

Collective Bargaining Agreement

by and between

**Teamsters Local 481
and**

Kindred Hospital – San Diego

April 1, 2023 through March 31, 2026

TABLE OF CONTENTS

AGREEMENT.....	1
ARTICLE 1 – RECOGNITION AND COVERAGE.....	1
ARTICLE 2 – COURTESY.....	1
ARTICLE 3 – STRIKES AND LOCKOUTS.....	1
ARTICLE 4 – MEMBERSHIP.....	2
ARTICLE 5 – CATEGORIES OF EMPLOYEES.....	3
ARTICLE 6 – AGENCY NURSES.....	3
ARTICLE 7 – MANAGEMENT RIGHTS.....	4
ARTICLE 8 – UNION STEWARDS.....	5
ARTICLE 9 – NON-DISCRIMINATION.....	5
ARTICLE 10 – DISCIPLINE.....	6
ARTICLE 11 – GRIEVANCE AND ARBITRATION.....	7
<u>Scope of Grievance Procedure</u>	7
<u>Procedural Steps</u>	7
<u>Time Limits</u>	8
<u>Remedial Limitations</u>	9
<u>Stewards</u>	9
<u>Employer Grievances</u>	9
<u>ARBITRATION</u>	10
<u>Selection of Arbitrator</u>	10
<u>Arbitrator's Jurisdiction</u>	10
<u>Fees & Expenses of Arbitration</u>	12
<u>Time Off for Arbitration</u>	12
<u>Mediation</u>	12
<u>Selection of the Mediator</u>	12
<u>Attendance at Mediation</u>	12
<u>Mediation Process</u>	12
<u>Mediator's Opinion</u>	13
ARTICLE 12 – PROBATION AND EVALUATION.....	13
ARTICLE 13 – SENIORITY.....	14
<u>Seniority</u>	14
<u>Seniority Group</u>	14
<u>Layoffs</u>	14
<u>Recall</u>	14
<u>Notice of Recall</u>	15
<u>Termination of Seniority</u>	15
ARTICLE 14 – PRECEPTOR PROGRAM.....	15
ARTICLE 15 – JOB POSTING AND FILLING VACANCIES.....	16
ARTICLE 16 – NEW OR REVISED JOBS.....	16
ARTICLE 17 – UNION BULLETIN BOARD.....	17
ARTICLE 18 – HOURS OF WORK AND OVERTIME.....	18
<u>Schedules</u>	18
<u>Overtime</u>	20
ARTICLE 19 – HOLIDAYS.....	21
<u>Holiday Pay (Do Not Work The Holiday)</u>	21
<u>Holiday Pay (Work The Holiday)</u>	21
ARTICLE 20 – PAID TIME OFF.....	21
<u>Eligibility</u>	21
<u>Definitions</u>	21
<u>Vested PTO hours</u>	21
<u>Non-Vested PTO hours</u>	22
<u>Accruals</u>	22

<u>Use of PTO</u>	23
<u>Accrual Rate Increases</u>	24
<u>Cash Out of PTO</u>	24
<u>Change of Status</u>	24
<u>Effect of Termination on PTO</u>	24
ARTICLE 21 – COMPENSATION.....	25
<u>Wages</u>	25
<u>Bonus</u>	25
<u>Attendance Awards</u>	25
<u>House Supervisor Rate of Pay</u>	25
<u>Shift Differentials</u>	25
<u>Weekend Differential</u>	25
<u>On Call Pay</u>	25
<u>Anniversary Date Bonus</u>	25
<u>PICC Line Procedures</u>	26
ARTICLE 22 – LEAVES OF ABSENCE.....	26
ARTICLE 23 – BEREAVEMENT LEAVE.....	26
ARTICLE 24 – JURY DUTY.....	27
ARTICLE 25 – HEALTH, DENTAL AND INSURANCE PLANS.....	27
<u>Medical and Dental Insurance</u>	27
<u>Short-Term and Long-Term Disability and Life Insurance</u>	28
<u>Retirement Benefits</u>	28
ARTICLE 26 – EDUCATION.....	28
ARTICLE 27 – SAFETY AND HEALTH.....	28
ARTICLE 28 – SAVINGS CLAUSE.....	28
ARTICLE 29 – IMPLEMENTATION.....	28
ARTICLE 30 – MANDATORY VACCINATIONS.....	29
ARTICLE 31 – EXPIRATION AND RENEWAL.....	29
APPENDIX A.....	30
APPENDIX B.....	32
<u>Bonus Program</u>	32
SIDE LETTER REGARDING REGISTERED NURSE HIRING INCENTIVE PROGRAM.....	33
SIDE LETTER Regarding Sick Leave/PTO.....	34

AGREEMENT

This Agreement is made and entered into this 1st day of April of 2023, by and between Kindred Hospital – San Diego (hereinafter referred to as the "Employer" or "Hospital") and Teamsters, Local 481 (hereinafter referred to as the "Union"), acting on behalf of the employees of the Employer in the bargaining unit hereinafter defined.

ARTICLE 1 – RECOGNITION AND COVERAGE

The Employer recognizes the Union as the sole and exclusive collective bargaining representative of all full-time and regular part-time and per diem registered nurses (RNs), but excluding Internal Case Managers, temporary nurses, nurses employed jointly by the Hospital and outside agencies, office clerical employees, guards, and supervisors employed at Kindred Hospital-San Diego.

ARTICLE 2 – COURTESY

The Employer and the Union agree to encourage everyone, regardless of position or profession, to perform in an efficient, courteous and dignified manner when such individuals interact with fellow employees, management, patients and the public.

ARTICLE 3 – STRIKES AND LOCKOUTS

In view of the importance of the Employer's operation to the community and its patients, and in consideration of the Employer's commitment not to lock out its employees, the Union, its officers, agents, trustees, representatives and all unit employees of the Employer shall not engage in, authorize or encourage any strike, sympathy strikes, slow down (including sick outs), leafleting or pamphletting, picketing, informational picketing or any stoppage or other disruption of work during the life of this Agreement.

Should the Employer discipline (up to and including termination) an Employee for an alleged violation of this Article, such discipline shall be subject to the Grievance and Arbitration provisions of this Agreement, provided a grievance is filed in accordance with the provisions of Article 11. The Arbitrator shall initially determine only whether or not the Employee engaged, as alleged by the Employer, in the conduct that is prohibited by this Article. If the Arbitrator finds that the Employee engaged in the prohibited conduct, the discipline will stand.

This Article in no manner excludes the Employer from seeking monetary claims in court against the Union, its officers, agents, trustees, representatives, or any other parties for violation of this Article; this paragraph grants the Employer no rights to seek monetary claims in court against the Union, its officers, agents, trustees, representatives, or any other parties for violations of this Article that do not otherwise exist.

ARTICLE 4 – MEMBERSHIP

Section 1

Any Employee employed as of October 7, 2002 who becomes a member of the Union shall, as a condition of continued employment, maintain their membership dues in the Union.

All employees hired after October 7, 2002 shall, as a condition of continued employment, become and remain a member of the Union within thirty-one (31) days of employment.

Section 2

Employees who do not comply with the provisions of Section 1, above, shall be discharged by the Employer after the Union shows proof to the Employer that they have sent a letter, return receipt requested, to the Employee informing said Employee as follows:

- a. The exact amount due;
- b. How the amount was calculated; and
- c. An exact date that the money must be paid.

Section 3

Membership in good standing means only the timely tender by the Employee of uniform initiation fees and periodic dues as may be lawfully required, and that compliance with these financial obligations shall constitute compliance with the Union security requirements of the Collective Bargaining Agreement.

Section 4

The Hospital shall deduct, on a monthly basis, Union dues and initiation fees upon written authorization by employees for the deduction. The Union and the Hospital shall jointly agree on an authorization form that shall be used for all bargaining unit members.

Section 5

The Hospital shall notify the Union of each newly hired registered nurse within thirty (30) days of the nurse's hire date including the nurse's name, mailing address, date of hire, rate of pay, and department (Med Surg or ICU) to which assigned.

Section 6

The Union hereby indemnifies and defends the Employer and holds it harmless against any and all suits, claims, demands and liabilities that may arise out of, or by reason of, any action that shall be taken by the Employer for the purpose of complying with any provisions of this Article. The Union shall have no monetary claim against the Hospital by reason of failure to perform under any terms of this Article.

Section 7 – New Hire Orientation

The Union shall be given fifteen (15) minutes to provide a new member orientation during the Employer's normal orientation program for new hires in the bargaining unit. The Union will present the HR person with materials it intends to hand out at the orientation, for review. The Union shall not make derogatory statements about the Employer during the session.

ARTICLE 5 - CATEGORIES OF EMPLOYEES

A regular full-time registered nurse shall be defined as a nurse who regularly is scheduled to work more than thirty (30) or more hours per week and has completed all probationary and orientation periods.

A regular part-time registered nurse shall be defined as a nurse who is regularly scheduled to work less than thirty (30) hours per week and has completed all probationary and orientation periods. Part-time nurses are not entitled to any fringe benefits unless specifically provided for in this Agreement.

A per diem nurse is a nurse who is not regularly scheduled to work but works on an intermittent or on-call basis. Per diem nurses are required to be available for work at least one shift per pay period and at least one weekend shift every other pay period. Per diem nurses are not entitled to any fringe benefits unless specifically provided for in this Agreement.

A temporary nurse is a nurse who is hired by the Hospital for a period of less than two weeks. Temporary nurses are not covered under this Agreement and have no rights herein.

ARTICLE 6 - AGENCY NURSES

An agency nurse is a nurse who is jointly employed by the Hospital and an outside employment agency for a prescribed period of time that is greater than two weeks.

When it deems necessary, the Employer may utilize agency nurses to work hours and/or shifts at the Hospital. The Employer has the sole and exclusive right to determine the agencies with which it contracts to obtain such nurses.

The Employer agrees that by February 28, 2003, its agency nurse workforce shall total no more than the forty percent (40%) of the forty-seven (47) full-time registered nurse positions at the Hospital (which equals 19 agency nurses) unless the Employer experiences a staffing emergency that requires additional agency nurses. The parties understand and agree that if a federal or state government or agency mandates a greater number of nursing hours per patient day, the maximum number of agency nurses on the employer's workforce shall increase accordingly.

A "staffing emergency" shall be defined as the Hospital's inability, after reasonable efforts, to hire a sufficient number of registered nurses to staff the Hospital. The number of registered nurses required to staff the Hospital shall be determined in the Hospital's sole discretion.

ARTICLE 7 - MANAGEMENT RIGHTS

Except as expressly modified or restricted by a specific provision of this Agreement, applicable state and federal laws and regulations, the Employer retains and shall continue to have the complete and exclusive right and power to manage its operations and direct its work force. Among such retained rights and powers are included, but not limited to, the following: The right to discharge, suspend and discipline employees for just cause, to hire, promote, layoff (including temporary hours reductions for low census days), assign, and transfer employees; to require medical/psychological testing, including drug and alcohol testing based upon reasonable suspicion; to permanently or temporarily change employee shifts or assignments on a particular shift; to have supervisors or other employees or agency personnel do bargaining unit work; to select and determine the number of employees, including the number assigned to any particular work on any particular shift; to direct and schedule the workforce, including shift time, shift rotation, weekend rotation and holiday rotation; to determine the location and type of operation of the Employer's business; to determine and schedule when overtime shall be worked, including the right to mandate overtime; to install or remove equipment; to determine the methods, procedures, materials and operations to be utilized or to discontinue their performance by employees of the Employer; to subcontract work; to transfer or relocate any or all of the Employer's operations by sale or otherwise, in whole or in part, at any time; to determine the work duties of employees; to promulgate and enforce rules and regulations (policies and procedures) governing the conduct and acts of employees; to select supervisory employees; to discontinue or reorganize or combine any department; to introduce new and improved methods or facilities regardless of whether such may cause a reduction in the workforce; to establish, change, combine or abolish job classifications; to determine work pace and standards of performance of employees; to determine all policies and procedures with respect to patient care.

The Employer shall have the right to establish or modify personnel policies and procedures, provided the change is posted at least fourteen (14) calendar days in advance of any new or modified policy and/or procedure. No policy and/or procedure shall be in conflict with any express, specific provisions of the Agreement. Upon written request of the Union during the fourteen (14) day posting period, the Employer shall discuss with the Union the new/modified personnel policy/procedure at issue. Upon conclusion of the fourteen (14) day posting period, the Employer shall have the right to implement the new/modified personnel policy and/or procedure. If the Union believes that the new/modified personnel policy and/or procedure violates an express provision of this Agreement, the Union shall have the right to grieve the implementation of the policy/procedure provided that such grievance is presented in accordance with Article

11 of this Agreement. The Union may also address the reasonableness of the new/modified policy and/or procedure in conjunction with a grievance concerning an employee who is terminated or suspended under the new/revised policy or procedure.

ARTICLE 8 – UNION STEWARDS

Section 1

The Union may appoint one (1) Employee Representative or Steward per shift to investigate or process grievances. The Union shall notify the Employer in writing of the names of all such stewards. Union stewards may not perform union duties during their work time except as otherwise provided in this Article. Stewards are not paid for attendance at arbitration or negotiations or for any other union duties; provided, however, that if grievance meetings are scheduled during working hours, participating shop stewards shall not suffer any loss of pay. Stewards shall not discuss union business with employees while those employees are on duty, or are located in the hallways or other patient care areas. Any union activity in the facility conducted by employees who are not union stewards must be done during the involved employees' non-working time and in non-patient care areas. Under no circumstances may any union activity jeopardize the health and safety of the Employer's patients.

Section 2

Unless otherwise necessitated by his/her duties as an RN, stewards shall not direct any employee as to how to perform or not perform his/her work, shall not countermand the order of any supervisor, and shall not interfere with the operations of the Employer or any employee. His/her duties as a Steward shall in no way interfere with his/her assigned duties as an employee. The parties agree that employees are to abide by directives now and grieve later.

Section 3

The union may appoint one steward who will meet with the Chief Operating Officer or other Hospital-designated management official on an annual basis to discuss the concerns of Registered Nurses. Specifically excluded from such meetings are matters that are subject to the grievance and arbitration process. Union stewards will not be paid for time spent in such meetings.

Section 4

Union stewards shall not be transferred or reassigned to another area of work solely as a result of union activities so long as they abide by the provisions of this Agreement and do not interfere with other employees' work or the care of patients.

ARTICLE 9 - NON-DISCRIMINATION

Neither the Employer nor the Union will unlawfully discriminate against any employee because of race, color, national origin, religion, sex, age, disability, veteran status, or the lawful exercise of rights guaranteed under the National Labor Relations Act, as amended. The Employer also agrees to abide by the Equal Pay Act.

ARTICLE 10 – DISCIPLINE

Section 1

The Employer shall have the right to discharge or assess disciplinary action against any regular full-time or part-time RN only 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.

Section 2

It is the intent of the Employer to utilize a performance improvement and progressive corrective action approach. Progressive discipline steps include, verbal counseling, written counseling and/or warning, final written warning or warnings, disciplinary suspension without pay, and termination of employment. Progressive discipline need not be applied when the nature of the offense warrants immediate suspension or discharge. Nothing herein shall limit the Employer's right to discharge without warning any employee for dishonesty, insubordination, insobriety, willful negligence, verbal or physical patient abuse (or any other violation of patient rights), patient neglect, or gross misconduct. In addition to those items listed in the preceding sentence, gross misconduct includes, but shall not be limited to, job abandonment, theft, fighting, being under the influence of drugs and/or alcohol while on duty, falsification of records, misdirection of medication, conduct that jeopardizes or has the potential to jeopardize the Employer's license or legal position, violation of instructions or work orders, and violation of health or safety standards. Employees also are subject to immediate termination if they are absent from work for two or more working days without proper notification to the Hospital, unless the employee presents a reasonable and verifiable excuse for the absence.

Section 3

The Employer shall notify the Union of a discharge within five (5) days (not including weekends or holidays). Notice to a shop steward shall constitute notice to the union. Notice may be by telephone. In the event a union representative is present during the termination, the Union will be deemed to have been notified. Receipt of a notice of disciplinary action will constitute notification as referred to in this paragraph.

Section 4

Upon request, Registered Nurses will be provided copies of all disciplinary notices placed in their personnel file and shall have the right to rebut in writing any disciplinary notice. Such rebuttal shall be attached to the disciplinary notice and placed in the nurse's personnel file. Where a nurse goes eighteen (18) months without incurring any disciplinary action (formal or informal), materials relating to discipline that occurred prior to that eighteen (18) month period shall not be used as a basis for discipline in future matters. The preceding sentence shall not apply to materials relating to or involving discipline for patient abuse and/or neglect, or violation of patient rights, or gross misconduct.

Section 5

Except as otherwise provided in this Agreement and except for notices of termination issued to probationary employees, all notices of disciplinary action are subject to the Grievance and Arbitration procedure of Article XI. Upon request of an RN who is disciplined in accordance with this section and with that Registered Nurse's written consent, the shop steward(s) may review the portion of the nurse's personnel file that directly addresses the alleged infraction. The shop steward must review a Registered Nurse's personnel file in the presence of the Chief Operations Officer of the Hospital or his/her designee and the Registered Nurse to whom the file pertains.

Section 6

The Employer will follow the Weingarten rule in disciplining employees. Pursuant to this rule, the employee may request that a Shop Steward be present during any investigatory interview, which the employee reasonably believes will lead to discipline against him/her. The Employer will advise the employee if the interview may lead to discipline. Where the employee requests the presence of a shop steward, the employee shall not be disciplined in the absence of a shop steward unless, after a good faith effort, the Employer is unable to locate a shop steward in the Hospital.

Section 7

In any case where the Employer and the union steward agree to revise personnel record materials, the Employer shall, upon written request of the shop steward, provide evidence of the revision.

ARTICLE 11 – GRIEVANCE AND ARBITRATION

Scope of Grievance Procedure

Any complaint or dispute arising between a Registered Nurse and/or the Union and the Employer concerning conduct by the Employer alleged to be in violation of an express provision of this Agreement and not otherwise excluded from the grievance/arbitration procedure by another provision of this Agreement, shall be resolved by the filing of a grievance in accordance with this Article; provided, however, that only employees who have completed their probationary and orientation periods shall have the right to grieve whether a discharge was for good cause.

All time periods for filing, discussing and arbitrating grievances must be strictly adhered to unless the parties agree, in writing, to an extension. If the time limits set forth in this Article are not adhered to, the right to pursue the grievance is forfeited.

Procedural Steps

The following shall be the procedure to be followed in the processing of every grievance:

Step 1:

The employee with the grievance shall discuss it with his/her immediate supervisor within seven (7) calendar days from the date the claimed contract violation first occurred, or the date the Employee first knew or should have known that the claimed contract violation occurred. At the employee's request, the shop steward shall be included in any such discussion.

Step 2:

If the issue is not resolved at Step 1, the grievance shall, within 14 calendar days of the Step 1 meeting, be submitted in writing to the Department Head (or the CEO or CCO in cases where the Department Head is the immediate supervisor). The written grievance shall state all allegations and facts pertaining to the grievance and shall include the specific sections of the Agreement claimed to have been violated. After receipt of the written grievance, the Department Head (or CEO or CCO) shall meet with the employee and steward within 14 calendar days and within 14 calendar days after the meeting shall provide a written response to a shop steward.

Step 3:

If the issue is not resolved at the 2nd Step, the Union shall, within 14 calendar days of receipt of the Step 2 disposition or after the expiration of the 14 calendar day response period if no response is received, appeal the grievance to the CEO or CCO, and arrange a Step 3 meeting to discuss the grievance. The meeting shall be scheduled at a mutually agreeable time. The CEO or CCO shall issue a written answer within 10 calendar days following the meeting. If the parties are unable to resolve the grievance at Step 3, the matter may be submitted to arbitration within 30 days after the expiration of the Employer's Step 3 response deadline or within 30 days after receipt of the Employer's Step 3 response, whichever is earlier. Appeals to arbitration shall be made in writing and addressed to the Employer's Labor Relations Counsel at 750 Battery Street, Suite 100, San Francisco, CA 94111.

Time Limits

Grievances shall be processed from one step to the next within the time limit prescribed in the Agreement, and any extension of time must be in writing signed by both parties. If the Employer does not act upon or respond to a grievance within the prescribed time frames, the grievance shall be considered denied and may be referred to the next step of the Grievance and Arbitration procedure. In these circumstances, the time limits for submitting the grievance to the next step in the grievance procedure shall begin to run from the date that the Employer's time for response expires. If a grievance is not submitted to each step within the prescribed time limits, or any mutually agreed upon extension thereto, the Union will be deemed to have accepted the Employer's response and the grievance shall not be arbitrable. The Arbitrator shall dismiss any grievance submitted to arbitration that does not comply with the time limits set forth in this Article 11.

Remedial Limitations

The parties recognize that employees and the Union have an affirmative duty to bring contract violations to the Hospital's attention. In no event shall the Employer be required to pay backpay or any other monetary remedy for a period to exceed 21 days prior to the date of receipt of the written grievance by the Employer.

In the case of terminations, in no event shall the Employer be required to pay backpay for a period that exceeds seven and one-half (7.5) months. All claims for back wages shall also be limited to the amount of wages that the Employee would normally have earned, subject to the 7.5 month limitation above, less wages that would have been attributable to any period the employee was unable to work for another employer.

The parties also agree that terminated employees have a duty to mitigate damages. Any award of back pay shall be mitigated by any unemployment compensation received. If the employee is required to reimburse the Employment Development Department for unemployment compensation benefits that were deducted from his/her back pay award, the amount of such reimbursed compensation attributable to the period of time subject to the award shall be added to the amount owed by the Employer. Back pay awards shall also be reduced by any compensation the Employee received, or could have received with reasonable effort, from substitute employment during the period following termination.

The parties agree that it is in the best interest of the Employer, the Union and the affected employees, to timely process all grievances, especially those involving discipline.

Stewards

Shop stewards shall not be paid for time spent in the grievance process unless such time occurs during regularly scheduled working hours. The allowance of pay for time spent in grievance proceedings during regularly scheduled working hours does not include arbitration. Employees who participate in the arbitration process at the request of the Union shall not, under any circumstances, receive compensation from the Employer.

Employer Grievances

The Employer may, but is not obligated to, use the Grievance and Arbitration procedures. Should the Employer elect to file a grievance, it shall do so in writing to the Union office. A meeting with the Union or its representative shall be held within 7 days of receipt of the Employer's written grievance. The Union shall respond in writing within five (5) calendar days following its meeting with the Employer. Failing resolution, the Employer may proceed to arbitration with written notice to the Union within 10 days after the meeting. The Employer's filing of a grievance shall not preclude its pursuit of other remedies.

ARBITRATION

Selection of Arbitrator

Within fifteen (15) calendar days from the date of appeal of a grievance to arbitration, the parties shall try to reach mutual agreement on an Arbitrator. If the parties cannot agree upon an Arbitrator, the Union shall request the Federal Mediation and Conciliation Service to furnish, to the Employer and the Union, a list of seven (7) qualified and impartial arbitrators from the Southern California area. Within seven (7) days after receipt of the list, either party may determine, for any reason, that the list is unacceptable and request a new list from the FMCS at its expense. Each party may exercise this option once per arbitration. A party that decides to request a new FMCS list must notify the opposing party of its intent to do so within seven (7) days of receiving the prior FMCS list. The new list shall then become the list from which the parties will select the arbitrator.

Within ten (10) calendar days after receipt of the final FMCS arbitrator panel, the Employer and the Union shall alternately strike names from the list until only one (1) name remains. The arbitrator whose name remains shall hear the grievance. The parties shall alternate making the initial strike of arbitrators.

Arbitrator's Jurisdiction

The jurisdiction and authority of the arbitrator and his/her opinion and award shall be confined exclusively to the interpretation and/or application of the provision(s) of this Agreement. S/he shall have no authority to add to, detract from, alter, amend, or modify any terms or provisions of this Agreement; or to impose on either party a limitation or obligation not provided for in this Agreement. If the Arbitrator determines by a preponderance of the evidence that the employee engaged in the conduct that is the subject of the arbitration, the Employer's disciplinary action(s) shall stand, unmodified, unless the Arbitrator determines that such action(s) were arbitrary and capricious.

In recognition of the uniqueness of the Employer's operations, written statements from patients and/or family members having firsthand (not hearsay) knowledge of the events in question are admissible in accordance with the following provisions:

1. The Employer must notify the Union of its intention to offer written statement(s) and provide the Union with copies of such statement(s) at least thirty (30) days before the date set for arbitration;
2. The Union shall have the right to cross-examine, in the presence of one or more Employer representatives any patient or family member whose statement(s) the Employer intends to offer at arbitration, provided that:

- a. The Union requests, in writing, to interview the patient(s) or family member(s) within ten (10) calendar days before the date set for arbitration;
- b. The Employee accused of the misconduct is not in attendance during any interview of the patient or family members;
- c. At the request of the Union or the Employer and with the permission of the patient and/or family member being interviewed, the interview may be recorded stenographically and/or by voice recording. Such recording(s) shall be admitted into evidence at the request of the Union or the Employer. If the patient and/or family members declines to have the interview recorded, the arbitrator may be so advised and the Union may call as a witness as to what was said in the interview any person who witnessed the interview except for counsel for the Employer. The Employer will not object to such testimony about the interview on the basis of hearsay or any related objection.
- d. The Employer may use such written statements without the Union having an opportunity to cross-examine the patient and/or family member where the Employer has complied with the time limits set forth above and where the patient and/or family member is unavailable for reasons not in the Hospital's control (including but not limited to death, relocation, etc.) In such cases, the Union may address the Arbitrator on the issue of the weight to be given such statements in light of the Union's lack of ability to cross-examine the witness(es).
- e. The Employer also may use such written statements where the Union does not pursue its right to interview the witness(es).

The arbitrator shall not hear or decide more than one (1) grievance in any one case without the mutual written consent of the Employer and the Union. Decisions by the arbitrator shall be rendered within (30) calendar days of the final presentation of evidence or briefs; extensions will be granted only by mutual agreement of the parties. The written award of the arbitrator on the merits of any grievance adjudicated within his jurisdiction and authority shall be final and binding on the aggrieved employee(s), the Union and the Employer.

In no event, shall any discipline imposed on any employee be mitigated by the Arbitrator, in whole or in part, due to the length of the employee's service with the Employer where such discipline is the result of gross misconduct, patient abuse, theft, dishonesty, fighting, being under the influence of drugs and/or alcohol while on duty, falsification of records, misdirection of medication, insubordination, and/or violation of health and/or safety standards. The parties acknowledge and agree that Arbitrator

should consider in making any decision and award that the Employer is expected to take a more aggressive approach to discipline in cases involving patient care issues.

Fees & Expenses of Arbitration

The Arbitrator's fees and expenses and all other related costs (e.g., room charge, court reporter, written transcripts, etc.) shall be borne equally by the Union and the Employer. Each party shall be responsible for the cost of its own representation and witnesses at the arbitration.

Time Off for Arbitration

The grievant shall be allowed time off without pay to attend the arbitration unless prior arrangements have been made for vacation pay.

Mediation

Upon mutual agreement of the Employer and the Union, a grievance may be referred to non-binding mediation, provided that the grievance has been timely appealed to arbitration.

Selection of the Mediator

The Employer and the Union shall agree on a mediator. In the event that no agreement is reached on a mediator, no mediation shall take place. The mediator's fees and expenses and all other related costs (e.g., room charge) shall be borne equally by the Union and the Employer.

Attendance at Mediation

The Union and the Employer may each select three representatives to attend the mediation. Attendance by the grievant shall constitute one of the Union's three allowable representatives. Should the mediation be scheduled during the grievant's scheduled shift, the grievant will be permitted time off, subject to staffing availability. Any person who attends the mediation at the request of or on the behalf of the Union shall not receive compensation from the Employer.

Mediation Process

Any mediation will be informal in nature. There shall be no examination of witnesses, the rules of evidence shall not apply and the proceedings shall not be recorded in any manner. The presentation of "evidence" shall be made by each party's spokesperson in a narrative fashion. Each party may also present documentary evidence to the mediator. In an effort to reach a settlement, the mediator may meet with all parties at once or may conduct private conferences with the Union or the Employer.

Mediator's Opinion

Any opinion of the mediator regarding the strengths or weaknesses of each party's position shall be given orally and may not be used as evidence in any subsequent proceeding. If settlement is not achievable, the mediator will provide the parties with an oral opinion, based upon the collective bargaining agreement, as to how the grievance would likely be decided in arbitration. The opinion shall not be reduced to writing and shall not be admissible in any subsequent proceeding.

ARTICLE 12 – PROBATION AND EVALUATION

Section 1

Each newly hired Registered Nurse, those hired after a break in continuous service, and those who transfer from another represented or unrepresented employee group, or region will serve a ninety (90) calendar day probationary period.

Section 2

The probationary period of all new Registered Nurse graduates will begin upon completion of orientation. The probationary period of all other Registered Nurses will begin upon the first day of employment.

Section 3

The Employer may extend the probationary period of any Registered Nurse at its discretion (including, but not limited to, any period of the probationary period missed due to absence) for a period not to exceed seventy-five (75) days. The nurse will be advised of any extension and the reason for the extension.

Section 4

During the probationary and/or orientation period, a Registered Nurse may be dismissed for any reason without recourse to the grievance procedure.

Section 5

Orientation for newly hired Registered Nurses shall begin within the first sixty (60) calendar days of employment. The content and length of orientation shall be determined at the Hospital's discretion and shall not be subject to the grievance and arbitration process.

ARTICLE 13 – SENIORITY

Seniority

Seniority shall mean an employee's length of continuous service with the Employer, measured in calendar days from the first day the employee actually worked for the Employer on or after the employee's most recent date of hire. If application of the preceding sentence results in two (2) or more employees having the same seniority, the employee whose name appears earlier on the Employer's alphabetical listing of employees shall be deemed more senior. Seniority shall not accrue to a probationary employee until completion of the probationary period set forth in this Agreement, including extensions, at which time the employee shall possess seniority as defined in this Article. Seniority shall be applicable only as provided in this Agreement.

Seniority Group

Regular full-time and part-time Registered Nurses in the ICU, the Med-Surg Floors, and the Surgery Department shall constitute separate seniority groups. Per Diem and Agency RNs shall have no seniority under this Agreement, and nothing contained in this Section shall apply to Agency or Per Diem RN's except that Per Diem RN's who previously worked as Regular Full-time or Part-time RN's shall retain their established seniority date as a Regular Full-time or Part-time RN and be considered senior over new hire Per Diem RNH's for scheduling purposes within the Per Diem RN work group.

A seniority list for each seniority group in the bargaining unit shall be established and maintained by the Employer. Such lists shall include the full name of the employee in order of seniority, date of hire, and job classification. The Union may request a copy of the lists at any time.

Low census days shall not constitute a layoff under this Agreement.

Layoffs

Layoffs shall be made on the basis of the Employer's determination of ability. If ability is equal, seniority shall prevail. The procedure for layoffs is subject to the Grievance and Arbitration provisions of this Agreement.

Recall

A laid off employee shall have recall rights for six (6) calendar months, beginning with the date of layoff. Employees shall be recalled in reverse order of layoff. After six (6) calendar months laid off employees lose their seniority.

Notice of Recall

The Employer will forward notice of recall by certified mail to the last known address of the employee reflected on Employer records. It is the employee's duty to keep his/her present address on file with the Employer. The employee must, within three (3) calendar days of delivery or ten (10) calendar days from attempted delivery of the notice of recall, notify the Employer of his/her intent to return to work on the date specified for recall and, thereafter, return to work on such date. Employees who fail to so notify the Employer of their intention regarding return to work or to return to work consistent with this Article lose their seniority.

Termination of Seniority

An employee's seniority shall be terminated and his/her rights under this Agreement forfeited for the following reasons:

- a) discharge for just cause, retirement, job abandonment or resignation;
- b) failure to give notice of intent to return to work after recall within the time period specified in this Agreement, or failure to return to work on the date specified for recall, as set forth in the written notice of recall;
- c) a time lapse of six (6) months, or for a period equal to the employee's seniority (whichever is less), since the last day of actual work for the Employer, for any reason other than occupational injury and/or occupational disability;
- d) failure to return to work upon expiration of a leave of absence or vacation without a valid excuse;
- e) the employee is absent from work for two (2) working days without proper notification to the Employer (no call/no show), unless the employee presents a reasonable and verifiable excuse acceptable to the Employer;
- f) while on a leave of absence, takes another job without written permission of the CEO (or CCO); or
- g) falsification of the reason for a leave of absence, whether such leave is paid or unpaid.

ARTICLE 14 – PRECEPTOR PROGRAM

A preceptor is an experienced nurse proficient in clinical teaching who is specifically responsible for assisting with the 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. The Hospital shall have the sole discretion to determine the content of the preceptor program and the need for preceptor assignments. Nurses who serve as preceptors shall be paid a differential of \$2.00 per hour while working in the preceptor role. The increase to \$2.00 for preceptor pay shall take effect first full pay period following ratification on May 22, 2023.

Aside from serving as preceptors, 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 15 – JOB POSTING AND FILLING VACANCIES

The Hospital shall post a list of open Registered Nurse positions for a minimum of five (5) days. Any Registered Nurse interested in learning the requirements of any posted position may obtain a job description from the Human Resources Coordinator.

Registered nurses shall be eligible to apply for shift transfers and/or specialty transfers (i.e., surgery, med surg, ICU) provided that there is an opening and the nurse is qualified for the position. The Employer shall determine a nurse's qualifications for a shift and/or specialty transfer in its sole and absolute discretion.

Registered nurses who are transferred to another assignment and/or shift, shall undergo a new job trial period of sixty (60) calendar days. If the Employer determines, in its sole and absolute discretion, that the registered nurse cannot adequately perform his/her duties in the new position and/or shift or the registered nurse desires to return to his/her pre-transfer position and/or shift, the registered nurse shall be returned to the pre-transfer position and/or shift provided that an opening exists.

The Employer may, in its discretion, extend the new job trial period for any shift and/or specialty transfer for a period not to exceed forty-five (45) days. The Registered Nurse shall be advised of the purpose and duration of the extension.

Where, in the judgment of the Employer, skill and ability are equal, shift and/or specialty transfers will be granted on the basis of seniority.

Where a vacancy occurs on either shift, the Employer shall post a notice of the vacancy for ten calendar days. During the posting period, the Employer may fill the vacancy on a temporary basis. Employees interested in filling a vacancy on either shift shall submit a request, in writing, to the CNO prior to the end of the posting period. Thereafter, the Employer shall award the shift vacancy to the most senior employee who is qualified to fill it.

ARTICLE 16 – NEW OR REVISED JOBS

If the Employer establishes a new Registered Nurse position, a new job description setting forth the duties of the new position shall be prepared and a minimum wage rate established by the Employer for such new position. The minimum wage rate for the new position shall be based on the requirements of the position, its relation to the Employer's rate structure and to existing RN positions. A change in job duties for an existing position shall not constitute the formation of a new position or require a change

in wage rate unless the new duties represent a substantial change in the existing position.

The job description for a new RN position shall be presented to the Union in writing prior to the assignment of any employee to the position. The purpose of such presentation shall be to discuss the content of the new position and reach agreement with the Union on the proposed minimum wage rate. The Employer shall determine the duties of the new position in its sole and absolute discretion. If it deems necessary in its sole and absolute discretion, the Employer may establish the new position and recruit an existing or new RN into the position at the Employer's proposed wage rate prior to or during negotiations with the Union about the wage rate.

Should agreement be reached with the Union on the proposed wage rate of the new position, the rate shall not be subject to diminution during the term of the collective bargaining agreement in effect at the time the rate is agreed upon. Any agreed-upon minimum wage rate shall be effective the first day of the first full pay period following the date the rate was agreed upon by the Employer and the Union or the day any dispute regarding the wage rate is referred to arbitration pursuant to the limitations set forth in this Article.

In the event no agreement is reached on the proposed minimum wage rate, the Union may use the grievance and arbitration procedure to object to the rate. The only question that shall be presented to the arbitrator in any arbitration regarding wage rates assigned to new RN positions is whether the Employer's proposed minimum wage rate is reasonable considering the duties of the new position and the wage rates of other bargaining unit positions. In the event the arbitrator determines that the Employer's proposed rate is unreasonable, the arbitrator shall not select or suggest a new rate and instead shall send the parties back for further bargaining. Neither the creation of the new position nor the duties assigned to the new position shall be subject to the grievance and arbitration process.

ARTICLE 17 - UNION BULLETIN BOARD

The Employer shall provide a bulletin board for the use of the Union. The location of the bulletin board shall be determined by the Employer in its sole discretion, however, it shall be placed in an area frequented by Registered Nurses. The Union may use such bulletin board to post official Union notices. The Union agrees that all communication and/or literature regarding the Union and/or union business shall be confined to the designated bulletin board and shall not be placed in any other area(s) of the Hospital.

The Union agrees that any posted communication/literature shall not contain any derogatory comments regarding the Employer or its employees and they shall not advocate economic action against the Employer. The Employer shall have the right to remove any postings that do not comply with this Article. The Union shall have the right to grieve any such removal.

ARTICLE 18 - HOURS OF WORK AND OVERTIME

Schedules

Registered Nurses in Medical-Surgical Floors and ICU currently work twelve (12) hour shifts, from 7:00 A.M. to 7:30 P.M., and 7 P.M. to 7:30 A.M.

OR nurses serve on an on-call basis. OR nurses shall be paid at one and one-half (1 ½) times their regular hourly rate for all hours actually worked at the Hospital.

The Employer agrees to post a work schedule for a four (4) week period of the working hours for all employees. Such schedule shall be posted a minimum of two weeks in advance. When the Employer determines to "call-off" a nurse, the Employer shall call the nurse (at a telephone number designated by the nurse) and provide a minimum of two (2) hours advance notice that the nurse should not report to work. If the employee is not notified two (2) hours before the shift, the Employer shall pay reporting pay of two (2) hours when the employee reports to work. Reporting pay provisions of this Agreement shall apply. [In order to properly schedule shifts, all employees calling off must call no less than four (4) hours prior to the start of the scheduled shift.]

In view of the necessity of the Employer to provide continuing care for patients on an around-the-clock basis, nothing in this Agreement shall be construed as a guarantee of hours of work, or as an abridgement of the Employer's right (except as may otherwise be provided herein) to define the hours of work, to determine the times when employees shall be required to work, to mandate overtime, and to establish such shifts and work schedules and starting and quitting times as the Employer deems appropriate, or to make any other adjustments to schedules and hours consistent with the Employer's rights.

Subject to the terms of this Agreement, work assignments shall be made by the Employer, and no employee shall be entitled to select, have, or retain any particular job, assignment, shift or task by virtue of past practices, seniority or otherwise.

Cancellations/Flexing

Prior to making hours reductions on a daily or hourly basis, the Hospital shall make efforts to avoid daily cancellations/flexing. After making such efforts, the Hospital may make hours reductions on a daily or hourly basis for operational reasons (for example, a reduction in census or acuity), subject to any applicable terms in this Agreement. Such reductions can be made even after the schedule has been posted or during shift. Cancellation/flexing must be approved by a supervisor, department or manager or designee. Eligible employees who are cancelled/flexed may take the day off without pay or use PTO (where applicable), at the employee's discretion.

Subject to patient care staffing needs, including adequate qualifications of employees, when it is necessary and unavoidable to cancel or flex an employee, the Hospital shall cancel/flex employees in the following order:

1. The Hospital agrees to first seek volunteers, for all the following categories before imposing mandatory cancellation/flexing. Volunteers may be accepted at any point in the process. Where the number of volunteers exceeds the number of employees to be cancelled/flexed, the Employer shall select volunteers, by seniority by shift, job position, and unit in the following order on a rotating basis:
 - (a) Full-time employees
 - (b) Part-time employees;
 - (c) Per diem employees;
 - (d) Temporary employees, agency or registry workers.
2. Prior to canceling full-time and part-time employees on their regular schedule for low census, the Hospital will first cancel:
 - (a) Agency or registry workers (if the Employer does not incur any cost by cancelling this work);
 - (b) Temporary employees;
 - (c) Per diem employees working premium or overtime shifts;
 - (d) Part-time, then full-time employees working overtime shifts or on extra shifts;
 - (e) Per diem employees.
3. The Hospital will then cancel:
 - (a) Part-time employees
 - (b) Full-time employees, based on rotating seniority by shift, job position, and unit if appropriate.

Once cancelled/flexed, an employee is considered off the schedule for that shift (or portion thereof), and shall not be required to maintain contact with the Hospital or be available to work, unless the employee has agreed to accept and be compensated for the On-Call status, consistent with this Agreement, for the shift or portion thereof.

Reporting Pay

An employee required by the Employer to report to work, and who does report, will be utilized and paid for half (1/2) the usual or scheduled day's work, but in no event fewer than two (2) hours nor more than six (6) hours; at the employee's regular rate of pay. Any payment for work not performed shall not be treated as hours worked for any

purpose. If the employee is offered work and elects to go home, then the employee shall not receive reporting pay.

Meal Breaks and Rest Periods

Meal Breaks The Hospital must provide, and Employees are entitled to take, and shall take, one (1) thirty (30) minute unpaid, uninterrupted, non-working meal period on every shift where no more than twelve (12) hours are worked. If an Employee works more than twelve (12) hours (exclusive of the first thirty (30) minute meal period), the Employee is entitled to take, and shall take, a second thirty (30) minute unpaid, uninterrupted, non-working meal period. Notwithstanding the foregoing, an Employee who makes a written request shall be provided and entitled to take a second meal thirty (30) minute unpaid, uninterrupted, non-working meal period after ten (10) hours of work within their 12-hour shift. [Employees shall be permitted to waive one of their 2 meal periods as long as they do so in writing.]

Rest Periods The Hospital must provide, and Employees are entitled to take, fifteen (15) minute rest breaks every four (4) hours worked. In no case shall an Employee be provided or take a rest break of less than ten (10) minutes' duration. Rest periods should not be combined with meal periods and must not be taken at the beginning or end of the shift. On a 12-hour shift, three (3) rest periods should be taken, after approximately two (2), six (6) and ten (10) hours of work. Rest periods are paid but must be uninterrupted and non-working.

Tracking Meals and Rest Periods The Employer may establish reasonable procedures for the tracking and reporting of meal or rest periods. Employees shall comply with such reasonable procedures.

Overtime

The parties' intent is to maintain the same overtime practices as are currently in effect.

Registered nurses working twelve (12) hour shifts shall receive straight time pay for the first 12 hours in any shift and for all hours worked up to thirty-six (36) in a workweek. Registered nurses shall receive double time for all continuous hours worked over twelve in a single shift and all hours worked over forty-four (44) in a workweek. Registered nurses shall receive one and one-half times the straight time rate for all hours worked between thirty-six (36) and forty-four (44) in a workweek.

There shall be no pyramiding of overtime. When a nurse is eligible for two or more forms of overtime and/or premium pay, the nurse will receive only the higher rate of pay.

Nurses who work forty (40) hour workweeks shall be paid overtime in accordance with state and federal law.

ARTICLE 19 – HOLIDAYS

The Employer recognizes the following holidays for regular full time and part-time registered nurses:

New Year's Day	Thanksgiving Day
Memorial Day	Christmas Day
Independence Day	Labor Day

For holiday pay purposes, the holiday will begin at 7:00 p.m. the day before the holiday and end at 7:00 p.m. the day of the holiday.

Holiday Pay (Do Not Work The Holiday)

Eligible employees who are regularly scheduled to work 36 or 40 hours per week will receive holiday pay of 8 hours for a paid holiday. Other than a scheduled vacation, an employee must work his/her full regularly scheduled shift on the last scheduled day before the holiday and the first scheduled day following the holiday to receive holiday pay. If a recognized holiday falls during a nurse's scheduled vacation, the day will be counted as holiday pay and not vacation.

Holiday Pay (Work The Holiday)

Regular full-time and part-time registered nurses who have completed their probationary periods and who work on a recognized holiday will receive double time for all hours worked during the holiday.

Major Holiday Off

Except in case of an emergency or to meet patient care needs, each regular full and part-time Registered Nurse may be scheduled off on at least one (1) of the following holidays on a rotating basis annually: Thanksgiving Day, Christmas Day or New Year's Day.

ARTICLE 20 – PAID TIME OFF

Eligibility

Regular full and part-time nurses who are scheduled to work at least twenty-four (24) hours per week shall be eligible for PTO. PTO will be accrued on the basis of hours worked, up to 2080 hour worked.

Definitions

Vested PTO hours:

PTO hours that are accrued and available for use. PTO hours vest on a biweekly basis provided that new hires shall not initially vest until completion of thirty (30) days of

employment. The maximum number of hours that vests each biweekly pay period shall be calculated by dividing the nurse's maximum annual accrual by 26. PTO hours accrued during a biweekly period in excess of the maximum shall be carried over to become vested in the following pay period up to the biweekly maximum. Accrued PTO that does not vest within a given biweekly period shall not be forfeited but shall continue to be carried forward in an identical manner until the annual maximum PTO accrual is reached at which point PTO shall cease to accrue for the balance of the calendar year.

Non-Vested PTO hours:

PTO hours that have accrued on the basis of time worked but are not yet available for use.

Accruals

The annual maximum PTO accrual for full-time non-exempt nurses hired on or after January 1, 2003 shall be as follows:

<u>Years of Service</u>	<u>Annual Maximum Hours</u>
0-1	112 hours (14 days) ¹
1-3	128 hours (16 days)
3-5	136 hours (17 days)
5-10	160 hours (20 days)
10-15	184 hours (23 days)
15+	200 hours (25 days)

All non-exempt nurses hired on or after January 1, 2013 will receive the standard Kindred PTO accrual rates which are applicable to the non-union, non-exempt employees at the Hospital.

Years of service shall be determined as of a nurse's date of hire.

The PTO accrual rates for non-exempt part-time nurses shall be pro-rated as a percentage of full-time equivalent. For example, a part-time nurse who works 50% of a full-time schedule will be eligible for 50% of the maximum annual accrual rate attributable to his/her years of service.

The maximum annual PTO accrual for a nurse who begins his/her employment with the Hospital on or before December 31, 2002 shall be equal to the sum of the nurse's pre-January 1, 2003 annual vacation and PTO accruals plus eight (8) hours (one extra PTO day). For example, a nurse who was eligible for three (3) weeks of vacation and five (5) PTO days prior to January 1, 2003, will have a maximum annual PTO accrual of 168 hours (21 days).

¹ The number of days earned under this system is based upon a eight (8) hour workday.

Although PTO shall accrue on all hours worked, PTO hours will not become vested and available for use until the first pay period following the end of every calendar quarter. PTO time can be used only if vested, nurses may not borrow against non-vested PTO.

Effective January 1, 2013, a nurse may have no more than a combined total of 160 vested and non-vested PTO hours. If the sum of a nurse's vested and non-vested vacation hours is 160 hours, the nurse will not accrue additional PTO hours until his/her combined vested and non-vested PTO balance falls below 160 hours. There shall be no retroactive accruals.

When determining whether the 160-hour cap has been reached, the Hospital shall not consider the amount of vacation and/or PTO earned or accrued by a nurse prior to January 1, 2003.

Use of PTO

PTO is to be used for illness or other personal reasons including vacation. Except for absences due to illness or emergency, PTO must be scheduled in advance. This Article shall not be construed as condoning any failure to notify a supervisor if the nurse will be absent from work due to illness or any other reason.

The Employer may require a physician's statement for employees who are absent three (3) or more consecutive days of work because of illness or injury.

When taking paid time off, nurses may elect to use any vacation and PTO time earned and available under the Employer's PTO/vacation system in effect prior to January 1, 2003 or any vested PTO time earned under the PTO program that is effective January 1, 2003. Nurses must make such election at the time the request for time off is made.

Non-exempt nurses may use PTO in increments of 2 hours.

PTO shall be granted on a first come, first serve basis except under the following circumstance: Employees who elect to use PTO for vacation in increments of not less than one week may notify the Hospital, in writing, between December 1st and December 10th of each year of any requested vacation to be taken during the following calendar year. Based on the Hospital's scheduling needs and staffing requirements, the Hospital shall attempt, but is not required, to grant the employee's requested vacation, and it is understood that requests for vacation time during the month of December shall normally be denied. Where two or more employees, on a timely basis, make the same or overlapping requests and the Hospital is unable to accommodate all of the requests, it shall use seniority in determining which requests, if any, to grant. Once a request is granted, it shall not be changed absent the mutual consent of the Hospital and employee. By December 24th the Hospital shall post a vacation schedule showing which requests, if any, have been granted for the following calendar year.

Nurses may elect to take PTO hours up to the total hours in their regularly scheduled shift. In other words, a nurse who takes a PTO day and regularly works 12-hour shifts may elect to be paid for a 12-hour day. In the absence of an election, a nurse shall receive PTO on the basis of an 8-hour day. A request to be paid for 12 hours for a PTO day must be made at the time the nurse requests time off. The number of hours paid for PTO will be deducted from the nurse's vested PTO bank.

Payment of PTO shall be at the nurse's straight time rate and shall not be regarded as hours worked for overtime or any other purpose.

Accrual Rate Increases

Regardless of date of hire, movement to a greater maximum annual PTO accrual will be determined by a nurse's length of service in accordance with the PTO accrual charts above. A nurse hired prior to January 1, 2003 will earn PTO in accordance with the applicable non-exempt chart above when his/her annual PTO accrual is greater under the applicable chart than it is as of January 1, 2003.

Annual accrual rate increases earned on the basis of increased years of service shall be effective on the first full pay period following the nurse's anniversary date and shall affect accrual rates on a go-forward basis.

Cash Out of PTO

In January, 2003, a non-exempt nurse may cash out, at 75% of the nurse's straight time hourly rate, some or all of the PTO he/she earned prior to January 1, 2003. If the nurse has not completed his/her probationary period by December 31, 2002, no cash-out of pre-January 1, 2003 PTO is available.

PTO earned and vested after January 1, 2003 may be cashed out in December of each year at 75% of a nurse's straight-time hourly rate. Non-exempt nurses are eligible for the cash-out option.

Change of Status

Nurses who change status from full-time to part-time to per-diem or whose part-time schedule decreases to less than twenty-four (24) hours per week shall not be eligible for PTO accrual. When an employee ceases to be eligible to accrue PTO, the Employer shall pay the employee, within 30 days of the cessation, any existing accrued PTO balance.

Effect of Termination on PTO

Any unused vested and/or non-vested PTO hours remaining in a nurse's PTO bank as of the nurse's termination (voluntary or involuntary) shall be paid to the nurse.

ARTICLE 21 - COMPENSATION

Wages

See Appendix A.

Bonus

See Appendix B.

Attendance Awards

The Hospital shall pay a bonus of \$75.00 to all nurses who work all scheduled shifts in a calendar quarter and a bonus of \$400.00 to all nurses who work all scheduled shifts in a calendar year.

House Supervisor Rate of Pay

Any registered nurse assigned as a house supervisor shall be paid \$4.00 in addition to his/her hourly rate.

Shift Differentials

Employees assigned to the night shift shall receive a shift differential of \$5.00 per hour to all registered nurses who work between the hours of 7:00 p.m. and 7:00 a.m.

Weekend Differential

In addition to any other differential that may be applicable, there shall be a weekend differential of \$2.50 per hour paid for all hours actually worked between 7 a.m. and 7 p.m. for day shifts beginning on Saturday or Sunday and for all hours actually worked between 7 p.m. and 7 a.m. for night shifts beginning on Friday or Saturday night. (New rate of \$2.50 effective first full pay after ratification – May 22, 2023)

On Call Pay

Operating room nurses shall continue to be entitled to on call pay of \$2.50 for all hours that they are on call. Such on-call hours shall be established in the sole discretion of the Employer.

Anniversary Date Bonus

Effective April 1, 2023 and continuing through March 31, 2026, on an employee's anniversary date, each regular full-time and part time employee shall be paid a lump sum bonus. The bonus amount shall equal two (2%) of the employee's straight time base hourly earnings for the twelve-month period immediately preceding the employee's

anniversary date. The bonus shall be paid on all hours actually worked during the bonus period, including paid in-service training hours, overtime hours worked, and holiday hours worked (but excluding PTO, holiday pay, jury duty, bereavement leave, or any other paid non-working time) up to a maximum of two thousand (2,000) hours worked per twelve month period. No bonus shall be due on any hours worked in excess of two (2,000) thousand hours. The bonus shall be paid as a lump sum amount, less applicable deductions, and shall not be added to the employee's base wage rate nor shall it be included in calculating overtime rates. To receive a bonus, an individual must be employed in a bargaining unit position on his or her anniversary date, and there shall be no prorated bonus (provided that an employee who is on an authorized leave of absence on his or her anniversary date such be entitled to receive the bonus within thirty days after his or her return to active employment). No employee hired on or after August 1, 2006 shall be eligible to receive this anniversary date bonus nor shall a bonus be paid to any individual who is not an employee and a member of the bargaining unit as of July 31, 2006. This anniversary date bonus expires on March 31, 2026, and no bonus shall be paid to any employee on or after April 1, 2026. This anniversary date bonus shall not be included in any subsequently negotiated collective bargaining agreement unless the bonus program is expressly addressed in negotiations and the employer agrees, in writing, to renew the program.

PICC Line Procedures

Registered nurses shall receive \$125.00 for each PICC line procedure performed. To be paid for such procedure, the nurse performing it must provide to the CCO a copy of the medical record documentation (the non-invasive procedure form) identifying PICC line insertion and successful infusion. The documentation must be completed and submitted immediately upon completion of the procedure. The CCO or his/her designee must then confirm, in writing that the procedure was performed as documented.

ARTICLE 22 – LEAVES OF ABSENCE

All leaves of absences shall be in accordance with current Hospital policies. These leaves of absence policies are contained in the Employee Handbook. The Employer reserves the right to change, alter or amend its leaves of absence policy in its discretion.

ARTICLE 23 – BEREAVEMENT LEAVE

The parties' intention is to keep the same bereavement leave policies and practices in place that currently exist as of the time this Agreement is executed unless otherwise provided herein.

Regular full-time and eligible part-time registered nurses who have completed their probationary periods shall be eligible for bereavement leave.

Eligible nurses who experience a death in their immediate family shall be granted a maximum of three (3) working days off with pay. If extended travel time or additional time is required, nurses may request additional leave. Nurses may use vacation time, PTO or request a personal leave of absence, without pay, to cover the time off.

For purposes of this Article, "immediate family" shall be defined as spouse, mother, father, daughter, son, sister, brother, in-laws and domestic partners. Pay for bereavement leave shall be at the nurses' regular straight-time hourly rate, up to a maximum of twelve (12) hours per day.

Regular part-time nurses who experience a death in their immediate family may request bereavement leave.

ARTICLE 24 – JURY DUTY

The parties' intention is to keep the same jury duty policies and practices in place that currently exist as of the time this Agreement is executed unless otherwise provided herein.

Regular full-time RNs who have completed their probationary period shall be eligible for paid jury duty leave.

Nurses who are required to serve on a jury shall be paid the difference between jury duty pay and their regular pay. Payment shall be at the same base rate and for the same number of hours the employee would have received had the normal schedule been worked, up to a maximum of twelve (12) hours per day and thirty-six (36) hours per workweek. Paid jury duty shall be capped at fifteen (15) days in any twelve (12) month period measured from the date that the nurse first received jury duty pay. As a condition of receiving jury duty pay, the nurse must notify the Employer as soon as practicable after receiving the summons for jury duty and must provide the Employer with documentation of his/her jury duty pay.

ARTICLE 25 – HEALTH, DENTAL AND INSURANCE PLANS

Medical and Dental Insurance

Full time registered nurses covered by this Agreement who have completed their probationary period shall be eligible to participate in the same standard medical and dental plans in the same manner and to the same extent that the plans are offered to the Hospital's hourly non-bargaining unit employees. The Employer reserves the right to change, delete or modify its medical and dental plans provided the same modifications are made to the plans available to the Hospital's hourly non-bargaining unit employees. Premium costs for registered nurses shall be the same as for the Hospital's hourly non-bargaining unit employees.

Short-Term and Long-Term Disability and Life Insurance

Employees covered by this Agreement shall be entitled to participate in the Employer's short term and long-term disability and life insurance plans in the same manner and to the same extent as the Hospital's hourly non-bargaining unit employees. The Employer reserves the right to change, delete or modify these plans provided the same modifications are made to the plans available to the Hospital's hourly non-bargaining unit employees.

Retirement Benefits

Employees covered by this Agreement shall be entitled to participate in the Employer's 401k plan in the same manner and to the same extent as the Hospital's hourly non-bargaining unit employees. The Employer reserves the right to change, delete or modify these plans provided the same modifications are made to the plans available to the Hospital's hourly non-bargaining unit employees.

ARTICLE 26 – EDUCATION

Nurses may participate in the Employer's Tuition Reimbursement Program in accordance with the Employer's present policies and practices in existence for Kindred Hospital-San Diego. The Employer reserves the right to change, alter or amend its Tuition Reimbursement Program in its discretion.

ARTICLE 27 – SAFETY AND HEALTH

The Hospital shall comply with applicable Federal and California laws and regulations pertaining to occupational safety and health. Likewise, it is the duty of each employee to comply with all health and safety regulations of the Employer. In the event any safety or health hazard is detected, it shall be promptly reported to the Employer. The Employer shall then have a reasonable period of time to remedy the situation. 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 California laws.

ARTICLE 28 – SAVINGS CLAUSE

If any provision of this Agreement is found to be in conflict with any federal or state laws, the remaining provisions of the Agreement shall remain in full force and effect.

ARTICLE 29 - IMPLEMENTATION

Any adjustment, alteration, variation, waiver, or modification of any of the terms or provisions contained in this Agreement shall not be binding upon the parties unless

made and executed in writing by the parties. Although past practice may be used as evidence to interpret any ambiguous provisions of this Agreement, it shall not in any way vary, modify or alter the parties' mutual intent and/or any unambiguous language.

ARTICLE 30 – MANDATORY VACCINATIONS


The Hospital shall be privileged to continue existing practices regarding mandatory vaccinations including, but not limited to flu and COVID vaccines, subject to medical and religious objections, in its sole discretion. A failure to mandate the flu vaccine for one of more flu seasons shall not waive the right in future years. Should an employee decline vaccination(s) for valid religious or medical reasons, they must comply with then current approved procedures for approval of the declination and follow all procedures for the use of PPE and protections of patients and other staff from exposure. Failure to comply with the policies shall result in removal from the schedule.

ARTICLE 31 - EXPIRATION AND RENEWAL

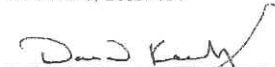
This Agreement shall expire on March 31, 2026. In the event neither side provides the other with a timely notice to re-open this Agreement, the Agreement shall continue in full force and effect and be renewed automatically from year to year thereafter unless either party gives to the other notice of not less than 90 days prior to March 31, 2026, or not less than 90 days prior to March 31 each year thereafter of a desire to modify or terminate this Agreement.

If a new Agreement is not reached prior to the expiration date, or any anniversary date thereafter, this Agreement shall terminate on the expiration (or anniversary) date unless the Parties, by mutual consent, execute a written extension of this Agreement for a specified period of time prior to the date of termination.

Date: 3/15/23


Victor D. Torres,
Secretary-Treasurer
Teamsters, Local 481

Date: 3/18/23


David Keating
Vice President, Labor Relations
Scion Healthcare

APPENDIX A

The Employer agrees to recognize the following minimum start and maximum rates and the agreed-upon Hiring Grid effective the first full pay period following May 22, 2023. The parties agree that the Employer may, in its sole discretion, hire above these rates.

Minimum Rates as follows:

Med/Surg RNs: \$41.72

ICU RNs: \$47.34

OR RNs: \$47.34

Per Diem rate will be applicable with the RN position plus 10% premium

No employee shall be paid less than the minimum start rate Step 0.

Maximum Rates as follows:

Med/Surg RNs: \$55.94

ICU/OR RNs: \$63.48

Wages

- a. Effective the first full pay period after May 22, 2023 (retroactive to the first full pay period after April 1, 2023), the Hospital shall provide the greater of a four percent (4%) increase to FT, PT and Per Diem employees with 6 or more months experience or a move to the applicable step on the Hiring Grid based on the employees' continuous service in their current job classification at the Hospital. No employee may be below the minimum Step 0 on the Hiring Grid for their classification regardless of years of experience or any Wage Increase Cap placed on a wage increase. The parties agree that there shall be a fifteen percent (15%) Wage Increase Cap on any employee increase except as necessary to bring employees to the applicable Step 0 for their job classification at the Hospital.
- b. Effective the first full pay period following April 1, 2024, the Hospital shall provide a three percent (3%) increase to FT, PT and Per Diem employees with 6 or more months experience.
- c. Effective the first full pay period following April 1, 2025, the Hospital shall provide a three percent (3%) increase to FT, PT and Per Diem employees

with 6 or more months experience.

Employees who have reached the maximum pay rate for their job classification shall not receive an Across The Board (ATB) increase set forth above. Instead, they shall receive a lump sum bonus equal to the Across The Board increase percentage times their hourly rate multiplied by the number of hours worked for the previous twelve (12) months.

For those below the maximum rate for their classification, they shall receive a proportional increase in the event the ATB set forth above would raise their base rate up to the maximum of their rate range. A Lump Sum Bonus in the amount of the difference shall be paid as described above.

Wages shall not be increased to exceed the maximum rate range.

Per Diem rates shall not exceed the maximum of the rate range.

Across the board increases are applied before any premiums or other adjustments.

Employees must be employed at least 6 months at time of increase to receive increase set forth above.

Increases required by law to meet state minimum wage requirements shall have that percentage increase credited against the ATB increase(s) provided for under this Agreement.

All increases cease upon expiration of the Agreement.

HIRING GRID

The Hiring Grid steps and minimum rates and maximum rates shall remain unchanged for the duration of this Agreement, except as provided below.

The Hiring Grid shall be used to recruit new staff. This is NOT a Wage Structure and shall not be used for any purposes except to establish the hiring rate for new employees.

The Hospital retains discretion to increase the Hiring Rate (Step 0) and Maximum Rate for any or all classifications upon notice to the Union and all subsequent Hiring Grid Steps shall be 2% between Steps unless the Hospital uses discretion to increase such % between some or all of the Steps for all or some of the classifications and so notifies the Union. In no event may the Hospital reduce the % between Steps below 2% without approval from the Union.

APPENDIX B

Bonus Program

Referral Bonus:

A Registered Nurse who refers a new registered nurse for full-time employment at the Hospital shall receive a \$5,000 referral bonus under the following terms, provided that the referred registered nurse is offered and accepts full-time employment at the Hospital. One-quarter of the bonus shall be paid after the referred registered nurse completes three (3) months of continuous employment provided that he/she has a satisfactory performance evaluation at that time. The second quarter of the bonus shall be paid after the referred registered nurse completes six (6) months of continuous employment provided that he/she has a satisfactory performance evaluation at that time. The third quarter of the bonus shall be paid after the referred registered nurse completes nine (9) months of continuous employment provided that he/she has a satisfactory performance evaluation at that time. The final quarter of the bonus shall be paid after the referred registered nurse completes twelve (12) months of continuous employment provided that he/she has a satisfactory performance evaluation at that time. To be eligible to receive the bonus, the referring nurse must be employed at the time the bonus is payable.

Discontinuance:

The Employer may, upon thirty (30) days advance written notice to the Union discontinue the bonus program.

SIDE LETTER REGARDING REGISTERED NURSE HIRING INCENTIVE PROGRAM

To assist in the efficient recruitment of Registered Nurses at Kindred Hospital San Diego ("Employer"), the undersigned Employer and Union hereby agree as follows:

- (1) Effective upon execution of this MOU, the Employer shall temporarily implement a Hiring Incentive Bonus Program ("Program") which allows recruiters to offer a bonus to newly hired qualified Registered Nurses at the Hospital. Only external hires shall be eligible for the bonus.
- (2) The Parties agree that the Program is intermittent and the Program may be discontinued at any time after seven (7) days advance notice to the Union by the Employer. The Employer also reserves the right to modify the terms and conditions of the Program at any time after seven (7) days advance notice to the Union by the Employer.
- (3) The Parties agree that the newly hired Registered Nurses shall be offered a bonus as follows:

Full Time RN's \$10,000

The bonus shall be paid as follows:

After successfully completing one (1) year of employment 50%
After successfully completing two (2) years of employment 50%

All applicable taxes and other withholding shall be deducted as required by law.

Conditions

- Full Time staff who to convert to Part Time or Per Diem will not be eligible for bonus
 - Leave of Absences during the first two years of employment shall extend the time for payment of the bonus by the amount of time on LOA
- (4) The Parties agree that this MOU replaces the Sign-On Bonus provision and modifies the Discontinuance provision regarding Sign-On Bonus termination in the Parties' collective bargaining agreement.
 - (5) This MOU may be executed in counterparts, each of which shall be deemed to be an original, but all of which, taken together, shall constitute one and the same agreement.

Dated: 10/9/2020 By: [Signature] TEAMSTERS LOCAL 481 ("Union")

Dated: 10/12/20 By: [Signature] Kindred Hospital-San Diego ("Employer")

SIDE LETTER Regarding Sick Leave/PTO

Applicable to all benefitted (meaning, entitled to PTO under the applicable collective bargaining agreement) Teamster Local 481 represented employees at Kindred Hospital-San Diego ("Covered Employees").

By and through their undersigned representatives, the parties hereby agree to the following, effective January 1, 2021 ("Effective Date").

(1) Covered Employees shall continue to receive and be able to use paid time off ("PTO") for sick leave and other purposes, under the terms of the applicable collective bargaining agreements (CBAs).

(2) Consistent with past practice under each CBA, all Covered Employees will continue to be able to use PTO for any reason permitted by the Healthy Workplaces, Healthy Families Act of 2014, Labor Code Section 245, *et seq.*

(3) Covered Employees will no longer receive additional paid sick leave benefits, separate and apart from the CBA, under the Kindred Healthcare Employee Handbook, California Supplement (rev. December 2018) ("Handbook Supplement"). Extra-contractual paid sick leave accrued prior to the Effective Date will remain available for use by the Covered Employee, consistent with the Handbook Supplement.

(4) The Hospital agrees to a 0.5% increase to base wages effective on the first full pay periods following January 1, 2021 and January 1, 2022 (a total of 1%) for agreement to acknowledge termination of the additional paid sick leave benefit program as outlined above. Lump Sum Bonus caps do not apply to these increases.

(5) Non-benefitted employees represented by Teamsters Local 481 are eligible for paid sick leave benefits as required by California law as long as they meet eligibility requirements.

KINDRED HEALTHCARE:

[Signature]

Date: 10/12/20

TEAMSTERS LOCAL 481:

[Signature]

Date: 10/11/2020

NOTICE TO ALL MEMBERS

IF YOU ARE ON DUES CHECK-OFF WITH YOUR COMPANY, AND DUES ARE NOT DEDUCTED DUE TO YOUR NOT HAVING ENOUGH EARNINGS, IT IS YOUR RESPONSIBILITY TO KEEP YOUR DUES CURRENT IN ORDER TO MAINTAIN GOOD STANDING IN THE LOCAL UNION.

IF YOU BECOME UNEMPLOYED IN THE JURISDICTION OF THE LOCAL UNION, YOU WILL BE ISSUED A WITHDRAWAL CARD UPON REQUEST PROVIDING ALL DUES AND OTHER FINANCIAL OBLIGATIONS ARE PAID TO THE LOCAL UNION, INCLUDING THE DUES FOR THE MONTH IN WHICH THE WITHDRAWAL CARD IS EFFECTIVE.

FOR THIS AND OTHER BUSINESS MATTERS, IT IS IMPERATIVE THAT YOU KEEP YOUR MAILING ADDRESS ON FILE WITH THE LOCAL UP-TO-DATE.

FRATERNALLY,

VICTOR D. TORRES, SECRETARY-TREASURER

Teamsters Local 481
2840 Adams Ave., Suite 202
San Diego, CA 92116
(619) 282-2187 ext. 105
www.teamsters481.org
Field Representative: Gabriel Tejada

"Printed In-House with Union Labor"

08/23

AGREEMENT BETWEEN TEAMSTERS UNION LOCAL 481



And
KINDRED HOSPITAL
SAN DIEGO

APRIL 1, 2023 — MARCH 31, 2026