

Collective Bargaining Agreement

by and between

Washington State Nurses Association

and

**Kindred Hospital
Seattle, Washington**

2010 - 2013

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PREAMBLE

This Agreement is made and entered into by and between Kindred Hospital, Seattle (hereinafter referred to as the "Employer" or "Hospital") and the Washington State Nurses Association (hereinafter referred to as the "Association"). The purpose of this Agreement is to facilitate a harmonious employment environment for registered nurses that contributes to the mutual goal of providing quality patient care, by setting forth agreed-upon wages, hours of work and other conditions of employment, by fostering an orderly, mutually-respectful system of employer-employee relationships and by facilitating joint discussions and cooperative solutions to mutual problems.

ARTICLE I - RECOGNITION

- 1.1 **Bargaining Unit.** The Employer recognizes the Association as the sole and exclusive bargaining representative for all full-time, part-time and on-call nurses employed as registered nurses by the Employer at its hospital at 10560 5th Avenue N.E., Seattle, Washington, excluding, supervisory and administrative/management positions and all other employees.
- 1.2 **New Positions.** New job classifications established during the term of this Agreement shall be covered by this Agreement unless they are bona fide supervisory or administrative/management positions. The Association shall be notified of any new classifications established by the Employer.

ARTICLE 2 - ASSOCIATION MEMBERSHIP

- 2.1 **Association Membership.** All Nurses who are members of the Association as of 8/25/99 and all Nurses who voluntarily join the Association during the term of this agreement shall, as a condition of employment, maintain Association membership for the life of this Agreement. Additionally, all Nurses who are hired after 8/25/99 shall, as a condition of employment, become and remain members of the Association within thirty (30) calendar days after their date of hire. Any Nurse who fails to comply with these requirements shall be discharged upon request of the Employer by the Association, and such discharge shall be deemed for just cause. Per Diem Nurses are exempt from the membership requirement of this article; however, Per Diem Nurses may voluntarily become members of the Association.
- 2.2 **Bargaining Unit Roster.** Twice a year (in the months of January and July) the Employer shall provide the Association with a list of those nurses covered by this Agreement. This list will include each covered nurse's name, home address, home telephone number, personnel number, work status (full-time, part-time or on call), FTE, rate of pay and first paid working day in a bargaining unit position. When possible, the Employer shall provide the list on computer disk or via e-mail. Monthly, except for January and July, the Employer shall provide the Association with a list of all nurses covered by this Agreement who were hired and/or moved into positions covered by this Agreement during the previous month. The list shall contain each employee's name, home address, home telephone number, personnel number, work status (full-time, part-time or on call), FTE, rate of pay and first paid working day in a bargaining unit position. The list also shall identify all employees who, during the previous month, transferred into positions outside the bargaining unit or left their

employment with the Employer. When possible, the Employer shall provide the monthly list on computer disk or via e-mail.

- 2.3 **Contract.** Upon initial employment, a nurse shall be given a copy of the current Agreement from the Local Unit Chairperson and a copy of the nurse's job description from the Employer. The Association will provide copies of the Agreement to the Local Unit Chairperson.
- 2.4 **Dues Deduction.** During, the term of this Agreement, the Employer shall deduct dues from the pay of each member of the Association who voluntarily executes a wage assignment authorization form, available through the Association. When filed with the Employer, the authorization form will be honored in accordance with its terms. A copy of the authorization form to be used by members is set forth as Exhibit "A" to this Agreement. The amount deducted and a roster of all nurses using payroll deduction will be promptly transmitted to the Association by check payable to its order. Upon issuance and transmission of a check to the Association, the Employer's responsibility shall cease with respect to such deductions. The Association and each nurse authorizing the assignment of wages for the payment of Association dues hereby undertake to indemnify and hold the Employer harmless from all claims, demands, suits or other forms of liability (including costs and attorneys fees as incurred) that may arise against the Employer for or on account of any deduction made from the wages of such nurse. The Employer will have no liability to the nurse or the Association under this provision for failure to deduct or transmit Association dues.
- 2.5 **Notification To Employer/Indemnification.** If any nurse who is a member of the Association during the term of this Agreement shall cease to be a member of the Association in good standing, the Association shall notify the Employer in writing of such fact. The Employer will be required to terminate that nurse within twenty (20) calendar days of actual receipt of such notice. The Association hereby undertakes to indemnify and hold the Employer harmless from all claims, demands, suits or other forms of liability (including costs and attorneys fees as incurred) that may arise against the Employer for complying with the Association's request for termination.

ARTICLE 3 - ASSOCIATION REPRESENTATIVES

- 3.1 **Access to Premises.** Duly authorized representatives of the Association may have access at reasonable times to those areas of the Employer's premises which are open to the general public for the purpose of investigating grievances and contract compliance. Association representatives shall not have access to nurses' lounges, nursing units or other patient care areas unless advance approval has been obtained from the Employer. Access to the Employer's premises shall be subject to the same general rules applicable to other non-employees and shall not interfere with or disturb nurses in the performance of their work during working hours and shall not interfere with patient care or the normal operation of the hospital.
- 3.2 **Local Unit Chairperson.** The Association shall have the right to select a local unit chairperson(s) from among nurses in the unit. The local unit chairperson(s) shall not be recognized by the Employer until the Association has given the Employer written notice of the selection. When it is not practical or reasonable to investigate and negotiate grievances during non-working hours, (e.g., coffee breaks, lunch periods, and before or after shifts), the local unit chairperson, or delegate will be allowed a reasonable amount of time on a paid

basis during working hours to perform such functions, except that such activity shall not take precedence over the requirements of patient care and shall not interfere with the work of other employees. In no event shall paid time exceed two (2) hours per month or result in overtime work. Advance approval from the shift supervisor must be obtained by the unit chairperson.

- 3.3 **Bulletin Boards.** The Employer shall furnish two (2) bulletin boards in a prominent place for the use of the local unit. Materials posted may include meeting notices, local unit newsletters, training and education information, and general matters relating to professional nursing and health care.

ARTICLE 4 - DEFINITIONS

- 4.1 **Resident Nurse.** A registered nurse whose clinical experience after graduation is less than six (6) months, or a registered nurse who is returning to practice with no current clinical training or experience. A resident nurse shall be assigned under the close and direct supervision of a designated registered nurse(s) and shall have limited responsibilities as defined by the supervisor. Residency shall not exceed six (6) continuous months unless extended in writing for an additional three (3) months when mutually agreed to by the Employer and individual nurse involved. A resident nurse who is required to function on a regular basis without close and direct supervision, as determined by the Manager or Director of the Unit and the Director of Clinical Services, will be reclassified as a Staff Nurse and will be placed on the wage scale as determined by the formulas set forth in Section 8 of this Agreement.
- 4.2 **Staff Nurse.** A registered nurse who is responsible for the direct and indirect nursing care of the patient. An experienced registered nurse returning to practice who has recently and satisfactorily completed a nursing refresher course approved by the Assistant Administrator Patient Care Services shall be classified as a staff nurse for starting pay purposes.
- 4.3 **Full-Time Nurse.** A nurse who works on a regularly scheduled basis at least thirty (30) hours per week or sixty (60) hours in a pay period and who has successfully completed the required probationary period. In lieu of all fringe benefits, except for shift differential, call back pay, standby pay and longevity increments, a nurse may elect a fifteen percent (15%) wage differential. This election must occur within the first ten (10) days of employment or within ten (10) days of the ratification of this Agreement, whichever is later, or annually on dates designated in advance by the Employer. If the Employer re-institutes a ten percent (10%) wage differential for non-Association represented Hospital employees, the Employer may unilaterally reduce the 15% differential back to 10% for nurses provided that any affected nurse shall first be given the opportunity to revoke his or her election to accept the wage differential.
- 4.4 **Part-Time Nurse.** A nurse who is regularly scheduled to work less than thirty (30) hours per week, and who has successfully completed the required probationary period. Part-time nurses are not eligible for any Employer-provided benefits.
- 4.5 **On-Call Nurses.** A nurse regularly scheduled to work less than twenty (20) hours per week or hired to work on an intermittent basis during any period when additional work of any

nature requires a temporarily augmented work force or in the event of an emergency or employee absenteeism. On-call nurses shall normally be scheduled to work one weekend per month. On-call nurses shall include nurses scheduled on a "call in" basis. On-call nurses shall be paid in accordance with the wage rates set forth in Article 8 of this Agreement plus a fifteen percent (15%) wage differential. On-call nurses shall receive longevity increments and shall be eligible for standby pay, callback pay, shift differentials and weekend premium pay. On-call nurses shall not accrue seniority, nor are they eligible for any other benefits provided for in this Agreement. A full-time or part-time nurse who changes to on-call status shall retain seniority and benefits pending, return to regular status. Seniority shall not apply while on on-call status. After returning to full-time or part-time status, previously accrued seniority and benefit accruals shall be reinstated for wage and benefit eligibility purposes.

- 4.6 **Probationary Nurse.** A nurse who has been hired by the Employer on a full-time, part-time or on-call basis and who has been employed by the Employer for less than ninety (90) calendar days. After the probationary period, the nurse shall attain regular status unless specifically advised by the Employer in writing of an extended probationary period, not to exceed an additional ninety (90) calendar days. During the probationary period, a nurse may be terminated without notice and without recourse to the Grievance procedure.
- 4.7 **Temporary.** The Employer may hire or contract for temporary nurses. Temporary nurses do not have any rights under this Agreement.
- 4.8 **Preceptor.** A preceptor is an experienced nurse proficient in clinical teaching who is specifically responsible for planning, organizing, and evaluating the new skill development of a nurse. Inherent in the preceptor role is the responsibility for specific criteria-based and goal-directed education and training for a specific training period. Nursing Administration will determine the need for preceptor assignments. It is understood that staff nurses in the ordinary course of their responsibilities will be expected to participate in the general orientation process of new nurses. This would include the providing of information assistance, support, and Guidance to new nurses.

ARTICLE 5 - EMPLOYMENT PRACTICES

- 5.1 **Role of the Nurse.** The parties recognize the importance of providing patients with adequate and safe nursing care. The standards of nursing conduct and practice of the Employer shall be as set forth in the Washington Administrative Code.
- 5.2 **Equal Opportunity.** The Association and Employer each share a desire to ensure equal opportunity to all qualified persons in all aspects of employment. The Employer reaffirms its commitment to comply with the laws which prohibit discrimination based on age (40 or older), race, Gender, religion, disability, national origin, marital status, sexual orientation, union membership or lack thereof, or based on any other protected characteristic.
- 5.3 **Notice of Closure or Asset Sale.** The Employer shall provide any advance written notice required by law or at least thirty days advance written notice, whichever is greater, to the nurses and the Association in the event of a closure or sale of the assets of Employer. A closure or sale of any of the following units will also fall under this provision: Surgery Unit, Intensive Care Unit, Medical/Surgical Unit(s), Surgery Ambulatory Unit, Patient Observation Unit and Immediate Care Clinic. The thirty-day advance notice requirement does not apply where in the Good faith judgment of the Employer, it could impact the sale, the

circumstances of the sale or closure could be considered an emergency, or there are other legitimate business reasons. In any event, the Employer shall meet with the Association to discuss the effects of such closure or asset sale on the bargaining unit. This provision should be read together with Article 6.

- 5.4 **Discipline and Discharge.** No full-time, part-time, or on-call nurse shall be disciplined or discharged, except for just cause. In determining just cause, the arbitrator shall take into account the nature of the industry and the critical importance of all aspects of patient care. Nurses are expected to provide the highest level of commitment and care. Nurses will be requested to sign the written disciplinary action for the purpose of acknowledging receipt thereof. If a nurse refuses to sign, the Employer will so indicate and notify the Association within a reasonable period of time. Failure to notify the Association will not preclude the Employer from taking disciplinary action where appropriate. Progressive discipline may not be applied when in the judgment of the Employer the nature of the offense warrants immediate suspension or discharge. A nurse may request the attendance of an Association representative during any investigatory meeting which may lead to disciplinary action.
- 5.5 **Employee Drug Testing.** The Employer may require an employee for just cause to undergo drug and/or alcohol testing and may deal with positive test results under the terms of the Employer's policy. Any drug and alcohol testing program will include generally accepted testing procedures. Reasonable safeguards will be included to protect the privacy of applicants and employees. The Employer may implement annual or random drug and alcohol testing program, if required to do so by law or contract. In that event, the Employer will give thirty (30) days advance notice to the Association of the random drug and alcohol testing program, unless restricted from doing so by law or contract. During that thirty (30) day notice period the Employer will discuss implications of the random drug and alcohol testing program with the Association. A detailed separate drug, testing, policy is available to nurses through the Human Resources Department.
- 5.6 **Personnel File.** Personnel records will be maintained for each nurse. Information contained in the personnel record will include: employment application and supporting materials, performance appraisals, records of payroll activity, licensure and training records, letters of commendation and recognition, and records of disciplinary action. By appointment, nurses may inspect their personnel records. Nurses will be given the opportunity to provide a written response to any written evaluations or disciplinary actions to be included in the personnel file. Documentation recording conditions at date of hire (rate of pay, unit, shift, hours of work), reason for termination, change in employment status, pay or shift and leaves of absence shall be in writing with a copy given to the nurse upon request.
- 5.7 **Floating.** The Employer retains the right to change the nurse's daily work assignment on a shift by shift basis to meet patient care needs. Nurses will be expected to perform all basic nursing functions, but will not be required to perform tasks or procedures specifically applicable to the nursing unit which they are not qualified or trained to perform. Nurses required to float within the hospital will receive orientation appropriate to the assignment. Orientation will be dependent upon the nurse's previous experience and familiarity with the nursing unit to which such nurse is assigned.
- 5.8 **Evaluations.** The Employer will make an effort to formally evaluate nurses in writing prior to completion of the residency or probationary period and annually on their hire date anniversary thereafter. In the event the Employer misses the annual or anniversary date, the

nurse may request an evaluation. Upon request, and within seven (7) calendar days of such request, the Employer must evaluate the nurse. Interim evaluations may be conducted as may be required. The evaluation is a tool for assessing the professional skills of the nurse and for improving and recognizing, the nurse's performance. The nurse's participation, including a self-evaluation, is an integral part of the evaluation process. The nurse will be given a copy of the evaluation, if requested. Nurses will be requested to sign the evaluation acknowledging receipt thereof. Nurses will be given the opportunity to provide a written response to the evaluation which will be retained with the evaluation in the nurse's personnel file. A peer evaluation format may be developed in addition to supervisory evaluation on a unit-by-unit basis at the discretion of the Employer utilizing input by the nursing staff.

- 5.9 **Communication.** Nurses who have concerns regarding their working conditions are encouraged to raise those concerns through the appropriate levels of supervision.
- 5.10 **Job Openings.** When a regular status job opening occurs within the bargaining unit, seniority shall be the determining factor in filling such vacancy providing skill, competence and ability are considered equal in the opinion of the Employer. If the employer is unable to transfer a nurse to a vacant position due to patient care considerations, the position may be filled on a temporary basis and the nurse will be notified in writing as to when the transfer will be expected to occur. Notice of job openings shall be posted for three (3) days in advance of filling. To be considered for such job opening, a nurse must indicate such interest to the Employer in writing. The Employer will accept and process applications until an offer has been made.
- 5.11 **Payroll Check Stubs.** Payroll check stubs shall reflect the number of hours worked, including overtime hours. The payroll check will also reflect the employee's PTO balances or that information will otherwise be made available through the department manager.

ARTICLE 6 - SENIORITY, LAYOFF AND RECALL

- 6.1 **Definitions.** As used in this section, the following terms shall apply.
- 6.1.1 **Seniority.** Seniority shall mean a nurse's continuous length of service as a registered nurse based upon hours worked with the Employer from most recent date of hire. Seniority benefits shall not apply to a nurse until completion of the required probationary period. Upon satisfactory completion of this probationary period, the nurse shall be credited with seniority from most recent date of hire. Seniority shall be administered on the basis of hospital-wide seniority.
- 6.1.2 **Comparable Position.** Comparable position is defined as the same base pay, same shift, and same number of hours.
- 6.1.3 **Qualified.** Qualified means the ability to independently provide, to the satisfaction of the Employer, based upon the job description, appropriate, safe, direct patient care within fourteen (14) calendar days. If not qualified at that time in the judgment of the Employer, the nurse will be laid off without additional notice.
- 6.2 **Layoff Procedure.**

- (1) The Employer will give two (2) weeks' notice to the affected nurse or pay in lieu when a full-time, part-time or on-call nurse is terminated due to an economic layoff. Where two (2) weeks' advance notice has been given to the nurse, a minimum of two (2) weeks will also be given to the Association.
- (2) The following order of layoff shall be followed:
 - (a) agency nurses and temporary nurses. (This order will be followed unless it would breach an existing contract. However, agency nurses and temporary nurses will be laid off at the end of their contract to the extent that other qualified nurses are still on layoff and available for recall.)
 - (b) nurses on probation;
 - (c) on-call nurses;
 - (d) remaining nurses, in inverse order of seniority, where skill, competency and ability are substantially equivalent in the judgment of the Employer, based on relevant criteria.
- (3) When laying off full-time and part-time nurses, the least senior nurse shall be laid off first, and the layoff shall continue in the order of least seniority until the needed reduction in required staff has been accomplished.
- (4) Nurses shall be offered the option of accepting reduced hours or a change of shift in their unit. A nurse accepting such reduction or change in shift shall be considered on layoff and retain all recall rights.
- (5) Potential layoff nurses shall be offered vacant positions if qualified.
- (6) A full-time or part-time nurse affected by the layoff may bump one less senior nurse on the nurse's assigned shift with the same number of authorized hours in a unit in which the more senior nurse is qualified to work. If there is no less senior nurse on the nurse's assigned shift with the same number of hours, the nurse may bump one less senior nurse with the same number of authorized hours on another shift in a unit in which the more senior nurse is qualified to work, or may bump one less senior nurse on the same shift with a lesser number of hours in a unit in which the more senior nurse is qualified to work. If there is no less senior nurse on the nurse's shift and none on another shift with the same number of hours, the nurse may bump one less senior nurse with a lesser number of hours on another shift in a unit in which the more senior nurse is qualified to work. Nurses bumping into an alternate position shall be considered on layoff and retain all recall rights.
- (7) Full-time or part-time nurses on layoff who are qualified shall be offered extra available shifts before such shifts are offered to on-call or agency nurses. To the extent practical, such shifts will be offered to nurses on layoff in order of seniority up to but not exceeding the number of scheduled hours before layoff. An offer for extra available shifts shall not be considered a recall.
- (8) A full-time or part-time nurse may complete a form listing the units where the nurse feels qualified to perform the work required as an on-call, and if the nurse is qualified, the Employer will make a good faith effort to provide work for the nurse on mutually agreed upon shifts.

- (9) As long as any full-time or part-time nurse remains on layoff, the Employer shall not newly employ on a part-time or full-time basis nurses with equivalent skills and availability into the bargaining unit.
- (10) Non-bargaining unit employees will not be utilized to permanently replace any bargaining unit nurse who is on layoff.
- (11) Regularly scheduled hours will not be materially increased on a scheduled basis for employed nurses without first offering such hours to nurses on layoff. "Materially" shall be considered one additional 8, 10 or 12-hour shift in a specific unit on a regularly scheduled basis.

6.3 **Recall.** Nurses on layoff status shall be placed on a reinstatement roster for a period of one (1) year from the date of layoff. When vacancies occur, nurses shall be reinstated in the reverse order of the layoff providing skill, competence, ability and experience are considered equal in the opinion of the Employer. Any recall of nurses out of seniority will be communicated to the Association in advance of the recall. Nurses who have bumped into alternate positions to avoid layoff will also be considered eligible to return to their former position, if it becomes vacant within one (1) year from the date of layoff.

6.4 **Termination.** Seniority shall terminate upon cessation of the employment relationship; for example, discharge, resignation, retirement, refusal to accept a comparable job opening offered by the Employer while on layoff, after twelve (12) consecutive months of layoff, or failure to comply with specified recall procedures.

6.5 **Roster.** In the event of a layoff, a seniority roster will be available at the Personnel Department, and will be provided to the Association.

6.6 **Low Census.** Low census is defined as a decline in patient care requirements resulting in a temporary staff decrease. During temporary periods of low census, the Employer will first ask for volunteers to take time off before determining and implementing the reduced staffing schedule required. In the event there are no volunteers, the Employer will endeavor to rotate low census equitably among all nurses on a shift starting with the least senior nurse first, providing skills, competence, ability and availability are considered equal as determined by the Employer. Agency nurses and on-call nurses shall be released from work prior to implementing low census, with the exception that a full-time or part-time nurse may be low censuses prior to releasing an agency or on-call nurse, if the full-time or part-time nurse is voluntarily working an extra shift. Contract nurses will normally be low-censuses before a full-time or part-time nurse, unless that would violate an existing contract. If because of the above rotation procedure a full-time or part-time nurse is to be low censuses, and that nurse is qualified to work in another unit, that nurse shall be given the opportunity to work in the other unit in place of agency or on-call nurses, unless the full-time or part-time nurse is voluntarily working an extra shift. If an individual volunteers to take a low census day off, that day off shall be counted for purposes of the rotation list. Nurses who are scheduled to work but are released from duty due to low census shall continue to accrue seniority and benefits as if the nurses had worked. Wherever possible prior to the implementation of low census days, the Employer will endeavor to return all nurses to the authorized and established FTE status. If a nurse is placed on standby on a regularly scheduled shift and is not called in

for four (4) hours or more, the day will be considered a low census day. PTO may be used during periods of low census in an amount necessary to equal, but not to exceed regularly scheduled hours, (FTE status).

ARTICLE 7 - HOURS OF WORK AND OVERTIME

7.1 **Work Day.** The normal work day for a full time nurse shall consist of eight (8), ten (10) or twelve (12) hours of work in addition to unpaid meal periods.

7.2 **Work Period.** A normal work period shall consist of up to forty (40) hours of work within a seven (7) day period or up to eighty (80) hours of work within a fourteen (14) day period.

7.3 **Flexible Work Schedules.** Flexible work schedules may be established by the Employer. The flexible work schedule shall be in writing, identifying in detail the type of schedule to be worked. Current work schedules include 8, 10 and 12-hour shifts. A copy of the written schedule shall be sent to the Association prior to its implementation.

7.3.1 The flexible work schedule shall be in writing, identifying in detail the type of schedule to be worked. A copy of the written schedule will be sent to the Association at least fifteen (15) days prior to its implementation.

7.3.2 Wages, longevity increments, seniority, benefits and other conditions of employment shall accrue in accordance with Section 4 of this Agreement.

7.3.3 The application of Section 7.10, Rest Between Shifts, shall be addressed in the written schedule.

7.3.4 The terms of this Agreement not specifically addressed in the written flexible work schedule shall apply to the flexible work schedule.

7.3.5 In the event the Employer determines to discontinue current flexible work schedules or move to a different schedule pattern, the following procedures shall be followed:

- (a) The Employer shall provide written notice to the Association and the nurses of its intent to discontinue the shifts at least thirty (30) days prior to the anticipated date upon which the change will be implemented, unless the change is required by emergent circumstances.
- (b) The Employer shall first seek qualified volunteers to change to the new scheduled shifts.
- (c) In the event there are not adequate qualified volunteers, the Employer will post the new scheduled shifts for review for ten (10) days. Nurses shall bid on the new scheduled shifts by seniority no later than eleven (11) days after the initial posting.
- (d) The affected nurses shall move to the new scheduled shifts fifteen (15) days after they submit their bid by seniority.

- 7.4 **Work Schedules.** It is recognized and understood that deviations from the foregoing normal hours of work may occur from time to time, resulting, from several causes, such as but not limited to vacations, leave of absence, weekend and holiday duty, absenteeism, employee requests, temporary shortage of personnel, low census and emergencies. The Employer retains the right to adjust and modify work schedules as it deems necessary to maintain an efficient and orderly operation, and recognizes that this may be disruptive to nurses' personal lives. While the Employer will make a good faith effort to minimize such disruption, it will make its scheduling decisions based on its assessment of staffing needs. Monthly work schedules will be posted ten (10) days prior to the beginning of the scheduled work period. Except for emergency conditions involving patient care and low census conditions, individual scheduled hours of work set forth on the posted work schedules may be changed only by mutual consent. The Employer may not take disciplinary action against any nurse for failure to work a scheduled shift, unless the nurse has been given at least ten (10) days advance notice of the monthly schedule.
- 7.5 **Overtime.** Overtime shall be compensated for at the rate of one and one-half (1-1/2) times the regular rate of pay. Overtime pay shall be provided to any employee for hours worked in excess of forty (40) hours per week, except employees who are working an approved 8/80 shift who are entitled to overtime after eighty (80) hours. In addition, overtime at the rate of one and one-half (1-1/2) times the regular rate of pay will be provided any employee who is required to work beyond the employee's scheduled shift. Overtime will only be paid for hours actually worked beyond the scheduled shift. It will not be paid to the employee, if the additional work hours are at the request of the employee.
- 7.6 **Overtime Approval.** Overtime must be approved by supervision. The Employer and the Association agree that overtime should be minimized. If in the Employer's opinion overtime is necessary, volunteers will normally be sought first and if there are insufficient volunteers, reasonable overtime may be assigned. There shall be no pyramiding or duplication of overtime pay or premium pay for the same hours worked. Over-time will be paid at the rate of time and one-half (1-1/2x). When a nurse is eligible for two (2) forms of premium pay and/or overtime pay, the nurse will receive only the highest rate of pay.
- 7.7 **Meal/Rest Period.** All nurses shall receive an unpaid meal period of one-half (1/2) hour for four hours of work. Nurses required to remain on duty and/or in the hospital during their meal period shall be compensated for such time at the appropriate rate of pay. Nurses must notify their supervisor of their inability to take their meal period. Nurses shall receive one (1) paid fifteen (15) minute break during every four (4) hours of work.
- 7.8 **Report Pay.** Nurses who report for work as scheduled (unless otherwise notified at least two hours in advance) and are released from duty by the Employer because of low census shall receive a minimum of four (4) hours' work at the regular rate of pay. Notification of low census is considered sufficient when messages are left on the nurses answering machine or at home with a family member and request that the RN call the Employer.
- 7.9 **Weekends.** The Employer will make a good faith effort to schedule all regular full and part-time nurses for every other weekend off. In the event a nurse is required to work on a non-regularly scheduled weekend, all time worked will be paid at time and one-half (1-1/2) the regular rate of pay. The following scheduled weekend will not be paid at time and one-half (1-1/2). Every other weekend off cycles may be altered with notice prior to the start date of the next posted work schedule. Subject to advance approval, nurses may request the

trading of weekends, providing the schedule change does not place the Employer into an overtime pay condition. The weekend shall be defined for first (day) and second (evening) shift nurses as Saturday and Sunday. For third (night) shift nurse, the weekend shall be defined as Friday night and Saturday night. If a nurse requests to work the unscheduled weekend, he/she will be paid at their regular rate of pay.

- 7.10 **Rest Between Shifts.** In scheduling work assignments, the Employer will make a good faith effort to provide each nurse with at least twelve (12) hours off duty between shifts. In the event a nurse is required to work with less than twelve (12) hours off duty between shifts, all time worked within this twelve (12) hour period shall be at time and one-half. This Section shall not apply to 12-hour flextime shifts, standby or call back assignments performed pursuant to Article 9.
- 7.11 **Shift Rotation.** Where shift rotation is required by the Employer, a good faith effort will be made to limit shift rotation to a fourteen (14) day period between each rotation. More frequent shift rotation may be mutually agreed to on an individual basis.

ARTICLE 8 - COMPENSATION

8.1 **Wage Increases and Added Steps.** Effective on the first full pay period following August 25, 2010, there shall be a three percent (3%) across the board increase to all steps of the wage scale. Effective on the first full pay period following August 25, 2011, there shall be a three (3%) across the board increase to all steps of the wage scale. Effective on the first full pay period following August 25, 2012, there shall be a three percent (3%) across the board increase to all steps of the wage scale.

Effective on the first full pay period following August 25, 2010, the following Step shall be added to the wage scale: Step 22 at three percent (3%) above Step 20. Effective on the first full pay period following August 25, 2010, Step 25 will be adjusted to be 3% above Step 22; and Step 28 will be set at 2.3% above Step 25.

8.1.1 Nurses covered by this Agreement shall be paid in accordance with the hourly wage schedule attached as Exhibit "B."

Nothing in this Agreement shall prevent the Employer from providing additional compensation to any nurse or group of nurses in its discretion. The Employer will discuss any proposed increase with the Association prior to implementation, and will provide the Association with the reasons for the increases.

8.2 **Recognition for Past Experience.** For purposes of determining the starting wage step for a nurse hired after the date of ratification of this Agreement, the following formulas shall apply:

The starting wage step for a nurse shall be equal to the number of years of the nurse's continuous recent experience as a direct patient care nurse in an accredited hospital or clinic. To the extent that such continuous recent experience includes part-time work (.6 FTE or less), such part-time work shall be credited at the rate of one (1) year for every two (2) years of such work. In addition, continuous recent full-time employment as a direct patient care nurse in a long-term care facility will be credited at the rate of one (1) year for every two (2) years

of such employment. Continuous recent part-time work as a direct patient care nurse in a long-term care facility will be credited at the rate of one (1) year for every four (4) years of such employment.

The Employer has the discretion to determine whether a nurse's prior experience is sufficiently continuous and recent to be credited for purposes of determining the starting wage step. In making such determination, the Employer shall give credit for all direct patient care nursing experience in accordance with the above formulas so long as there has not been a break in service that, in the opinion of the Employer, would reduce the level of the nurse's practical nursing skills. To the extent that the calculation of the number of years of continuous recent experience results in a whole number plus a fraction (with the fraction representing a partial year of experience), such fraction shall be disregarded when determining the nurse's placement on the wage scale. If there is no wage step corresponding to the number of years of a nurse's continuous recent experience, the nurse will be placed at the step representing the highest level of past experience actually possessed by the nurse.

ARTICLE 9 - OTHER COMPENSATION

- 9.1 **Shift Differential.** Nurses assigned to work the second (3-11 p.m.) shift shall be paid a shift differential of two dollars and fifty cents (\$2.50) per hour over the hourly contract rates of pay. Nurses assigned to work the third (11 p.m. - 7 a.m.) shift shall be paid a shift differential of four dollars (\$4.00) per hour over the hourly contract rates of pay. Nurses shall be paid shift differential for those hours worked on a second or third shift if two (2) or more hours are worked on the designated shift.
- 9.2 **Standby Pay.** Nurses placed on standby status off hospital premises shall be compensated at the rate of four dollars (\$4.00) per hour, except on the holidays specified in Section 10 of this Agreement, when the standby rate shall be five dollars (\$5.00) per hour. Standby duty shall not be counted as hours worked for purposes of computing longevity increments or fringe benefits. Nurses on standby shall be provided with signal devices. Nurses who are on low census shall not be required to be on standby for that low census shift. Nurses who are on PTO leave, with the exception of holidays designated under 10.2, will not be allowed to be placed on standby.
- 9.3 **Surgery Callback Pay.** Any surgery nurse called back to work after completion of the nurse's regular work day or called in from standby status shall be compensated at the rate of time and one-half (1 - 1/2) the regular rate of pay. Callback pay shall be paid in addition to any standby pay. When called back, the nurse shall receive time and one-half (1-1/2) for a minimum of three (3) hours, travel time to and from the hospital shall not be considered time worked. The minimum callback hours shall not apply when the nurse reports for work in advance of the assigned shift.
- 9.4 **General Callback.** Any nurse called in to work from standby less than two (2) hours prior to the start of the standby shift or during the standby shift shall be compensated at the rate of time and one half (1-1/2) the regular rate of pay for a minimum of three (3) hours or the first three (3) hours whichever is greater. Standby pay shall cease once the nurse reports to work.
- 9.5 **Weekend Premium Pay.** Any nurse who works on a weekend shall receive four dollars (\$4.00) per hour for each hour worked on the weekend in addition to the nurse's regular rate of pay. The weekend shall be defined as all hours between 11:00 p.m. Friday and 11:00 p.m.

Sunday. If after January 31, 1997, three or more of the following hospitals in the Seattle/Bellevue area terminate or reduce weekend premium pay, the Employer may implement similar reductions, if it first provides a minimum of thirty (30) days advance notice to the Association. The hospitals are: Swedish, Stevens Memorial, Northwest, Virginia Mason, Overlake and Evergreen. If a reduction is made by the foregoing, the Employer may make the average reduction. Termination of such payments shall be treated as reduction for averaging purposes.

- 9.6 **Work in Advance of Shift.** When a nurse is required to report for work in advance of the assigned shift and continues working during the scheduled shift, all hours worked prior to the scheduled shift shall be paid at time and one-half (1-1/2) the straight time rate of pay. A nurse who reports to work in advance of the assigned shift will not be released from duty prior to the completion of that scheduled shift for the purpose of avoiding overtime pay unless there is mutual consent.
- 9.7 **Work on Day Off.** Full-time nurses called in on their regularly scheduled day off shall be paid at the rate of one and one-half (1-1/2) times their regular rate of pay for the hours worked. This section shall not apply to nurses who volunteer or request to work on their regularly scheduled day off more than 12 hours prior to the start of the shift.
- 9.8 **Temporary Assignment.** Any staff nurse who management assigns to the position of relief shift supervisor on a temporary basis for one or more hours on a shift shall be compensated at the rate of an additional two dollars and fifty cents (\$2.50) per hour.
- 9.9 **Preceptor Pay.** Any nurse assigned as a preceptor shall receive a premium of one dollar (\$1.00) per hour.

ARTICLE 10 - PAID TIME OFF

- 10.1 **Eligibility.** All full-time nurses may participate in the Employer Paid Time Off Plan Benefits as set forth in Appendix A (PTO), Appendix B (Vacation), and Appendix C (Holidays), attached hereto and incorporated herein. Participation in these benefits shall be in accordance with its terms or as amended. The Employer will notify the Association concerning any proposed change and engage in good faith bargaining prior to implementing any change.

Nurses who have selected the wage differential option (PIB) shall not be eligible for paid time off benefits.

- 10.2 **Work on Holidays.** All full-time, part-time, and on-call nurses who work on the following holidays, New Year's Day, President's Day, Memorial Day, Independence Day, Labor Day, Thanksgiving Day, and Christmas Day shall be paid at the rate of one and one-half (1-1/2) times the nurse's regular rate of pay for all hours worked on the holiday. For payment of holiday pay, the Employer shall recognize Christmas Day, New Year's Day, Thanksgiving Day, and July 4th on the actual calendar date of the holiday. For payment of holiday pay, the Employer shall recognize the holiday as commencing at 7:00 a.m. on the calendar day of the holiday and continuing until 7:00 a.m. on the following day. Overtime worked on a holiday shall be paid at double time (2x).

10.2.1 **Birthday Holiday.** In addition to the holidays listed above, the Employer recognizes the employee birthday as a holiday. An RN will not receive Holiday Earnings (premium pay) if he/she works on his/her birthday. If the RN works on his/her birthday, he/she may take another day off with pay within 31 days after his/her birthday.

10.3 **Rotation of Holiday Work.** Holiday work shall be rotated by the Employer to the extent possible. Calendar dates to be observed as holidays shall be specified by the Employer at least one (1) year in advance by notices posted in conspicuous locations in the hospital.

ARTICLE II - INSURANCE AND RETIREMENT BENEFITS

11.1 **Medical, Dental, Life Insurance, ADD and LTD.** The nurses may participate in the medical, dental, life insurance, accidental death and disability and long term disability insurance programs offered by the Employer, if they otherwise meet eligibility criteria. The current benefit plan is through United Healthcare and CIGNA Dental Plan. The Employer reserves the right to change carriers or to terminate or modify its current plans or to provide alternative plan(s). In that event, the Employer will discuss the proposed plan changes with the Association prior to implementation for the purpose of negotiating the impact of the changes. The Employer shall notify the Association at least thirty (30) days and if practical, sixty (60) days prior to the intended implementation date.

11.2 **General Eligibility Requirements.** Insurance coverage described in 11.1 above is currently provided by the Employer for full-time nurses regularly scheduled to work thirty (30) hours or more per week or sixty (60) hours or more in a pay period, commencing the first day of the month following completion of the probationary period.

11.3 **Health Tests.** At the time of employment, all nurses shall receive a tuberculin skin test or chest X-ray as required by the State of Washington. Upon request, a routine blood examination, urinalysis, tuberculin skin test, hepatitis B series and chest X-ray will be provided at no cost to the nurse once each year.

11.4 **Retirement Plan.** The Employer will sponsor a 401(k) retirement plan where all eligible nurses may participate on a voluntary basis. The current plan is the Kindred 401(k) Plan under which an employee shall be eligible to participate on the first day of the month following thirty (30) days of continuous employment. The Employer reserves the right to terminate or modify its current plans or provide an alternate plan(s). In that event, the Employer will discuss the proposed plan changes with the Association prior to implementation for the purpose of negotiating the impact of the changes. The Employer shall notify the Association at least thirty (30) days, and where practical sixty (60) days, prior to the intended implementation date.

11.5 **Other Insurance.** The Employer will provide Worker's Compensation Insurance and Unemployment Insurance in accordance with the laws of the State of Washington.

ARTICLE 12 - LEAVES OF ABSENCE

- 12.1 **In General.** All leaves of absence are to be requested from the Employer in writing as far in advance as possible, stating the reason for the leave and the amount of time requested. A written reply to grant or deny the request shall be given by the Employer within thirty (30) days. A nurse on leave is subject to layoff or termination just as any other nurse under the Agreement, unless prohibited by law.
- 12.2 **Family and Medical Leave.** For any nurse who has worked for the hospital at least one year in the past and who has worked for the hospital at least 1,250 hours in the preceding 12 months, under the family and medical leave law, twelve (12) weeks of unpaid leave shall be granted upon request, without loss of benefits as required by law, during any twelve (12) month period, with reinstatement to the nurses same unit, shift and FTE status for:
1. Birth or placement for adoption or for foster care of a son or daughter;
 2. Serious health condition of a spouse, child or parent;
 3. Nurses own serious health condition.

This leave is in addition to leave for the disability period resulting from pregnancy or childbirth.

Nurses may request up to an additional twelve (12) weeks of unpaid leave, without loss of benefits accrued to the date such leave commences. The nurse shall be responsible for the cost of benefits during this additional leave period. Upon requesting return to work, the nurse shall be offered the first available opening for which the nurse is qualified.

Entitlement to leave for birth or placement of a child with the nurse for adoption or foster care expires 12 months after the birth or placement of the child.

Leave for the birth or placement of a child may be taken intermittently or on a reduced work schedule, only if both the Employer and the nurse agree to such a schedule.

Leave to care for a spouse, child, or parent or for the treatment of the nurse's own serious health condition may be taken intermittently or on a reduced work schedule, when medically necessary, without the Employer's permission.

In any situation involving leave because of a serious health condition, either the nurse's or that of an applicable family member, medical certification must be submitted to the Employer.

At the nurse's request, time off for Family and Medical Leave will be paid up to the amount of paid time off and extended illness days available. If the twelve (12) week Family Medical Leave is requested, the Employer will require the nurse to use all accrued PTO while taking this leave.

Health care coverage provided by the Employer pursuant to this Agreement shall be continued for up to twelve (12) weeks of leave. An extension of that coverage shall be offered at the nurse's expense as required by law.

Where the leave is foreseeable, the nurse must provide at least 30 days advance notice that she or he intends to take the leave.

- 12.3 **Disability Leave.** In accordance with State and Federal law, unpaid leave will be granted when requested for the actual period of disability with reinstatement to the nurse's same or similar unit, shift and FTE status. A physician's statement will be required to determine the length of necessary disability leave.
- 12.4 **Military Leave.** Leave required under state or federal law related to military service will be granted without pay, without loss of benefits accrued to the date such leave commences, and will not be considered part of the nurse's paid time off. Certain benefits may continue to accrue by law during the leave period.
- 12.5 **Leave Without Pay.** Nurses on a leave without pay for six (6) months or less shall not accrue, nor lose seniority during the leave of absence.
- 12.6 **Leave With Pay.** Leave with pay shall not affect a nurse's compensation, accrued hours, benefits or status with the Employer.
- 12.7 **Return From Leave.** Nurses who return to work on a timely basis in accordance with an approved leave of absence agreement shall be entitled to the first available opening for which the nurse is qualified.
- 12.8 **Jury Duty.** An employee required by law to serve on a jury or who is called to be a witness on behalf of the Employer shall, upon satisfactory proof to the Employer, be paid the difference between his/her straight time shift job classification rate and his/her jury pay/witness fee, excluding travel allowance. Reimbursement shall not exceed ten (10) working days, to a maximum of the scheduled shift per day, and is subject to the following provisions:
- (a) Reimbursement shall only cover time the employee is required to testify/sit on an existing jury or is on call and unavailable for work at the Employer's place of business. An employee may be reimbursed even though there is not a direct conflict with a scheduled shift, if the employee would be required as a result of jury duty and a scheduled shift to serve/work more than twelve (12) hours in any work day.
 - (b) The employee must promptly return to his/her job upon release either from on call or a jury.
 - (c) An employee working his/her shift in addition to performing jury duty/serving as a witness for Employer shall not be subject to the provisions of this article, except as provided in paragraph (a).
- 12.9 **Bereavement Leave.** Up to three days (24 hours) of paid leave will be awarded to eligible employees.

ARTICLE 13 - COMMITTEES

- 13.1 **Conference Committee.** The Employer, jointly with the elected representative of the nurse, shall establish a Conference Committee to assist with personnel and other mutual problems. The purpose of the Conference Committee shall be to foster improved communications between the Employer and the nursing staff. The function of the committee shall be limited to an advisory rather than a decision-making capacity. The committee shall be established on a permanent basis and shall consist of three (3) representatives of the Employer and three (3) representatives of the nurses. One of the Employer representatives shall be the Assistant Administrator Patient Care Services or equivalent. All members of the committee shall be employees of the hospital's Representatives on the Conference Committee may request meetings of the committee to discuss nurse staffing issues and suggestions for constructive improvement relating to utilization of nursing personnel.
- 13.2 **Nurse Practice Committee.** A Nursing Practice Committee shall be instituted and maintained at the hospital. The purpose of this committee shall be to discuss and improve nursing practices in the hospital. The committee shall develop specific objectives subject to review by Hospital Administration. The committee shall be entirely composed of staff nurses plus one representative from Nursing Administration (preferably the Continuing Education Director or equivalent). The members of the committee (excluding the Nursing Administration representative) will be elected by staff nurses. The committee will be representative of all clinical areas and shifts. Organizational aspects of the committee shall be determined by the committee. This committee shall be advisory and will not discuss matters subject to collective bargaining or the Association contract. Nurses shall have the responsibility for instituting the Nursing Practice Committee.
- 13.3 **Compensation.** Nurses shall be compensated at their regular rate of pay for all time spent on Employer-established committees when they are members of the committee, are required to attend committee meetings, or are serving on ad hoc or sub-committees established by the standing committee. Nurses shall be compensated at their regular rate of pay for the duration of Conference Committee and Nurse Practice Committee meetings.

ARTICLE 14 - STAFF DEVELOPMENT

- 14.1 **Orientation.** The objectives of orientation shall be to familiarize new nurses with the objectives and philosophy of the hospital and nursing services, to orient new nurses to hospital policies and procedures, and to instruct new nurses as to their functions and responsibilities as defined in job descriptions. Orientation will consist of a basic comprehensive program in which the nurse will be oriented through a combination of instructional conferences, floor and/or shift work.
- 14.2 **In-service Education.** A regular and ongoing in-service education program shall be maintained and made available to all shifts and to all personnel with programs posted in advance. The posting will indicate if attendance is mandatory. The functions of in-service education shall be:
1. to promote the safe and intelligent care of the patient;
 2. to develop staff potential; and,

3. to create an environment that stimulates learning, creativity, and personal satisfaction.

Topics to be offered will be determined by discussions between nurses and the in-service department. The objectives of in-service education shall be: to review the philosophy, objectives and functions of in-service education in light of needs of personnel, nursing department and nursing care; to provide ongoing education programs which will enhance patient care; to review current nursing care trends. In-service education programs will be scheduled in an effort to accommodate varying work schedules. Nurses required by the Employer to attend in-service education during off-duty hours will be paid at the applicable rate of pay. The Employer will make a good faith effort to provide contact hours for continuing education programs.

- 14.3 **Job Related Study.** After one (1) year of continuous employment, permission may be granted for leave of absence without pay for job related study, without loss of accrued benefits, providing such leave does not jeopardize hospital service nor exceed four (4) weeks.
- 14.4 **Approved Expenses/Paid Leave.** When the Employer requires a nurse to participate in an educational program (which shall exclude programs for maintaining licensure and specialty certification), the Employer will pay approved expenses that are directly related to the program. Leave will be paid where required by Federal or State law.
- 14.5 **Educational Leave.** Full-time and part-time nurses may be allowed paid educational leave if in the judgment of the Employer it will not adversely affect patient care continuity. A nurse desiring to take such a leave should give adequate advance notice of the requested leave date and the type of education for which leave is sought. The Employer shall post a memorandum in the form set forth in Appendix D regarding education funding. The memorandum shall remain posted until a date agreed upon by the Employer and the Union.

ARTICLE 15- HEALTH AND SAFETY

- 15.1 **General.** Providing quality patient care in a safe work environment is an important goal for the Employer and the Association. To this end, the Employer shall comply with all applicable federal and Washington laws and regulations pertaining to occupational safety and health. Likewise, it is the duty of each nurse to comply with all health and safety regulations of the Employer. In the event any safety or health hazard is detected, it shall be reported promptly to the nurse's supervisor or the Director of Nursing. The Employer shall then have a reasonable period of time to remedy the situation. A nurse shall not be required to work under conditions that the Employer or a state or federal agency determines to be unsafe or hazardous. Any nurse with a question or concern about safety may present such question or concern to the Director of Nursing, the nurse's supervisor or the Hospital Safety Committee. Employee disputes concerning conditions of health and safety within the Hospital shall not be subject to the grievance and arbitration procedure of this Agreement, but shall be subject to the applicable administrative procedures established by federal and Washington laws.
- 15.2 **Training.** The Employer shall provide training to nurses regarding the proper work methods and protective equipment for the performance of hazardous duties. In conducting such training, the Hospital shall consider the safety guidelines published by the Joint Commission on Accreditation of Healthcare Organizations (JCAHO) and Center for Disease Control.

- 15.3 **Safety Committee.** The Hospital shall maintain a Safety Committee as part of its safety program. The Association shall appoint one (1) bargaining unit nurse to serve on the Safety Committee. The committee will assist in developing, monitoring and implementing Hospital safety programs that protect the health and safety of workers and patients. The Committee shall meet at intervals determined by the Employer and shall consider and develop recommendations on health and safety issues to be presented to the Hospital Quality Council. The Employer has the final and exclusive authority to make decisions regarding issues of health and safety in the workplace.
- 15.4 **Participation on Safety Committee.** The Association and all members appointed to serve on the Safety Committee understand the importance of attending scheduled Committee meetings and will endeavor to attend all such meetings. If a bargaining unit nurse serving on the committee is scheduled to work during the time of a scheduled safety committee meeting, the Employer shall arrange coverage of his/her duties to allow the nurse to participate in the meeting. Nurses shall be paid for the actual time spent in Safety Committee meetings. Such time shall be compensated at the nurse's regular rate of pay.

ARTICLE 16 - GRIEVANCE PROCEDURE

- 16.1 **Grievance Defined.** A grievance is defined as an alleged breach of the terms and conditions of this Agreement. It is the desire of the parties to this Agreement that grievances be adjusted informally wherever possible and at the first level of supervision.
- 16.2 **Time Limits.** Time limits set forth in the following steps may only be extended by mutual written consent of the parties hereto. Under this Article a time limit which ends on a Saturday, Sunday or a holiday shall be deemed to end at 4:30 p.m. on the next following business day. Failure of a nurse to file a grievance on a timely basis or to timely advance a grievance in accordance with the time limits set forth below will constitute withdrawal of the grievance. Failure of the Employer to comply with the time limits set forth below shall result in the grievance being automatically elevated to the next step without any action necessary on the part of the nurse.
- 16.3 **Grievance Procedure.** A grievance shall be submitted to the following grievance procedure:

Step 1. Nurse and Immediate Supervisor.

If any nurse has a grievance, the nurse shall first present the grievance in writing to the nurse's immediate supervisor within fourteen (14) calendar days from the date the nurse was or should have been aware that the grievance existed. Upon receipt thereof, the immediate supervisor shall attempt to immediately resolve the problem and shall respond in writing to the nurse within seven (7) calendar days following receipt of the written grievance.

Step 2. Nurse and Unit Chairperson and Director of Clinical Services.

If the matter is not resolved to the nurse's satisfaction at Step 1, the nurse shall present the grievance to the Assistant Administrator Patient Care Services (and/or designated representative) within seven (7) calendar days of the immediate supervisor's decision. A conference between the nurse (and the Local Unit Chairperson, if requested by the

nurse) and the Director of Clinical Services (and/or designated representative) shall be held. The Director of Clinical Services shall issue a written reply within seven (7) calendar days following the grievance meeting

Step 3. Administrator and Association Representative.

If the matter is not resolved at Step 2 to the nurse's satisfaction, the grievance shall be referred in writing to the Administrator (and/or designated representative). The Administrator (and/or designee) shall meet with the nurse and the Association Representative within fourteen (14) calendar days for the purpose of resolving the grievance. The Administrator (or designee) shall issue a written response within fourteen (14) calendar days following the meeting.

Step 4. Arbitration.

If the grievance is not settled on the basis of the foregoing procedure, and if the grievant and the Association have complied with the specific time limitations specified in Steps 1, 2, 3 and 4 herein, the Association may submit the issue in writing to arbitration within fourteen (14) calendar days following the receipt of the written reply from the Hospital Administrator or designee. If the Hospital and the Association fail to agree on an arbitrator, a list of eleven (11) arbitrators shall be requested from the Federal Mediation and Conciliation Service. The parties shall thereupon alternate in striking a name from the panel until one name remains. The person whose name remains shall be the arbitrator. Any arbitrator accepting an assignment under this Article agrees to issue an award within sixty (60) calendar days of the close of the hearing or the receipt of post-hearing briefs, whichever is later, and the Arbitrator shall have no jurisdiction to decide the issue after that sixty (60) day period, unless the parties agree. The arbitrator's decision shall be final and binding on all parties. The Arbitrator shall have no authority to add to, subtract from, or otherwise change or modify the provisions of this Agreement, but shall be authorized only to interpret existing provisions of this Agreement as they may apply to the specific facts of the issue in dispute. The Arbitrator shall have no authority to award punitive damages or any damages other than for breach of contract. The arbitrator shall have no authority to award back pay or other damages for any individual exceeding the wages the nurse would have earned in the six months following the termination on the nurse's regular shift exclusive of overtime. Each party shall bear one-half (1/2) of the fee of the arbitrator for an Award issued on a timely basis and any other expense jointly incurred incident to the arbitration hearing. Other expenses, including but not limited to legal fees, deposition costs, witness fees, and any and every other cost related to the presentation of a party's case in this or any other forum, shall be borne by the party incurring them, and neither party shall be responsible for the expenses of witnesses called by the other party.

16.4 **Association Grievance.** The Association may initiate a grievance if the grievance involves a group of nurses and if the grievance is submitted in writing within fourteen (14) calendar days from the date the nurses were or should have been aware that the grievance existed.

16.5 **Employer Grievance.** The Employer may elect to use the arbitration procedure to resolve a dispute concerning this Agreement. If the Employer elects to use the grievance procedure, the Employer must present the grievance to the Association in writing fourteen (14) calendar

days from the date the Employer was or should have been aware of the grievance. The Employer does not waive any other remedy it may have if it does not use the grievance procedure.

- 16.6 **Mutually Agreed Mediation.** The parties may agree to use mediation in an attempt to resolve the grievance. Both parties must mutually agree to use mediation and neither party may require that any grievance be sent to mediation. Mediation shall not be considered a step in the grievance process and may be pursued concurrently with the filing, selection and processing of an arbitration submission.
- 16.7 **Termination.** This grievance procedure shall terminate on the expiration date of this Contract unless the Contract is extended by the mutual written consent of the parties. Grievances arising during the term of the Contract shall proceed to resolution regardless of the expiration date. Grievances arising after the expiration date of this Contract shall be null and void, and shall not be subject to this grievance procedure.

ARTICLE 17 - MANAGEMENT RIGHTS

The Employer has the right to manage its operations, unless expressly limited in this Agreement. The Association recognizes that the Employer has the obligation of serving the public with the highest quality of medical care, efficiently and economically, and/or meeting medical emergencies. The Association further recognizes the right of the Employer to operate and manage the hospital including but not limited to the right to require standards of performance and to maintain order and efficiency; to direct nurses and to determine job assignments and working schedules; to determine the materials and equipment to be used; to implement improved operational methods and procedures; to determine staffing requirements; to determine the kind and location of facilities; to determine whether the whole or any part of the operation shall continue to operate; to subcontract; to select and hire nurses; to promote and transfer nurses; to require applicant or employee medical/psychological testing, including drug and alcohol testing (unless inconsistent with specific agreements negotiated with the Association); to discipline, demote or discharge nurses for just cause, to lay off nurses for lack of work; to recall nurses; to require reasonable overtime work of nurses; and to promulgate rules, regulations and personnel policies, provided that such rights shall not be exercised so as to violate any of the specific provisions of this Agreement. The parties recognize that the above statement of management responsibilities is for administrative purposes only and should not be construed as restrictive or interpreted so as to exclude those prerogatives not mentioned which are inherent to the management function.

ARTICLE 18 - UNINTERRUPTED PATIENT CARE

It is recognized that the Hospital is engaged in a public service requiring continuous operation and it is agreed that recognition of such obligation of continuous service is imposed upon both the nurse and the Association. During the term of this agreement, the Hospital shall not lock out its nurses. During the term of this Agreement, neither the Association nor its members, agents, representatives, employees or persons acting in concert with them shall incite, encourage or participate in any strike, sympathy strike, picketing, walkout, slowdown or other work stoppage of any nature whatsoever. In the event of any strike, picketing, walkout, slowdown or work stoppage, or a threat thereof, the Association and its officers will do everything within their power to end or avert same. Any nurse

participating in any strike, sympathy strike, picketing, walkout, slowdown or work stoppage will be subject to immediate dismissal.

ARTICLE 19 - GENERAL PROVISIONS

19.1 **State and Federal Laws.** This Agreement shall be subject to all present and future applicable federal and state laws, executive orders of the President of the United States or the Governor of the State of Washington and rules and regulations of governmental authority. Should any provision or provisions become unlawful by virtue of the above or by declaration of any court of competent jurisdiction, such action shall not invalidate the entire Agreement. Any provisions of this Agreement not declared invalid shall remain in full force and effect for the term of the Agreement.

If any provision is held invalid, the Employer and Association shall enter into immediate negotiations for the purpose, and solely for the purpose, of arriving at a mutually satisfactory replacement for such provision.

19.2 **Amendments.** Any change or amendments to this Agreement shall be in writing and duly executed by the parties hereto.

ARTICLE 20 - DURATION

This Agreement shall become effective on August 25, 2010 and shall remain in full force and effect until and including August 24, 2013, unless changed by mutual consent. Should the Association desire to change, modify or renew the Agreement upon the expiration date, written notice must be given to the Employer at least ninety (90) days prior to the expiration date. In the event negotiations do not result in a new Agreement on or before the expiration date, this Agreement shall terminate, unless both parties mutually agree to extend it.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement this 23rd day of ^{Sept}~~August~~, 2010.

WASHINGTON STATE NURSES
ASSOCIATION

KINDRED HOSPITAL, SEATTLE

By: Hanna Welander
Hanna Welander, RN
WSNA Nurse Representative

By: [Signature]

By: Michael A. Sanderson
Michael A. Sanderson, General Counsel, WSNA

By: _____

EXHIBIT A

SAMPLE

PAYROLL DEDUCTION FOR UNION DUES

I hereby authorize my employer, Kindred Hospital, Seattle., to deduct \$_____ each _____, my Washington State Nurses Association dues, from my salary beginning with the next pay period. This money is in payment of annual dues to my professional association and is to be remitted to the Washington State Nurses Association. A copy of this authorization is to be retained by the above named employer and will remain in force until withdrawn by me in writing.

Date

Signature of Employee

EXHIBIT B

Wage Scale Effective First Full Pay Period Following August 25, 2010

Less than 1 year	26.00
Step 1	27.14
Step 2	28.27
Step 3	29.43
Step 4	30.59
Step 5	31.74
Step 6	32.91
Step 7	34.06
Step 8	35.22
Step 9	36.36
Step 10	37.50
Step 12	38.67
Step 14	39.72
Step 16	40.97
Step 18	43.21
Step 20	45.38
Step 22	46.74
Step 25	48.14
Step 28	49.25

Wage Scale Effective First Full Pay Period Following August 25, 2011

Less than 1 year	26.78
Step 1	27.95
Step 2	29.12
Step 3	30.31
Step 4	31.51
Step 5	32.70
Step 6	33.90

Step 7	35.08
Step 8	36.27
Step 9	37.45
Step 10	38.63
Step 12	39.83
Step 14	40.91
Step 16	42.20
Step 18	44.50
Step 20	46.74
Step 22	48.14
Step 25	49.59
Step 28	50.73

Wage Scale Effective First Full Pay Period Following August 25, 2012

Less than 1 year	27.58
Step 1	28.79
Step 2	30.00
Step 3	31.22
Step 4	32.45
Step 5	33.68
Step 6	34.91
Step 7	36.14
Step 8	37.36
Step 9	38.57
Step 10	39.79
Step 12	41.02
Step 14	42.14
Step 16	43.47
Step 18	45.84
Step 20	48.15
Step 22	49.59
Step 25	51.07
Step 28	52.25

APPENDIX A

PAID TIME OFF (PTO) POLICY HOSPITAL

WHO IS ELIGIBLE

An employee is eligible for PTO benefits if the employee is classified as a regular, full-time employee (works 30 or more hours per week). An employee may not use any accumulated PTO until the employee has completed 90 days of employment.

ACCRUING PTO

Eligible employees accrue PTO each pay period. Accruals begin and end on pay period ending dates. You are not eligible to use your accrued PTO until you have completed 90 days of employment.

From an employee's date of hire, PTO accrues at a rate of 0.0193. This rate remains the same throughout the employee's employment. The PTO benefit is calculated by applying the hourly accrual rate against all regular hours paid (including vacation, holiday, PTO, funeral and jury duty) each pay period. **PTO does not accrue on overtime.** During periods of unpaid absences, such as leaves of absence, PTO will not accumulate unless required by law.

In order to reach the maximum PTO benefit you must have 2080 regular hours paid. If you reach the maximum before your anniversary date your accrual will cease.

The maximum number of hours that may accumulate in an employee's PTO account is 160 hours (20 days).

HOW MUCH PTO YOU EARN

Your accrued PTO hours become available for you to use once you have completed 90 days of employment. Once you reach that point, the amount of PTO hours that you accrue are always available for use. There is no time limit on the use of those hours.

	PTO Accrual Rate Per Hour Paid	Annual PTO Accrual Cap
From Date of Hire	0.0193	40.50 hours

You are responsible for ensuring your PTO balance is accurate. After 90 days of employment, earned PTO hours will begin to appear on each paycheck. Contact your Payroll/Benefits Coordinator if you have questions about your PTO.

U-11/30/00

USING PTO

PTO time is to be used for illness or other personal reasons. Except for absences due to illness or emergencies, PTO time must be scheduled with supervisory approval and in accordance with the facility's policies. Employees who experience an unscheduled absence due to illness or emergency are required to notify their supervisor in accordance with the facility's policies. Nonexempt employees who leave work early due to an illness or emergency may use PTO for the time remaining on his or her shift. PTO cannot be used to compensate employees who are late to work.

Nonexempt employees may use PTO in two-hour increments. Under the Fair Labor Standards Act, the pay of exempt employees cannot be reduced if they work a partial day. Thus exempt employees can only take PTO in full, one-day increments.

The Company retains the right to require a physician's statement for employees who miss three or more consecutive scheduled days of work because of personal illness or injury.

UNUSED PTO

A nonexempt employee may elect to cash out some or all unused PTO hours each January at 75% of the employee's hourly rate. If the employee has not completed the 90-day waiting period on December 31, no cash out election is available. Any hours not reimbursed at year-end will remain in the employee's PTO account for use in future years.

An exempt employee's unused PTO hours will remain in the employee's PTO account for use in future years. The cash out option is not available to exempt employees.

PTO PAYOUT AT TERMINATION

Your final paycheck will include unused, earned PTO, unless you are terminated for gross misconduct or if you fail to give the Company two weeks written notice of your resignation (unless otherwise required by state law).

CHANGE IN STATUS

Change from Full-Time to Part-Time

Employees who change status from full-time to part-time will not be eligible for PTO accrual. However, the employees will keep their PTO balance and be able to utilize earned hours in accordance with this policy.

Change from Full-Time to Per Diem

Employees who change status from full-time to per diem will no longer be eligible for PTO accrual. The employees' PTO balance will not be available for use until the employee changes status to full-time or part-time. (Part-time employees may utilize earned hours, but they will not accrue hours.)

Change from Per Diem or Part-Time to Full-Time

Employees who change status from either per diem or part-time to full-time will become eligible for PTO accrual on the date of which the status change occurred. If you have already completed 90 days of employment, the hours that you accrue will be available for use as they accrue.

SICK BANK

An employee with a Sick Bank balance will be able to continue using this benefit. The Sick Bank is to be used to provide financial protection if the employee is unable to work for an extended period of time due to health reasons.

Sick Bank hours are available for use by the employee on the employee's third day of absence due to the employee's own illness. To use hours from the Sick Bank, the employee must be a regular, full-time or part-time employee.

Accumulated unused hours in the Sick Bank are not reimbursable upon termination of employment or change to an ineligible status.

If the employee changes to a per diem status, any unused Sick Bank hours will be maintained for use by the employee should the employee change to a full-time status.

U-11/30/00

APPENDIX B

VACATION POLICY HOSPITAL

WHO IS ELIGIBLE

An employee is eligible for vacation benefits if the employee is classified as any of the following:

- (a) Regular, full-time employee
- (b) Part-time employee

VACATION ACCRUAL

Eligible employees accrue vacation each pay period. Accruals begin and end on pay period ending dates. You are not eligible to use your accrued vacation until you have earned it.

	Vacation Accrual Rate Per Hour Paid
Up to your 4 th year anniversary	0.0385
From 4 th year to 9 th year anniversary	0.0577
9 th year anniversary and thereafter	0.0770

The vacation benefit is calculated by applying the hourly accrual rate against all regular hours paid (including vacation, holiday, PTO, funeral and jury pay) each pay period. **Vacation does not accrue on overtime.** During periods of unpaid absence, such as leave of absence, vacation will not accumulate unless required by law.

In order to reach the maximum vacation benefit, you must have 2080 regular hours paid. If you reach the maximum before your anniversary date your accrual will cease.

HOW MUCH VACATION YOU EARN

Your accrued vacation hours become earned (i.e., available for you to use) on your annual *adjusted seniority date*. Your seniority date is the month and day that you became a full-time or part-time employee.

If you have a status change to an ineligible status and then return to a full-time or part-time status, you will have a new adjusted seniority date for vacation purposes.

U-11/30/00

You must use your earned vacation hours before your next seniority date or your unused hours will be lost (unless otherwise provided by law).

	Vacation Accrual Rate Per Hour Paid	Annual Vacation Accrual Cap
Up to 4 th year anniversary	0.0385	80 hours
From 4 th year to 9 th year Anniversary	0.0577	120 hours
9 th year anniversary and Thereafter	0.0770	160 hours

You are responsible for ensuring your vacation balance is accurate. Once you are eligible, your *earned* vacation hours appear on each paycheck. (Accrued vacation hours will not appear on your paycheck.) Contact your Payroll/Benefits Coordinator if you have questions about your vacation.

USING VACATION

The first opportunity for hours to become earned is after six months of employment. From that point forward, vacation will accrue and become earned based on annual seniority dates from the employee's date of hire.

6-month anniversary:

After the first six months of employment, accrued vacation hours (maximum of 40 hours) will become earned. The earned hours must be used by the employee's 2nd year anniversary.

There is no cap on the number of hours that may accrue during the first six months of employment. However, if the accrued balance at six months exceeds 40 hours, only 40 hours will be rolled into earned. The hours in excess of forty will remain in the accrued balance and continue to accrue until the employee's 1st year anniversary.

1st year anniversary:

On the employee's 1st year anniversary, the hours that have accrued since the employee's 6-month anniversary will roll into earned. These hours will be added to any possible earned hours remaining in the earned balance from the 6-month roll. The entire earned balance must be used by the employee's 2nd year anniversary.

U- 11/30/00

The maximum amount of hours that may accrue from date of hire to 1st year anniversary is 80 hours. In other words, the hours that roll to earned at the 6-month anniversary plus the hours that roll to earned at the 1st year anniversary may not exceed 80 hours.

Examples:

- From date of hire to 6-month anniversary, the employee accrues 32 vacation hours. On the 6-month anniversary, all 32 hours will roll into earned and be available for use. From then until the employee's 1st year anniversary, the maximum that may accrue is 48 hours.
- From date of hire to 6-month anniversary, the employee accrues 45 vacation hours. On the 6-month anniversary, only 40 hours will roll into earned and be available for use. The other five hours will remain in the accrued balance and continue to accrue until the employee's 1st year anniversary. The maximum that may accrue from 6-month anniversary to 1st year anniversary is 35 hours.

If you request vacation, you will be required to use any available (earned) vacation hours (you may not choose to be unpaid). You may use vacation equal to your normally scheduled work hours per day. If you take a sick day and do not have paid time off (or Sick Bank hours if applicable) to cover the absence, you may choose to use your available vacation.

Vacation time must be scheduled in accordance with your facility's policies.

Non-exempt employees may use vacation in two-hour increments. Exempt employees must use vacation in full day increments.

CHANGE IN STATUS

Eligible statuses for vacation accrual include full-time and part-time only. Employees who change status from one eligible status to a different eligible status will keep their same seniority date.

Per diem employees are ineligible for vacation accrual.

Change from Eligible to Ineligible

For employees who change status from eligible to ineligible, vacation accruals will stop on the date of the status change. Your earned vacation will be paid out (accrued vacation will be paid out only where required by state law).

If you have a status change to an ineligible status and then return to an eligible status, you will have a new adjusted seniority date for vacation purposes.

U- 11/30/00

APPENDIX C
REGISTERED NURSE
HOLIDAY POLICY
KINDRED HOSPITAL, SEATTLE

The Holiday policy includes two types of Holiday benefits: *Holiday Pay* and *Holiday Earnings*. Please read the eligibility to find out what you may receive.

WHO IS ELIGIBLE

Full-time Employees (*Non-exempt*)

Non-exempt, full-time employees (working 30 or more hours per week) are eligible to receive both Holiday Pay and Holiday Earnings. Holiday Pay is offered upon completing 90 days of employment. Holiday Earnings are offered upon hire.

Full-time Employees (*Exempt*)

Exempt, full-time employees (working 30 or more hours per week) are eligible to receive Holiday Pay upon hire.

HOLIDAY PAY (IF YOU DO NOT WORK THE HOLIDAY)

Holiday pay refers to pay received when you do **not** work on a holiday. You will receive Holiday Pay up to a maximum of eight hours for a recognized holiday. If you regularly work less than 80 hours per pay period, the Holiday Pay will be prorated. For example, if you work 72 hours per pay period you are in effect working 90% or the 80-hour standard pay period. In this case, the eight hours is multiplied by 90% with a result of 7.2 hours of Holiday Pay.

Other than a scheduled vacation, you must be present on the last scheduled day before and the first scheduled day after a holiday in order to receive Holiday Pay. If a recognized holiday falls during your vacation, that day will be counted as Holiday Pay and not Vacation.

If a recognized holiday falls on a day in which a non-exempt employee is not regularly scheduled to work (e.g., the employee regularly works Mondays, Wednesdays and Fridays, and the holiday falls on a Thursday) the employee may take a substitute holiday within 31 days after the holiday with supervisory approval.

HOLIDAY EARNINGS (IF YOU WORK THE HOLIDAY)

Holiday Earnings refers to pay received when an eligible employee works on a holiday (i.e., premium pay). Holiday premium pay practices will be in accordance with your facility's policies (i.e., your facility Administrator will determine what additional pay if any, you will receive for working a holiday).

If a recognized holiday falls on a day in which an eligible employee is regularly scheduled to work and the employee works the holiday, he or she receives Holiday Earnings and may elect to take another day off with pay within 31 days or receive Holiday Pay to be paid within 31 days of the recognized holiday.

Exempt employees who work on a recognized holiday will not receive any additional pay although they may choose to take another day off with pay within 31 days after the holiday with supervisory approval.

RECOGNIZED HOLIDAYS FOR REGISTERED NURSES

Kindred Hospital recognizes the following eight (8) holidays:

New Years Day	Thanksgiving Day
Memorial Day	Christmas Day
Independence Day	Employee Birthday
Labor Day	President's Day

Holidays are defined as beginning at 7:00 a.m. on the calendar day of the recognized holiday and continuing until 7:00 a.m. on the following day of the recognized holiday.

Since patients need care on holidays, you are expected to work your regular schedule on holidays. Kindred does not designate any holidays as official days of observance and you may be asked to work any or all of these days. If you work in the patient care setting, holidays are observed on the actual holiday. However, for facility administrative staff (e.g., Administrator, Administrative Assistant, Business Office Manager, Payroll/Benefit Coordinator, etc.) holidays falling on a Saturday are observed on the preceding Friday. Holidays falling on a Sunday are observed on the following Monday. Administrative services staff may be scheduled by the facility Administrator as needed to maintain operations.

U- 11/30/00

BIRTHDAY HOLIDAY

You will not receive Holiday Earnings (premium pay) if you work on your birthday. If you work on your birthday, you may take another day off with pay within 31 days after your birthday.

U-11/30/00

APPENDIX D

The parties agree that the Hospital will post the following Memorandum regarding education funding in the Hospital until both parties agree that the memorandum should no longer be posted.

Memorandum Regarding Education Funding

The Hospital is committed to assuring that its employees receive the proper education and training to allow them to perform their jobs to the best of their ability. To that end, the Hospital has allocated money in its recent budget for educational and training expenses. As you know, we current are assessing the educational and training needs of our staff through the educational assessments we have distributed to you. We will be using those assessments to determine the subject areas in which additional education and training would be most useful and will be conducting in-house seminars in as many of those subject areas as possible. In addition, to the extent that you are aware of off site education or training courses that you believe would be important to your development at the Hospital, we encourage you to approach your director to request funding for such education or training. While we cannot guarantee that every request will be granted, we will do our best (subject to budgetary considerations) to accommodate requests where the Hospital agrees that such education/training would be beneficial. If you have any questions about the Hospital's education or training guidelines, please do not hesitate to contact your director.