepted individually. Kaiser Foundation Hospitals, Inc., and Southern California Permanente Medical Group reserve the right to add, subtract from or modify this proposal at any time during the course of negotiations.

Student Loan Repayment Program

Letter of Agreement: Student Loan Repayment Program

Approved Bachelor's or Master's level programs would receive a \$10,000 lifetime repayment for qualified student loans related to education in mental health professions, with a maximum reimbursement payment of \$2,500 per year.

Approved Doctorate level programs would receive \$20,000 lifetime repayment for qualified student loans related to education in mental health professions, with a maximum reimbursement payment of \$5,000 per year.

Current employees with at least a .80 FTE who have an existing college school loan(s), from an accredited college/university receiving a Bachelor's, Master's or Doctorate degree in the field of mental/behavioral health, are eligible to apply for this program.

New hires who are at least a .80 FTE, after one year of service, who have an existing college school loan(s) from an accredited college/university receiving a Bachelor's, Master's or Doctorate degree in the field of mental/behavioral health may apply for repayment of an existing college school loan(s), incurred prior to their employment date.

Program enrollment would be open from date of ratification to expiration of this Agreement, and then close to new applicants. Loan repayment is considered taxable income by the IRS. This program is for loans already incurred as of June 1, 2019.

Employer Match Contribution to Tax Deferred Retirement Savings

Modify CBA paragraphs 3246-3248 as follows:

3246 D. Employer Match Contribution to Tax Deferred Retirement Savings

3247 An employee with one (1) or more years of service, who contributes to the tax deferred retirement savings plan, will be eligible for the Employer Match program. The Employer will make contributions to match one hundred percent (100%) of an employee's

contribution, up to one and one-quarter percent (1.25%) with optimization of the employee's eligible compensation.

Effective January 1, 2021, if an eligible employee participates in the EDC, the Employee will be eligible for Employer contributions to match one hundred percent (100%) of an employee's contribution, up to three percent (3%) of the employee's eligible compensation.

The Employer Match contributions will vest in increments of twenty percent (20%) per year, with participants becoming fully vested after five (5) years of employment. All years of employment count toward eligibility and vesting.

- 3248 The Employer will ensure that as long as the employee remains employed by Kaiser Permanente on December 31 of the applicable year and contributes at least two percent (2%) of eligible compensation throughout the year, the Employer will provide the applicable match on the total of his/her eligible compensation.

Effective January 1, 2021, the Employer will ensure that as long as the employee remains employed by Kaiser Permanente on December 31 of the applicable year and contributes throughout the year at least two percent (2%) of eligible compensation, or three percent (3%) of eligible compensation if an eligible employee participates in the EDC, the Employer will provide the applicable match on the total of his/her eligible compensation.

Health Reimbursement Account ("HRA"/ "Retiree Medical HRA")

Modify CBA paragraphs 3344-3381 as follows:

Section 3 – Health Reimbursement Account ("HRA") For Category 1 and 2 Employees

3344 A. **Allocation of HRA to Category 1 Employees.**

3345 Category 1 employees will receive an Employer allocation to an unfunded Retiree Medical Health Reimbursement Account ("HRA" / "Retiree Medical HRA") at the time of retirement in the amount of one thousand dollars (\$1,000) per year of service. Category 1 employees who retire on or after January 1, 2020, will receive an Employer allocation to an unfunded Retiree Medical HRA at the time of retirement of two thousand dollars (\$2,000) per year of Service.

3346 Service is defined as one thousand (1,000) compensated hours, prorated as applicable, or if more favorable, as otherwise defined under the rules existing prior to January 1, 2017.

3347 On or after January 1, 2017, a year of Service is equal to two thousand (2,000) compensated hours, prorated as applicable,

3348 B. **Allocation of HRA to Category 2 Employees.**

3349 A Category 2 employee will receive an Employer allocation to an unfunded Retiree Medical HRA at the time of retirement in the amount of one thousand dollars (\$1,000) per year of Service, prorated as applicable, up to a maximum of thirty-five (35) years. Category 2 employees who retire on or after January 1, 2020, will receive an Employer allocation to

an unfunded Retiree Medical HRA at the time of retirement of two thousand dollars (\$2,000) per year of Service, prorated as applicable.

3350 A year of Service is equal to two thousand (2,000) compensated hours.

3351 C. **Retiree Medical HRA Rules of Application For Category 1 and 2 Employees**

3352 1. **Access to HRA for Category 1 and 2 Employees**

3353 A retiree may access the Retiree Medical HRA for reimbursement of IRS-approved expenses (with limitations described in sections B and C 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).

3354 2. **HRA Reimbursements for Category 1 and 2 Employees in a Kaiser Permanente Service Area Limited to KPSAP**

3355 For a retiree residing within the 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 copayments required for covered services under KPSAP (or other plans offered by Kaiser Foundation Health Plan).

3356 3. **HRA Reimbursements for Category 1 and 2 Employees outside of Kaiser Permanente Service Area**

3357 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 copayments, based on guidelines issued by the Internal Revenue Service.

3358 4. **Cases in Which a Domestic Partner Is Unable to Access the HRA**

3359 To the extent the Retiree Medical HRA mechanism is not available for a retiree's domestic partner, due to federal tax limitations, this paragraph shall apply. If an eligible retiree has an eligible domestic partner 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).

3360 5. **HRA Availability in Case of Category 1's or Category 2's Death**

3361 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. The surviving spouse may access the Retiree Medical HRA for reimbursement of eligible medical expenses, subject to the same Retiree Medical HRA Rules of Application in subsections C 2 and C 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 or death.

3362 **Section 4 – Category 3 Retiree Medical Program – Benefit for Disabled Employees on or After January 1, 2017**

3363 A. **Category 3 Definition – Disabled Employee.**

3364 1. **Disabled Employees Hired Prior to January 1, 2017**

3365 An active employee who was hired before January 1, 2017, and who is eligible for Employer-paid health benefits as an active employee, who retires (separates from service) on or after January 1, 2017, after becoming disabled, and who has at least ten (10) years or more of Service and who is eligible for disability benefits under Title II of the Social Security Act.

3366 2. **Disabled Employees Hired On or After January 1, 2017**

3367 An active employee who was hired on or after January 1, 2017, who is eligible for Employer-paid health benefits as an active employee, who retires (separates from service) on or after January 1, 2017, after becoming disabled, and who has at least fifteen (15) or more years of Service and who is eligible for disability benefits under Title II of the Social Security Act.

3368 3. **Years of Service Determination of Category 3's Eligibility for Retiree Medical Program**

3369 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, 2017, prorated as applicable. On or after January 1, 2017, a year of Service is equal to two thousand (2,000) compensated hours, prorated as applicable.

3370 B. **Retiree Medical Program "Medical Subsidy" For Category 3 Disabled Employees**

3371 1. **Amount of Medical Subsidy for Category 3 Disabled Employees**

3372 A Category 3 disabled retiree shall be entitled to a Medical Subsidy equal to the greater of one hundred dollars (\$100) per month or the monthly premium of the highest cost individual Southern California Region Kaiser Permanente Senior Advantage Plan ("KPSAP") or its successor as of January 1, 2017. After 2017, the Medical Subsidy shall increase by three percent (3%) each year.

3373 2. **Coverage Available to a Category 3 Employee and His/Her Dependents**

3374 a. Unless the Category 3 disabled retiree also meets the requirements in Category 1, a Category 3 disabled retiree's spouse or eligible domestic partner shall not receive a Medical Subsidy.

3375 b. The Category 3 disabled retiree's eligible children shall be covered under the active employee plan in effect at the time services are received. The active medical plan for

disabled dependent children does not continue past age twenty-six (26) in the event of a Category 3 retiree's death.

3376 c. Before Medicare becomes effective, a Category 3 disabled retiree shall be covered under the active employee plan in effect at the time services are received until Medicare becomes effective.

3377 d. If the Category 3 disabled retiree also meets the requirements in Category 1, the Category 3 disabled retiree's spouse/domestic partner and eligible children also shall be covered under the active employee plan in effect at the time services are received until Medicare becomes effective.

3378 e. The same rules of application for Category 1 employees regarding the Retiree Program "Medical Subsidy" shall also apply to Category 3, disabled employees.

3379 **3. Retiree Medical Program Employer Allocation to Health Reimbursement Account For Category 3 Disabled Employees**

3380 A Category 3 disabled employee 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 fifteen thousand dollars (\$15,000) or one thousand dollars (\$1,000) per year of Service based on a 1,000-hour compensated year, prorated as applicable, or as otherwise then defined prior to January 1, 2017, if more favorable. A Category 3 disabled employee who retires on or after January 1, 2020, 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 fifteen thousand dollars (\$15,000) or two thousand dollars (\$2,000) per year of Service based on a 1,000-hour compensated year, prorated as applicable, or as otherwise then defined prior to January 1, 2017, if more favorable. On or after January 1, 2017, a year of Service is equal to two thousand (2,000) compensated hours, prorated as applicable.

3381 The Retiree Medical HRA Rules of Application above for Category 1 and 2 employees shall also apply to Category 3 Disabled employees.

Dental Plan

Modify CBA paragraphs 3019-3028 as follows:

Section 2 – Dental Plan

3019 A. **Eligible Participants in Dental Plan**

3020 An employee who is regularly scheduled to work twenty (20) or more hours per week is eligible for dental coverage effective the first day of the month after three (3) months of employment. Coverage extends to the employee, his/her spouse or domestic partner and eligible dependent children as described in this Article up to the limiting age of twenty-six (26). Some of the benefits provided to domestic partners and their children may be taxable to the employee. Physically or mentally disabled children are also covered past age twenty-six (26) provided such disability occurred prior to the disabled dependent children

turning age twenty-six (26). Annual certification of disability and dependency may be required.

3021 **B. Dental Plans Available Based on Years of Employment**

3022 An eligible newly hired or newly eligible employee is required to select an Employer-provided prepaid Dental Plan during his/her first three (3) years of employment. After completing three (3) years of employment, an eligible employee may continue coverage in the prepaid dental plan or elect the Delta Dental Plan within thirty-one (31) days of obtaining eligibility, and during the annual open enrollment period may choose among the Employer-provided prepaid dental plans and the Delta Dental Plan.

3023 **C. Pre-Paid Dental Coverage**

3024 The pre-paid dental coverage services are covered at one hundred percent (100%). These services are provided through one of the respective panel providers. There is no annual maximum benefit under the pre-paid options.

3025 **D. Delta Dental Plan – Yearly Maximum**

3026 The Delta Dental Plan coverage provides for payment of seventy percent (70%) of the Usual, Customary and Reasonable (UCR) charges for basic and prosthodontics care to a maximum of one thousand dollars (\$1,000) per calendar year. Effective January 1, 2021, the dental plan annual maximum for participants will be one thousand five hundred dollars (\$1,500). Services must be obtained from a dentist who is a member of the Delta Dental Plan. The plan will provide fifty (50%) percent payment for major services.

3027 **E. Delta Dental Plan – Coverage**

3028 The Delta Dental Plan includes diagnostic and preventative benefits which pay one hundred percent (100%) of the UCR dentist's fees for the following procedures:

- Prophylaxis/Cleaning (with or without fluoride treatment) twice every calendar year.
- Examinations Bite-Wing X-rays (twice every calendar year).
- Full Mouth X-rays (once every three (3) years).
- Space Maintainers (for dependent children under age twelve (12) to replace a lost tooth).

3029 **F. Delta Dental Plan – Orthodontia Benefits**

3030 An Orthodontia benefit is included in the Delta Dental Plan and is available to dependent children under age of twenty-six (26). The benefit provides for a payment of fifty percent (50%) of services to a maximum payment of one thousand dollars (\$1,000) per child per lifetime. Effective January 1, 2021, the lifetime maximum for child Orthodontia shall be one thousand five hundred dollars (\$1,500).

3031 **G. Cost of Dental Coverage**

3032 Dental coverage is Employer-paid. However, any cost for the pre-paid plans that exceeds the Employer's cost for the Delta Dental Plan shall be borne by the employees. To determine the cost of the Delta Dental Plan, the Employer will compute the monthly premium amount paid for the Delta Dental Plan by dividing the previous calendar year cost by the number of employees covered in that year, divided by twelve (12) months.

3033 **Section 3 – Alternate Mental Health Plan**

3034 A. **Eligibility for Alternate Mental Health Insurance**

3035 An employee who is regularly scheduled to work twenty (20) hours or more per week, is eligible for the Alternate Mental Health insurance on his/her date of employment. Coverage is extended to eligible dependents as defined in Health Plan eligibility on the same date. The Alternate Mental Health coverage is Employer-paid and covers 50% of reasonable and customary charges up to the maximum of twenty (20) outpatient visits allowed per calendar year. A group therapy visit counts as one-half (1/2) of an outpatient visit. Inpatient care is covered at fifty percent (50%) of reasonable and customary charges for forty-five (45) days; or up to ninety (90) days of day or night care each calendar year.

Effective January 1, 2020, the Alternate Mental Health coverage will cover 80% of reasonable and customary charges, inclusive of both inpatient and outpatient. There is no maximum number of visits.

Wages – Across the Board Increases

Effective October 7, 2018, there will be an across-the-board increase of three percent (3%).

Effective October 6, 2019, there will be an across-the-board increase of two percent (2%).

Effective October 5, 2020, there will be an across-the-board increase of two percent (2%).

Lump Sum Bonus

Full-time and part-time active employees, employed on October 6, 2019, will receive a 1.5% lump sum bonus.

Full-time and part-time active employees, employed on October 5, 2020, will receive a 1.5% lump sum bonus.

The lump sum bonus will be paid no later than 60 days following ratification. The subsequent October 5, 2020 payment will be paid no later than 60 days following the end of the pay period to include October 5, 2020.

Earnings to include: Compensated hours includes regular hours worked, overtime, vacation, sick and training time (includes extra shifts and shift premiums). It excludes bonuses and benefits.

Period of Pay: Covers 26 pay periods, or 1 year of earnings ending with the pay period to include October 6, 2019 and October 5, 2020 as applicable.

Payment: Subject to applicable state/federal withholdings

Ratification Bonus

Full-time and Part-time active employees employed on the date of ratification will receive a 1% ratification bonus (less applicable state/federal withholdings) no later than 60 days following the subsequent pay period after the ratification date or as soon as administratively possible.

Psychiatric Registered Nurse

With the goal of providing full scope nursing services within the ambulatory psychiatric and addiction medicine settings, and encouraging highest quality of psychiatric nursing practice:

- RNs will practice at full scope under California Board of Nursing practice requirements.
- NUHW RN Job Description shall be modified to require BLS certification for new hires or transfers for all RN positions.
- All currently employed RNs will be required to obtain BLS certification within 6 months of contract ratification.
- After initial BLS certification, RNs must continuously maintain BLS certification as part of their nursing role.

Effective, on date of ratification, Psychiatric Nurse RNs (job code 66529) will be placed into the next highest payrate from current rate of pay, based on the pay structure below. Psychiatric Nurse RNs must work requisite hours in each step prior to advancing to the next corresponding step/rate.

Psychiatric RNs will receive the 3% Across the Board Increase in year 2018 (effective October 7, 2018). Following the 3% ATB increase, upon ratification date, in 2019 the Psychiatric RN will be placed on the wage structure at the next highest payrate from his/her current rate of pay based on the step structure below. In 2020, the Psychiatric RNs will receive a wage adjustment, based on his/her step, reflective in chart below.

Psychiatric RN Wage Rates

| | STEP 1 | STEP 2 | STEP 3 | STEP 4 | STEP 5 | STEP 6 | STEP 7 | STEP 8 | STEP 9 | STEP 10 |
|------------------------|--------|--------|--------|--------|--------|--------|--------|--------|---------|---------|
| | START | 1 YEAR | 2 YEAR | 3 YEAR | 4 YEAR | 5 YEAR | 6 YEAR | 7 YEAR | 10 YEAR | 15 YEAR |
| 2019 Ratification Date | 49.070 | 52.996 | 55.646 | 58.428 | 60.766 | 63.195 | 65.407 | 67.533 | 69.728 | 71.541 |
| 10/5/2020 | 50.542 | 54.586 | 57.315 | 60.181 | 62.589 | 65.091 | 67.369 | 69.559 | 71.820 | 73.687 |

Evening Shift Differential

Effective upon date of ratification, evening shift differential will be modified from \$2.43 per hour to \$2.75 per hour (as evening shift is defined in the CBA).

Night Shift Differential

Effective upon date of ratification, night shift differential will be modified from \$3.017 per hour to \$4.50 per hour (as night shift is defined in the CBA).

Standby Pay Differential

Effective upon date of ratification, stand-by pay differential hourly rate will be modified from \$10.00 per hour to \$12.00 per hour.

Performance Goals: Psychiatry, Addiction Medicine and Medical Social Work

The Parties agree to the attached performance goals for Psychiatry, Addiction Medicine and Medical Social Work. (see attachments)

For Home Health, the Parties will work collaboratively during the first year of the contract term to create incentive measurements to be implemented for the remainder of the contract term. In the first year of the contract, Home Health participants will receive incentive awards based upon the regional average incentive results of the Psychiatry, Addiction Medicine and Medical Social Work Incentive Plans.

For Medical Social Work, the Parties will include the three agreed upon goals. Upon ratification, a Labor and Management workgroup, consisting of three (3) Labor and (3) Management representatives, will be formed, to monitor incentive data and progress for the first year with the objective to develop, if appropriate or necessary, an alternative to the “touches” metric and goal. This work will be completed within six (6) months of ratification and then incorporated into the performance goals upon agreement between the Employer and Union to begin in year two (2) of this Agreement.

New Job Classifications – Developmental Psychologist and Neuropsychologist

Two new classifications, Developmental Psychologist and Neuropsychologist, will be added to Appendix A of the CBA.

Developmental Psychologist and Neuropsychologist classifications will be 5% above current Psychologist wage scale.

An additional 5% differential will be paid to Neuropsychologists who obtain and provide proof of valid Neuropsychology board certification.

Job descriptions will be created within six (6) months from date of ratification.

Letter of Understanding – Add as an Appendix to CBA

The Parties will work together to gather and analyze data related to Kaiser Permanente Psych-Social jobs and pay rates and develop a common understanding of this data relative to the market and review the findings ahead of the next round of collective bargaining.

Kaiser Permanente remains committed to competitive pay that allows Kaiser to continue to be an employer of choice while improving affordability and delivering high-quality care and service.

Unpublished Letter of Understanding

This non-precedent setting Letter of Understanding memorializes the May 28 discussion between Labor and Management. At a meeting held on May 28, 2019, NUHW bargaining subcommittee members Michelle Fogle, Dan Gizzo and Tanya Veluz met with KP management bargaining subcommittee participants Tina Han, Dawn Gillam and Jessica Grimes.

Access & Innovation Collaborative **Priority Topic: Provider Schedules**

The Parties engaged in thoughtful conversation surrounding clinicians' schedules including time for documentation. Conversation reflected variation in current scheduling practices across the SCAL region in relation to how patient management time is currently allotted by each clinic, as well as workflows for patient no-show's and last-minute cancellations, etc.

The Parties recognized addressing the topic of patient management time with respect to provider schedules, in isolation, may have other unintended consequences. As such, the Parties agreed this topic be a primary focus at the initiation of the Access & Innovation Collaborative whereby the Parties will collectively review the entirety of provider schedules, inclusive of patient management time, with a goal to standardize across SCAL for consistency. This work is to be completed within the first 30 days of the Collaborative (and the Collaborative is to begin within 30 days after ratification of the contract).

SCAL Care Navigators

The Parties engaged in brainstorming and conversation seeking common ground regarding the increased availability of IOP, including contracting as necessary, additional resources to support the spread of feedback regarding informed care, and staffing to support the care navigator function of KPEP (Kaiser Permanente Entryway Pathway) rollout.

Management will create twenty (20) additional FTE positions for the SCAL Care Navigator rollout and implementation as a means to provide immediate access relief. The additional FTE staffing (LCSW/MFT) is intended to assist with the roll-out within the SCAL region. Positions will be added as soon as administratively possible in relation to individual medical center start-up operational needs.

We appreciate the opportunity for the Labor-Management bargaining subcommittee to enter into collaborative conversation and believe our ability to reach successful outcomes demonstrates the value of collaborative problem solving.

Contract Duration

Amend paragraph 4101 as follows:

This Agreement shall become effective October 1, 2018 and shall remain in effect through September 30, 2021. It shall continue from year to year thereafter unless amended, modified, changed or terminated.

Tentative Agreements

All tentative agreements will be incorporated into the final agreement. Other provisions of the expired contract will remain, except to the extent that there is conforming language.

Joint Communication

The parties agree to jointly craft a communication which both parties affirm to jointly support the agreements reached during bargaining and acknowledge the mutual consideration and understanding reached by both parties.

Withdrawal of NLRB Unfair Labor Practice Charges

In acceptance of the offers contained herein, NUHW shall immediately withdraw any and all open NLRB Charges filed by the Union.

By signing below, the Parties affirm that this Agreement resolves any and/or all issues pursuant to this collective bargaining.

FOR THE EMPLOYER

FOR NUHW

Mary Anne Madruga
Sr. Labor Relations Representative

Greg Tegenkamp
NUHW Kaiser Division Director