

COLLECTIVE BARGAINING AGREEMENT

by and between

EMPIRE HEALTH SERVICES

and

SERVICE EMPLOYEES INTERNATIONAL UNION,

DISTRICT 1199NW

Covering the Technical Bargaining Unit

Term of Agreement

September 1, 2005

through

September 30, 2008

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AGREEMENT

THIS AGREEMENT is entered into by and between Empire Health Services, hereinafter referred to as "EHS" or the "Employer," and the Service Employees International Union, District 1199NW, hereinafter referred to as the "Union."

The intent of this Agreement is to set forth a mutually agreed working relationship between EHS and the bargaining unit employees identified in Appendix A employed at Valley Hospital and Medical Center ("VHMC") located at 12606 East Mission Avenue, Spokane Valley, Washington, 99216, Valley Outpatient Surgery Center ("VOSC") located at 1414 North Houk Road, Spokane Valley, Washington 99216, and Deaconess Medical Center ("DMC") located at 800 West Fifth Avenue, Spokane, Washington 99204 with respect to wages, hours of service, general conditions of employment and lines of communication. The common objective of EHS and the bargaining unit employees is delivery of superior patient care, harmoniously obtained and consistently maintained.

ARTICLE 1 -- RECOGNITION

Section 1. EHS recognizes the Union as the collective bargaining representative of the Technical bargaining units at VHMC, VOSC and DMC with respect to wages, hours, and working conditions. The bargaining units consist of EHS employees employed at VHMC, VOSC and DMC in the job classifications identified in Appendix A (hereinafter collectively referred to as "employees"). In addition to the excluded classifications specified in Appendix A, temporary employees, contracted travelers, agency employees, and all other EHS employees, managerial employees, confidential employees, service and maintenance employees, physicians, professional employees, registered nurses, skilled maintenance employees, business office clerical employees, assistant unit managers, guards and supervisors are excluded from the VHMC and VOSC bargaining unit and the DMC bargaining unit.

Section 2. This recognition is limited to EHS operations currently at VHMC, DMC, and VOSC located at East 12606 Mission, Spokane, Washington, 800 West 5th Avenue, Spokane, Washington, and at 1414 North Houk Road, Spokane Valley, Washington respectively, and does not apply to employees working in any other present or future operations of VHMC, VOSC, DMC, or EHS.

Section 3. This recognition shall not be interpreted to limit non-bargaining unit employees from performing work also performed by employees in the bargaining unit, as long as bargaining unit work is not the employee's primary duty.

ARTICLE 2 -- UNION MEMBERSHIP

Section 1. Membership/Agency Fee.

a. Membership/Agency Fee. All employees who are members of the Union on the effective date of this Agreement, or who voluntarily join thereafter, shall maintain their membership, or satisfy the financial obligations set by the Union, during the term of this Agreement as a condition of continued employment. All employees covered by this Agreement who are not members of the Union and who choose not to become members of the Union shall, as a condition of continued employment, pay to the Union an agency fee as established by the Union. All employees hired on or after the effective date of this Agreement shall, within thirty-one (31) days after employment, become and remain members or become agency-fee payers as a condition of continued employment for the duration of this Agreement

b. Employees Holding Certain Religious Beliefs. In accordance with applicable law, any employee who is a member of and adheres to established and traditional tenets or teachings of a bona fide religion, body or sect which has historically held conscientious objections to joining or financially supporting labor organizations shall not be required to join or financially support the Union as a condition of employment. In lieu of tendering payment to the Union of dues and fees uniformly charged by the Union to members of the Union, such an employee shall pay the amount of such dues and fees to a charity exempt from taxation under Section 501(c)(3) of the Internal Revenue Code, as selected by the employee. Such an employee must provide the Union with a receipt of payment to an appropriate charity on a monthly basis.

c. Consequences for Failure to Comply with Section 2.1(a). During the term of this Agreement, an employee who fails to pay the dues or agency fees identified in Article 2, Section 1(a) shall be discharged by EHS within thirty (30) calendar days after the receipt of written notice to EHS from the Union, unless the employee fulfills the obligation to pay dues or agency fees set forth in Article 2, Section 1(a).

Section 2. Dues Deduction. During the term of this Agreement, and after receipt of a voluntarily signed checkoff authorization form dated and executed by an employee, EHS shall deduct dues or agency fees from the pay of such employee, until such checkoff authorization is revoked by the employee in accordance with the terms thereof and applicable law. The amount deducted and a roster of all employees using payroll deduction will be promptly transmitted to the Union by check payable to its order. Upon issuance and transmission of a check to the Union, the Employer's responsibility shall cease with respect to such deductions.

a. Deductions will be made pursuant to this Section in accordance with applicable law governing priorities between deductions required by law and voluntary employee deductions.

b. The Union agrees to refund amounts remitted in error, upon evidence of error. EHS agrees to rectify errors in deducting dues or fees or remittance of aggregate dues or fees, upon presentation of evidence of error.

Section 3. Bargaining Unit Information.

a. Within thirty (30) days after this Agreement becomes effective, and quarterly thereafter, the Union will be given a master list of VPMC and DMC Technical bargaining unit employees then employed by EHS. The list will include the employee's name; address; phone number; employee identification number; approved hours per pay period or FTE status; base rate of pay; monthly gross earnings; department; unit; classification; and date of hire, as reflected in EHS records. This list shall be emailed in Microsoft Excel or transmitted in another mutually agreeable format. Each month the Employer shall also send a list identifying the new hires with the information above, employees on the recall list, employees on a leave of absence and all employees who have terminated during the month.

Section 4. Voluntary Political Action Fund Deduction. The Employer shall deduct the sum specified from the pay of each member of the Union who voluntarily executes a political action contribution wage assignment authorization form. (see Appendix F) When filed with the Employer, the authorization form will be honored in accordance with its terms. The authorization form will remain in effect until revoked in writing by the employee. The amount deducted and a roster of all employees using payroll deduction for voluntary political action contributions will be promptly transmitted to the Union by a separate check payable to its order. Upon issuance and transmission of a check to the Union, the Employer's responsibility shall cease with respect to such deductions. The Union and each employee authorizing the assignment of wages for the payment of voluntary political action contributions hereby undertakes to

indemnify and hold the Employer harmless from all claims, demands, suits or other forms of liability that may arise against the Employer for or on account of any such deduction made from the wages of such employee.

The Union agrees to reimburse the Employer for its reasonable cost of administering this COPE check-off provision. The Employer and the Union agree that one-quarter of one percent (.25%) of all amounts checked off is a reasonable amount to cover the Employer's costs of administering this check-off. Accordingly, the parties agree that the Employer will retain one-quarter of one percent (.25%) of all amounts deducted pursuant to this COPE check-off provision to reimburse the Employer for its reasonable costs of administering the check-off.

Section 5. Indemnification of EHS. The Union shall indemnify, defend, and hold EHS harmless against any and all claims, demands, suits, grievances, or other forms of liability that may arise against EHS for or on account of any action taken by EHS pursuant to this Article.

ARTICLE 3 -- UNION REPRESENTATIVES

Section 1. Union Access to VHMC and DMC. Duly authorized representatives of the Union may have access at reasonable times to those areas of VHMC's and DMC's premises which are open to the general public for the purpose of investigating grievances and contract compliance. Union representatives shall not have access to patient care areas or employee lounges unless advance approval has been obtained from Human Resources. Access to VHMC and DMC premises shall be subject to the same general rules applicable to other non-employees and shall not interfere with or disturb employees in the performance of their work during working hours and shall not interfere with patient care or the normal operation of the hospital. The Union may utilize VHMC and DMC meeting rooms, under the same rules applicable to other organizations, for the purpose of conducting meetings with current bargaining unit employees. Such meetings may not disrupt Hospital operations.

Section 2. Bulletin Boards. The Union shall be permitted to post Union notices relating to general Union activities on bulletin boards designated by the Employer on each unit or department in nonpublic areas. A copy of such notices will be provided upon request to the Human Resources Department.

Section 3. Union Negotiating Team. Where EHS has received appropriate advance notice, EHS will reasonably attempt to assist members of the SEIU Negotiating Team to be relieved of patient care duties to attend contract negotiation meetings for their particular bargaining unit, provided that such relief does not create overtime. Members of the team shall notify management of the need for such relief as early as possible. Time spent on contract negotiations by employees is understood not to be time worked for, nor will it be compensated by, EHS. Such time may be taken as accrued vacation time, personal leave, or unpaid time off.

Section 4. Union Business. Employees shall not conduct nonwork-related business, including Union business in patient care areas nor during hours of work, excluding lunch and break periods taken in non-patient care areas, unless approved by the Employer in writing. As with other nonwork-related conversations, the foregoing prohibition on conducting union business during hours of work only does not apply to short, de minimus conversations that do not interfere with the work of any employees who are on duty.

Section 5. Officers/Delegates. The Union shall designate its officers, delegates and alternate delegates from among employees in the bargaining unit. These officers and delegates shall not be recognized by the Employer until the Union has given the Employer written notice of the selection and their scope of authority. Unless otherwise agreed to by the

Employer, the investigation of grievances and other Union business shall be conducted only during nonworking time, and shall not interfere with the work of other employees. A Union delegate or officer shall be allowed one-quarter of an hour of unpaid time at a time designated by the Employer during the regularly scheduled orientation for newly hired bargaining unit members for the purpose of introducing bargaining unit members to the Union and to this Agreement. Subject to applicable advance notice and scheduling requirements and with the Employer's approval, up to eight (8) Union officers, delegates or contract committee members may use one (1) day (eight (8) hours) per contract year of paid educational leave time (Article 15, Section 2) to attend Union-sponsored training in leadership, representation and dispute resolution.

ARTICLE 4 -- DEFINITIONS

Section 1. Regular Full-Time Employee. An employee who is not in a temporary, agency, contracted traveler, unit based supplemental, general supplemental, or probationary status or position, and who is in a position which has budgeted/approved hours of seventy-two (72) or more in a fourteen (14) day pay period.

Section 2. Regular Part-Time Employee. An employee who is not in a temporary, agency, contracted traveler, unit based supplemental, general supplemental, or probationary status, and who is in a position which has budgeted/approved hours between eight (8) and fewer than seventy-two (72) in a fourteen (14) day pay period. (Employees with less than forty (40) budgeted/approved hours per pay period are not eligible for benefits unless so specified).

A regular part-time employee with approved hours between eight (8) and fewer than seventy-two (72) per fourteen (14) day pay period may elect to receive a premium of twelve percent (12%) above his/her base rate of pay ("per diem premium") in lieu of paid sick and vacation leave. Election of the per diem premium may occur at date of hire, upon a change from full-time to part-time status or at the employee's annual performance evaluation. Employees who have elected the per diem premium are entitled to unpaid vacation time, which will be accrued, tracked and scheduled in the same manner as paid vacation is accrued, tracked and scheduled for regular employees.

Regular part-time employees who have accumulated, unused paid vacation and personal leave when they elect to receive the per diem premium shall be entitled to use such paid leave until it is exhausted, in accordance with applicable EHS policies and procedures. Any balance of accumulated, unused sick leave will be frozen and unavailable to the employee until the employee's status changes to regular full-time or regular part-time without the per diem election.

Section 3. Unit Based Supplemental Employee. An employee who has no regularly scheduled hours and has signed a Unit Based Supplemental Employee Agreement. Unit based supplemental employees are utilized to cover the staffing needs of a specific unit. Unit based supplemental employees must be available at least two (2) days per pay period, including night, evening, and weekend shifts, and must be available to cover two (2) of the holidays identified in Article 10 of this Agreement. EHS may schedule unit based supplemental employees to cover shifts for reasons such as census fluctuations, vacations, extended ill periods, and other leaves of absence of employees. Unit based supplemental employees are not eligible for benefits unless so specified.

Unit based supplemental employees receive a premium of sixteen percent (16%) above his/her base rate in lieu of all benefits. Unit based supplemental employees are eligible for premium pay and differentials as specified in this Agreement.

Unit based supplemental employees must complete a Unit Based Supplemental Employee Agreement. A copy of the Unit Based Supplemental Employee Agreement will be maintained in the employee's personnel file. Unit based supplemental employees must abide by the requirements of the Agreement s/he signs in order to remain in employment with EHS. EHS retains the right to alter these standard agreements, in its discretion, based on patient care and unit needs, in accordance with this Agreement.

Unit based supplemental employees also must complete an "Available to Work" Calendar in accordance with applicable EHS policy.

An employee whose status changes from regular to unit based supplemental will be cashed out of accumulated balances of vacation and personal leave, up to the maximum allowed pursuant to Article 11, Section 3 of this Agreement, unless the employee requests otherwise, and EHS agrees, in its discretion. Sick leave balances will be frozen and not used except in such case where the unit based supplemental employee is pre-scheduled to work at least one week in advance and he/she experiences a sick leave qualifying event. In such case, sick leave hours may be used for the scheduled shifts not worked.

Section 4. Temporary employee. An employee who is employed for a specific period of time not exceeding six (6) months, and for a specific purpose, such as a special project of definite duration, a position with grant funding for a specified period, or to cover for a regular employee on an extended leave of absence. Temporary employees are excluded from the bargaining unit. Temporary employees shall not be eligible for either purchased or accrued benefits. If the temporary employee is hired as a regular employee, and satisfactorily completes the probationary period, the employee's date of hire and seniority date shall be that date on which the employee was hired as a regular employee.

Section 5. Agency Employee. An employee who is employed by a temporary agency and assigned to work at VHMC, VOSC or DMC. Agency employees are excluded from the bargaining unit. Agency employees shall not be eligible for either purchased or accrued benefits through EHS.

Section 6. Contracted Traveler. An agency employee or independent contractor with whom EHS has contracted to work for a specified period of time. Contracted travelers are excluded from the bargaining unit. Contracted travelers shall not be eligible for either purchased or accrued benefits through EHS.

Section 7. Probationary Employee. The probationary period for a newly hired employee shall be at least ninety (90) calendar days from the first day of work or orientation. If a particular unit maintains a uniformly-applied extended orientation period which exceeds ninety (90) days, the probationary period shall automatically be extended to the end of the extended orientation period. Any absence of longer than one (1) week will automatically extend the probationary period by the length of the absence. This probationary period also may be extended at EHS's discretion for up to ninety (90) days by written notice to the employee sent before the expiration of the initial probationary period. During the probationary period, whether the initial period or any extension, employees may be discharged for any reason and without notice, and such discharge shall not be subject to the grievance and arbitration procedure. Probationary employees shall not be required to give fourteen (14) days' notice of termination. Upon successful completion of the probationary period, an employee's seniority date will be retroactive to the employee's date of hire.

Section 8. Preceptor.

a. A surgical tech (specifically, an employee holding the position of Surgical Technologist, Surgical Technologist Advanced Skills I, and Surgical Technologist Advanced Skills II) who has completed the required preceptor training, and has been assigned by the manager, or designee, to act as a preceptor for a surgical tech student from Spokane Community College or other training center or a newly-hired or transferred employee. Only one surgical tech may be assigned as a preceptor to a particular surgical tech student at any one time. Preceptor assignments shall be within the discretion of the manager, or designee. Preceptor duties will be considered when making patient care assignments, where appropriate.

b. Any LPN who has been trained to serve as a preceptor and been assigned as a preceptor as of the effective date of this Agreement, may be assigned as a preceptor, but no additional LPNs may be assigned as preceptors.

Section 9. Lead. An experienced employee who has been assigned by the Employer to act in a lead role to other employees. Lead assignments shall be within the discretion of the manager, or designee. Lead duties include coordinating activities, maintaining organization, and making work assignments for the entire department. Lead duties will be considered when making patient care assignments, where appropriate. Coordinators shall not be eligible for lead pay because lead duties are part of their regular job duties.

ARTICLE 5 -- EMPLOYMENT PRACTICES

Section 1. Equal Opportunity. The provisions of this Agreement shall be applied without regard to race, religion, color, creed, age, gender, national origin, marital status, sexual orientation, Union activities or membership and/or physical or mental impairment which can be reasonably accommodated in all aspects of employment, as required by applicable state or federal law. It is further understood that the Union will cooperate with EHS's policy of nondiscrimination in all aspects of employment. EHS shall also continue its policy of prohibiting unlawful harassment, including unlawful sexual harassment. All employees should report harassment perceived to violate EHS's policy to management immediately. Retaliation against an employee for opposing discrimination or participating in an investigation of discrimination is also a violation of the policy.

Section 2. Resignation in Good Standing. Employees who wish to resign employment must obtain an Employment Separation Packet in the Human Resources Office and follow the procedures designated by that office. Employees wishing to resign employment in good standing are expected to give as much advance notice as possible and at least fourteen (14) days' written notice. Failure to give notice shall result in the employee not being considered as having terminated in good standing. The Employer will give consideration to situations that would make such notice by the employee impossible. Unless the employee is on a bona fide leave of absence at the time of notice, or has a documented illness, he or she must work all scheduled shifts during the notice period or shall be considered as not having terminated in good standing.

Section 3. Discipline and Discharge.

a. Just Cause. No non-probationary employee shall be disciplined or discharged without just cause. A non-probationary employee who feels he or she has been suspended, disciplined or discharged without just cause may present a grievance for consideration under the grievance procedure. Verbal coaching or counseling (as distinct from a written warning), and review of performance expectations or evaluations shall not constitute discipline, and therefore

shall not be subject to the grievance procedure. Failure to improve performance following any of these actions, however, may lead to discipline, up to and including discharge.

b. Progressive Discipline. The parties agree that discipline generally should be progressive in nature, according to the following pattern: written warning, suspension and discharge. The parties agree that the particular discipline given will depend on the seriousness of the offense, and that an employee may be suspended or discharged for a first offense if the type of the offense so warrants. Written warnings and suspensions shall expire after two (2) years for the purpose of determining any future progressive discipline. Such discipline, however, shall remain in the employee's personnel file. In addition, the Employer shall have the right to disregard the forgoing expiration period where an employee has demonstrated a recurring pattern in the progressive disciplinary process.

c. Union Representation. An employee may request the attendance of a Union representative during any investigatory meeting which may lead to disciplinary action.

d. Copies of Written Discipline. Employees will be provided a copy of any written discipline, and shall be required to sign the written disciplinary action for the purpose of acknowledging receipt thereof. Employees shall have the opportunity to provide a written response to any disciplinary action to be included in the personnel file.

Section 4. Personnel Files. Employees' personnel files shall be maintained in the Human Resources Department. Upon the request of an employee in writing to the Human Resources Department, information in the employee's personnel file will be made available for inspection by the employee. Copies of progressive discipline, performance improvement plans, and written performance evaluations shall be maintained in the employee's personnel file.

Section 5. Floating. The Employer may maintain a regular employee float pool. The float pool and supplemental staff will serve as the initial resource for meeting fluctuating staffing needs. Managers, or designees, however, may assign employees to float to a unit, work area, or hospital other than the one to which the employee is normally assigned. Managers, or designees, will endeavor to float staff within specified clinical groupings. However, in meeting patient care needs through the use of floating, managers, or their designees, may float staff outside of those groupings where necessary, in their discretion. Floating assignments will be appropriate, in the Employer's judgment, to the employee's scope of practice and area of expertise. If an employee believes that the floating assignment is not appropriate based on his/her area of expertise and could result in unsafe patient care, the employee should complete an "Exception to Assignment Form" and contact the supervisor for consultation.

Each affected employee will receive orientation to the unit/department and will be assigned a resource person from the unit/department's permanent staff for clinical guidance as needed. Orientation will be appropriate to the assignment and will take into account the employee's previous experience and familiarity with the unit/department and patients to which such employee is assigned. Floating assignments will be made based on matching the skills of the employee to his/her assigned patients.

Affected employees will be expected to perform all basic job functions but will not be required to perform tasks or procedures specifically applicable to the unit/department for which they are not qualified or oriented to perform. Unit/department managers in consultation with employees regularly assigned to the unit/department will develop specific orientation tools to be used by employees floated to the unit/department.

The Employer will endeavor to rotate floating among all staff in a department/unit, consistent with patient care needs.

Section 6. Evaluations. All employees will be evaluated in writing prior to completion of the probationary period. Thereafter, written evaluations will occur on an annual basis within sixty (60) days of the employee's anniversary date of hire. The Employer may conduct interim evaluations if it deems such evaluations necessary. Employees shall perform a self-evaluation as part of the evaluation process. The employee will be given a copy of the evaluation, upon request. Employees will be required to sign the evaluation acknowledging receipt thereof. Employees will be given the opportunity to provide a written response to the evaluation, which will be retained with the evaluation in the employee's personnel file.

Section 7. Communication. Employees who have concerns regarding their working conditions are encouraged to raise those concerns through the appropriate levels of management. Informal discussions with management, however, will not extend the time limits set forth in the grievance procedure contained in Article 16.

Section 8. Posting of Vacancies. EHS will determine and post bargaining unit job openings, which may include vacated or newly-created positions, for a period of at least seven (7) calendar days prior to filling the vacant position. Postings may be limited to the unit/department in which the opening exists if the manager knows of qualified and interested staff within the unit/department. This shall not extend the required posting period. Hospital- or system-wide postings will be on the bulletin board in the VPMC Human Resources office, and the bulletin board in the DMC Human Resources office, and may be posted elsewhere if deemed appropriate by Human Resources. Positions may be posted externally at the same time as they are posted hospital- or system-wide. The notice will specify the unit/department, shift, and number of approved hours per pay period for the open position.

EHS may consider all qualified applicants, both internal and external, for available job openings. To be considered, an applicant must apply in writing during the applicable posting period (applications must be made to the Human Resources office). Qualifications to perform the duties of the position and performance history shall be the primary considerations in the selection process. If two or more qualified applicants apply for a vacant position and are considered to be substantially equal in skills, competence and abilities for the open position, in the sole judgment of EHS, applicants within the department/unit will be given preference, followed by applicants within the Hospital at which the vacant position exists, followed by applicants within EHS before external applicants. If two or more qualified applicants within the unit/department apply for a vacant position, and are considered substantially equal in skills, competence, and abilities for the open position, within the sole judgment of EHS, unit/department seniority shall be the tie-breaker. If two or more qualified applicants within any of the other groupings apply for a vacant position, and are considered substantially equal in skills, competence and abilities for the open position, within the sole judgment of EHS, EHS seniority shall be the tie-breaker. There shall be no obligation to train an applicant to become qualified. An employee must be in a position for at least six months before he or she may be considered for a transfer to a different position, unless EHS agrees to waive this requirement, in its discretion.

If the Employer is unable to place the selected employee in the vacant position immediately due to departmental or unit considerations, the position may be filled on a temporary basis and the employee will be notified in writing as to when s/he will be placed in the position. Taking into account patient care needs, the Employer will make every effort to place the selected employee into the new position within 30 days.

Section 9. Trial Period. There shall be a trial period of ninety (90) calendar days following a transfer to a different position. During that trial period, the employee's performance shall be evaluated. If EHS determines that the employee is not performing satisfactorily in the new position, the employee may return to the employee's prior position, if it remains open, or

may apply for any available vacant positions. If the employee is not placed into any of these vacant positions, pursuant to Section 8, above, the employee may be laid off and placed on the reinstatement roster. Such an employee will not be eligible for severance benefits, and may not bump another employee. There shall be no automatic right for a transferred employee to return to his or her prior position unless the position remains open.

Section 10. Re-employment. Employees who are re-hired into the same job classification within twelve (12) months of voluntary termination shall be re-employed at their prior base rate and shall have their prior seniority reinstated, provided, however, that no seniority or other benefits shall accrue during the time the employee was not employed. Prior levels of vacation and sick-leave accrual shall be reinstated except to the extent that the employee has "cashed out" accrued benefits.

Section 11. Additional Hours. Employees desiring to work additional shifts shall notify the Department/Unit Manager or designee, in writing, indicating their availability.

Section 12. Reduction/Increase in Hours. Where an employee holds a position with a particular number of approved hours, the employee may reduce or increase hours only if there is a position available with the desired number of hours, and the employee applies and is selected for the position in accordance with Section 8 of this Article.

Section 13. Ongoing Increase in Hours. It is the intent of the Employer that ongoing increased hours of work on a specific department or unit and shift that are not the result of temporary leaves of absence, scheduling requests for time off, or temporary increases in workload will be considered for posting. If such ongoing increased hours of work persist for a period in excess of four (4) months, an employee may request in writing to his/her manager that these hours be posted. The manager will determine whether or not the request is appropriate based on the above criteria, and on any other relevant business or patient-care criteria of which s/he is aware, and will determine whether to submit the request to the Employer's required approval process within fourteen (14) working days of receiving the request. The Employer retains discretion to post or not to post such hours, based upon its approval process, but will respond to the employee's request within forty-five (45) days of the request.

Section 14. Parking. (Deaconess only) Employees who are on-call for evening or night shifts shall be provided with parking in the DHEC parking structure. Such employees must move their cars from DHEC prior to 7:30 a.m., except when patient care considerations prevent them from doing so. Repeated failure to do so may result in an employee forfeiting further DHEC parking privileges.

Section 15. Subcontracting. The Employer reserves the right to determine whether to subcontract any bargaining unit work. The Employer agrees to give at least sixty (60) days' notice to the Union between the decision to subcontract and the effective date of any subcontracting which will result in the elimination of an entire unit, department or facility. Upon request by the Union, the Employer agrees to meet to discuss the implications of the decision and will consider any alternatives to the subcontracting which the Union may suggest and that would satisfy the Employer's business needs and obligations.

In the event the Employer decides to subcontract a service which will result in the elimination of an entire work unit, department or facility, the Employer will make a good faith effort to obtain preferential hiring opportunities with the contracting entity for affected employees as an alternative to exercising layoff related rights under this Agreement. Preferential hiring commitments include first consideration over other qualified candidates for positions created as a result of the subcontract and favorable treatment of such employment conditions as credit for seniority, sick leave/vacation accruals.

ARTICLE 6 -- SENIORITY – LAYOFF – LOW CENSUS – WORK ASSIGNMENT

Section 1. Seniority Defined. Seniority shall be based on the most recent date of hire at EHS, adjusted based on any re-employment rights as set forth in Article 5, Section 10. Unit based supplemental employees shall accrue seniority in the same manner as regular full-time or regular part-time employees, however seniority of unit based supplemental employees will not apply for purposes of layoff. Unit/department seniority shall be based on the most recent date the employee was assigned continuously to work in a unit/department. Unit/department seniority shall be used only in connection with filling vacancies pursuant to Article 5, Section 8.

Section 2. INHS Seniority Credit. Employees shall receive seniority and benefit accrual credit upon initial hire for seniority accrued at Inland Northwest Health Services (INHS), provided that any "break-in-service" between their employment at INHS and their employment at EHS is ninety (90) days or less. Seniority credit accrued at INHS will not apply for purposes of layoff, reassignment, and recall.

Section 3. Loss of Seniority. Seniority shall be terminated if an employee is absent due to illness or injury for more than twelve (12) consecutive calendar months or for a period equal to the employee's length of service (whichever is less), quits, retires or is discharged. Seniority shall also be terminated if an employee is laid off and not reinstated for more than the time periods specified in Section 13(c) of this Article.

Section 4. Promotions or Transfers Out of the Unit. Seniority will continue to accrue when an employee is promoted to a supervisory or management position or transferred to a position not covered by this Agreement. An employee who returns to the bargaining unit and has had no break in service with EHS will have the employee's seniority (including departmental/unit seniority) reinstated. An individual in a non-unit position may use seniority to bid on a vacant bargaining unit position.

Section 5. Low Census Rotation. When low service volume requires adjustment in staffing, such adjustment may be made by floating employees to available assignments for which they are qualified. If there are no such opportunities available, employees may be low censused under the following guidelines. Low census and on-call will be assigned within a department or job code in the following descending order of priority:

- a. Agency employees.
- b. Employees working overtime hours.
- c. Volunteers who have requested low census under guidelines established by the Employer.
- d. Unit based supplemental employees working beyond their required shifts.
- e. Employees working above their approved hours.
- f. Unit based supplemental employees working at or below their required shifts.
- g. Contracted traveling employees.
- h. Regular full-time and regular part-time employees who have floated from another unit.
- i. Regular full-time and regular part-time employees.

Low census shall be rotated in accordance with applicable EHS policies and procedures. EHS will endeavor to rotate low census equitably among all employees within a department/unit, providing skills, competence, ability and availability are considered substantially equal as determined by EHS.

EHS may assign low census on a partial or full-shift basis, in its discretion. Employees assigned a partial shift low census after reporting to work shall be entitled to pay for time worked, or two (2) hours of pay at their base rate, whichever is greater.

In administering low census, EHS will maintain a skill level mix appropriate to the remaining patient requirements. Employees may elect to use accumulated, unused vacation or paid personal leave to be compensated for hours lost due to the low census assignment.

A regular employee taking voluntary or mandatory low census shall not have his/her vacation and sick leave accrual rates reduced as a result of being low censused, and shall have the option of using accrued vacation.

An employee who is low-censused and desires additional hours to get up to the employee's approved hours shall notify the employee's Department Manager in writing.

Section 6. Employees in Orientation. Employees in orientation will take low census only when deemed appropriate by management, in its discretion.

Section 7. Report Pay. Employees assigned a mandatory low census shall be notified a minimum of one (1) hour in advance of the employee's scheduled shift. In the event such notice is not given, the affected employee shall receive two (2) hours of inconvenience pay at the employee's base rate of pay. Should EHS make a bona fide and documented attempt to notify the employee of a mandatory low census one hour in advance but be unsuccessful in doing so, this pay provision shall not apply. It shall be the employee's responsibility to maintain a current telephone number listed with the employee's department. An employee's failure to do so shall excuse EHS from the notification requirement provided herein.

Section 8. Low Census On-Call and On-Call Pay. An employee who is mandatorily low censused may be placed on-call by the Employer, if the employee agrees. In seeking volunteers for low census, the Employer may consider whether the employee is willing to be placed on-call. If the employee is not willing to be placed on-call, and the Employer needs an employee on-call, the Employer may decline to accept the volunteer and may move on in the low census procedure outlined above. An employee placed on low census on-call shall remain on-call, and be paid the applicable on-call rate, for two (2) hours, unless informed at the time he or she is placed on-call that the on-call will continue for longer than two (2) hours, in which case the employee shall be paid the applicable on-call rate until removed from on-call, or until the end of the employee's regularly-scheduled shift, whichever occurs first.

Section 9. Low Census Callback Pay. An employee who is scheduled to work a shift and is placed on low census on-call, and thereafter is called back in to work, shall be paid at time-and-a-half the employee's base rate for all work performed as part of the callback. If, after being placed on low census on-call, the employee asks to be placed on a list for availability to work in other department(s) and is assigned to work in another department, the employee will not be paid time-and-a-half. Such employees may not be required to work beyond the end of their regular shift. The time-and-a-half rate shall not apply to employees issued a delayed start low census, but not placed on-call. Such employees are covered in Section 10A below.

Section 10. Delayed Start Low Census. A "delayed start low census" is a partial shift low census issued for the beginning of the shift in which the manager directs the employee

to report to work late, at a designated time. Employees issued a delayed start low census may not be required to work beyond their regular shift. Employees issued a delayed start low census will be paid straight time for work performed during their regular shift, and will be paid at time-and-a-half their base rate for any work performed beyond their regularly scheduled shift.

Section 11. On-Call and Callback (Non Low Census). The Employer may require an employee to be on-call in situations not involving low census. In such circumstances, the employee will be paid the on-call rate for all hours the employee is on-call, as defined by the employee's manager, or designee.

Section 12. Limited or Mandatory Low Census.

No regular full-time or regular part-time employee will be assigned more than one hundred (100) hours of mandatory low census in a twelve (12) month period or more than one (1) shift in a pay period. Voluntary low census will not count towards this mandatory low census limit.

Following implementation of clinical groupings for floating purposes (see letter of understanding regarding Article 5, Section 5 Floating), the following will be implemented: When all regular full-time and regular part-time employees have reached the maximum required mandatory low census hours on a unit and shift and there are no volunteers from the unit, the least senior employee(s) in the clinical grouping who has not reached the maximum required mandatory low census hours will be assigned low census and employees of the unit with low census will be floated, providing skills, competence and ability are considered equal as determined by the Employer.

This provision and the limit on mandatory low census specified herein shall expire effective September 1, 2007 and may be a topic of negotiation as part of the reopener specified in Article 22, Section 4.

Section 13. Layoff and Recall.

a. A layoff is defined as a permanent or prolonged reduction in the number of employees or workweek hours. Layoffs shall be by job classification within a department, or if the department is divided into units, within the unit. EHS retains the right to determine when and if layoffs are necessary as well as the number of employees who will be affected.

b. Order of Layoff. Agency and temporary personnel, travelers and probationary employees within the affected department or work unit will be released prior to laying off regular employees, providing skill, competence and ability are considered substantially equal in the opinion of the Employer. For regular full-time and regular part-time employees, the employee(s) with the least amount of seniority shall be laid off first, providing skill, competence and ability are considered substantially equal in the opinion of the Employer. Prior to implementing a layoff, the Employer will seek volunteers for layoff from among regular employees in those job classifications and departments or units affected by the layoff. Unit based supplemental employees on a regular schedule will be removed from the regular schedule prior to laying off regular employees, providing skill, competence and ability are considered substantially equal in the opinion of the Employer. Open (vacant) positions within the classification affected by a layoff will not be filled during the period beginning with the notice of layoff to the date of the layoff.

c. Layoff Options. An employee who is subject to layoff has the following options:

1. Accept a vacant position in accordance with Article 5, Section 8.

2. If s/he is not the least senior employee, the employee may displace the least senior employee in the classification in the bargaining unit at the Hospital where the employee is primarily assigned, providing skill, competence and ability are considered substantially equal in the opinion of the Employer, with the usual department orientation period. The employee subject to layoff must exercise this option within seven (7) days of notice of layoff.
3. Voluntarily terminate employment and receive severance benefits in accordance with Section 13(l) of this Article.
4. Be placed on the reinstatement roster for six (6) months in accordance with Section 13(g) of this Article, and receive severance benefits in accordance with Section 13(l) of this Article.
5. Be placed on the reinstatement roster for eighteen (18) months in accordance with Section 13(g) of this Article. Employees placed on the reinstatement roster for eighteen (18) months shall not be entitled to severance benefits.

d. Employees Displaced by Bumping. Employees who have been displaced through the bumping procedure will have the same rights as those affected by an initial layoff decision, as described above, except that they will have no right to bump any other employees. They also shall be entitled to only seven (7) days' notice of layoff. Employees who are subject to layoff as a result of displacement will be given at least seven (7) calendar days notice of layoff.

e. Notice of Layoff. Employees who are laid off will be given at least twenty-one (21) calendar days notice of layoff or will receive pay in lieu of notice for all scheduled days in that twenty-one (21) day period except for unforeseeable conditions preventing such notice which are beyond the Employer's control. Upon mutual agreement, the Employer may release employees prior to the end of the twenty-one (21) day period with no obligation to continue to pay them. EHS will also provide the Union with at least twenty-one (21) calendar days notice prior to a layoff of bargaining unit employees. At the same time it provides notice of layoff, EHS will also provide the Union with a list of bargaining unit employees subject to layoff, a seniority roster and a listing of any vacant bargaining unit positions. The listing of vacant positions shall include department and unit, employment status (FTE or budgeted/approved hours), and shift. The Employer will provide the foregoing information to the Union at least two (2) business days prior to beginning to meet with employees to discuss their options under this Article. Upon request, the Employer and the Union will meet as soon as possible after EHS provides notice of the layoff(s) for the purpose of reviewing employees subject to the layoff, the seniority roster, vacant bargaining unit positions, and the order of layoff, provided that such meeting shall not delay the layoffs.

f. Reassignment. In the event that a layoff results in more or fewer employees being assigned to a shift than required, the Employer will seek volunteers to move to a different shift. If there are no volunteers, the least senior employee on the affected shift(s) will be reassigned, provided that such reassignment does not result in an inappropriate skill mix on any particular shift.

g. Reinstatement Roster. Employees who elect to be placed on the reinstatement roster in accordance with Section 12(c)(4) or 12(c)(5), above, will remain on the reinstatement roster for the period specified. If the employee's original position in a department or unit is reinstated while the employee is on the reinstatement roster, the displaced employee on the reinstatement roster has first preference in reclaiming the position. Employees on the

reinstatement roster may apply for any open position that becomes available. Such employees will have preference over other applicants, but will compete among themselves for open positions based on overall qualifications for the position in accordance with Article 5, Section 8. Notwithstanding the foregoing, transfers within a unit or department will have preference over a recalled employee unless the recalled employee is from the applicable unit and is more senior. If an employee applies for and is offered an open position, s/he must accept it or s/he will be deemed to have resigned. To be considered, application must be made within the applicable posting period in accordance with Article 5, Section 8.

h. Forfeiture of Reinstatement Rights. An employee shall forfeit further reinstatement rights by failing to respond to a job offer from EHS regarding the employee's intent to return to work within seven (7) calendar days after the date recall notice is sent by certified mail to the employee's last address on record with EHS.

i. Supplemental Work. An employee on the reinstatement roster shall be eligible for available unit based supplemental positions. Acceptance of unit based supplemental work while on layoff shall not affect the employee's placement on the reinstatement roster.

j. Employment Status During Layoff. An employee on the reinstatement roster shall retain employment status and benefits accrued to the date of layoff, but shall not accrue seniority and benefits while on layoff. If reinstated, the employee shall have previously accrued seniority and eligible benefits restored and the employee shall again commence accruing seniority and benefits. If s/he works in a unit based supplemental position while on the reinstatement roster, s/he shall accrue seniority only.

k. Insurance Benefits. The Employer will pay its share of the insurance premiums for a laid-off employee for the remainder of the premium period (which is currently the calendar month) in which the layoff occurred. Laid-off employees may continue the Employer's insurance under applicable Employer COBRA continuation policies while on layoff.

l. Severance Benefits.

To be eligible for severance benefits, an employee must be a regular employee and must meet the following conditions:

1. Have worked a minimum of 416 hours for the immediately preceding twelve (12) months;
2. Have voluntarily terminated employment under the provisions of Section 12(c) of this Article, or volunteered for layoff; and
3. Have not been offered a comparable job. A comparable job is defined as a regular position within the same job classification in the bargaining unit with less than a ten (10%) difference (plus or minus) in wages and budgeted/approved hours.

An employee who satisfies the foregoing conditions shall receive the severance benefits specified below.

Lump Sum Payment: A one-time payment will be made to eligible employees with fewer than five (5) years of service. This payment does not include "in lieu of notice" pay and is in addition to cash payments for unused, accumulated vacation leave, regular wages earned, or personal leave due at the time of termination.

LUMP SUM PAYMENT & BENEFIT SCHEDULE

Years of Service	Weeks of Pay	Months of Benefits Paid
0 – 2	2	2
3	3	2
4	4	2

Installment Payment: A series of payments will be made for eligible employees with five (5) or more years of service. This payment does not include “in lieu of notice” pay and is in addition to cash payments for unused, accumulated vacation leave, regular wages earned, or personal leave due at the time of termination.

INSTALLMENT PAYMENT & BENEFIT SCHEDULE

Years of Service	Weeks of Pay	Months of Benefits Paid
5	5	2
6	6	2
7	7	2
8	8	2
9	9	2
10	10	3
11- 15	12	3
16 – 20	13	3
21+	14	4

The weekly severance benefit for eligible regular full-time and regular part-time employees shall be pro-rated based on their budgeted/approved hours.

Continued payment of benefit premiums by the Employer for the employee and dependents (if covered at the time of layoff) will be the same as if they had continued in active employment during the severance period and will include medical, dental and vision. No benefit accruals or retirement credits are incurred during the installment payment period.

All payments are disbursed in accordance with the regular payroll cycle on pay day. Payments are based upon an employee’s base rate. Salary continuation will stop when a laid off employee is offered a position or re-employed within EHS if the succeeding position is comparable or exceeds the employee’s position held at the time of the layoff. If the base rate and budgeted/approved hours of the succeeding position are more than ten percent (10%) less than the base rate of the position the employee held at the time of layoff, the position will not be considered comparable and the installment payment of the severance package will continue for the originally specified number of weeks, with the payment calculated in such a manner that the

laid off employee's total compensation is equal to 100% of base pay received at the time of layoff. Employer payments for medical, dental and vision premiums will continue as specified above unless duplicate coverage is obtained from the Employer upon re-instatement during the installment payment of the severance package.

Section 14. Department/Unit Restructure. In the event of a merger of two (2) or more units into a single unit or a restructuring of an existing department or unit, the Employer will determine the number of regular full-time and regular part-time FTEs by shift required for the new or restructured department or unit. Prior to determining the schedule, the Employer will meet with the employees of the affected department(s) or unit(s) to discuss the reconfiguration of the FTEs in the department(s) or unit(s) and the new work schedules. Employees within a classification may bid for the same shifts/same hours they had prior to the restructuring, based on seniority, providing skill, competence and ability are considered substantially equal in the opinion of the Employer. If through this bid process an employee is unable to retain the same shift/same hours he or she had prior to the restructuring, he or she may bump to other shifts within the employee's classification based on seniority, providing skill, competence and ability are considered substantially equal in the opinion of the Employer. If an employee is not assigned a position on the new or restructured department or unit, the employee shall be considered to be laid off and shall have the options identified in Section 13(c) of this Article.

Section 15. Hours Reduction. If a reduction in assigned hours of work is determined by the Employer to be necessary, the Employer will first ask for volunteers from the department or unit and shift where changes are needed. When involuntary reductions are needed, the Employer will reduce the hours of the least senior person in the department or unit and shift, subject to patient care needs, staffing considerations and hours of operation.

An employee who is assigned to a .50 or more FTE status whose hours are involuntarily reduced more than .25 FTE shall have the following options:

- a. The employee shall, by seniority, be offered any vacant positions for which they are qualified prior to the vacant positions being offered to employees not subject to an hours reduction.
- b. Accept the reduced hours. An employee choosing this option may elect to be placed on the reinstatement roster in accordance with Section 13(g), above.
- c. If the employee is not the least senior employee, the employee may displace the least senior employee in the classification in the bargaining unit.

In the event that additional regular hours in a classification become available on a continuing basis in the department or unit, the Employer will offer the hours of the regular continuing schedule to the most senior employee in the classification who has had an FTE reduction under this Section within the preceding twelve (12) months.

Section 16. Filling Vacancies Temporarily. There shall be no obligation to post temporary vacancies (e.g. vacancies of one (1) year or less). Temporary vacancies may be filled in the sole judgment of EHS without regard to application for transfer or seniority.

Section 17. EHS Assignment of Employees/Shift Change. While EHS will attempt to schedule employees consistent with preferences they have expressed, EHS retains the right to assign and reassign employees where necessary in the judgment of EHS to balance experience or training on a particular shift or where EHS determines such action to be necessary to the maintenance of a proper level of patient care. All employees must be prepared to accept change to alternate shift(s) should the Employer, in its discretion, deem such change necessary.

Prior to mandating temporary (that is, no longer than six (6) months) or permanent shift change, the Employer will seek volunteers. If a mandatory shift change is necessary, the Employer will move the least senior employee on the shift in the department/unit, provided that such reassignment does not result in an inappropriate skill mix on any particular shift.

Section 18. General Principles.

a. Efficiency. The parties confirm that nothing in this Agreement requires EHS to work an employee at overtime or premium rates when another qualified employee is available to perform the work at straight-time or non-premium rates.

b. Assignments. EHS will attempt to distribute equitably training, work and overtime assignments; provided, however, that employees who have missed a training, work or overtime opportunity through some misapplication of the contract will have as their remedy priority to the next training, work or overtime opportunity. In no case will the Employer be required to pay an employee for a missed training, work or overtime opportunity.

ARTICLE 7 -- HOURS OF WORK, OVERTIME AND PAY PRACTICES

Section 1. Workweek. The basic workweek will consist of seven (7) consecutive days designated by EHS.

Section 2. Pay Practices and Pay Period. The standard pay period is fourteen (14) calendar days. Employees will be paid according to applicable EHS pay policies and practices.

Section 3. Workday. The standard workday is eight (8) hours of work within an eight-and-one-half (8 ½) hour period. EHS may, in its discretion, establish different work schedules in accordance with its internal procedures and different work shifts, subject to the Appendices to this Agreement relating to ten (10) and twelve (12) hour shifts. Each employee will sign an Overtime and Meal Period Agreement.

Section 4. Base Rate. An employee's base rate without differentials or other premium pay. The base rate of regular part-time employees who receive the per diem premium does not include the per diem premium.

Section 5. Double Time. Double time hours are calculated at the base rate plus one hundred percent (100%) of the base rate.

Section 6. Overtime. Employees shall be paid overtime in accordance with the employees' overtime agreement (e.g., 8 and 80, or over 40) and applicable law. Only hours actually worked shall be counted as work time for purposes of calculating overtime. Overtime pay shall be calculated to the nearest fifteen (15) minutes. Employees shall not work overtime without approval from a Patient Care Services Manager or Assistant Unit Manager, and doing so will subject the employee to disciplinary action. In a patient care emergency, when an employee cannot obtain advance authorization, the employee will notify his or her Manager of the overtime work as soon as possible. Overtime will only be required in accordance with applicable law.

Section 7. No Pyramiding. Hours paid at an overtime, differential, or premium rate shall not be duplicated or pyramided; i.e., the overtime, differential, or premium rate shall only be paid once for the same hours. Therefore, for example, overtime hours worked on a holiday are paid only once at time and one-half.

Section 8. Rest and Meal Periods. Employees without intermittent rest periods will be provided a rest period of fifteen (15) minutes with pay as part of scheduled work hours for each four (4) hours of working time. Rest periods shall be scheduled as near as possible to the midpoint of the four (4) hour work period. Intermittent rest periods of less than fifteen (15) minutes shall count toward the fifteen (15) minute rest period described above.

An unpaid meal period of at least thirty (30) minutes shall be scheduled no sooner than two hours and no later than five (5) hours after the work shift begins; provided, however, at an employee's option, an employee may sign an Overtime and Meal Period Agreement, agreeing to have his or her thirty (30) minute meal period scheduled outside of these time parameters, in which case the employee shall be entitled to the meal period, but it may be scheduled outside of the specific time parameters identified above. Employees working less than five (5) hours are not entitled to a meal break.

It is understood that the meal period is to be uninterrupted, absent a patient care issue that requires otherwise. Employees normally will not be required to remain on the unit during the meal period. If the employee performs any tasks related to patient care as directed by a manager during the meal period, it is considered interrupted and the employee will be paid for the meal period. As workloads allow, other shift employees and management will assist employees in arranging appropriate coverage in order to receive a meal period. An employee who is required by the Employer to remain on duty, carry a pager or remain in the Hospital during the meal period shall be compensated for such time at the rate of pay applicable to the time worked. An employee who believes he or she is entitled to pay for an interrupted meal period must report the incident to his or her Manager, or designee, and record the incident on his or her time card by the end of the shift. Meal and break periods are not to be combined or used to leave early, unless specifically approved by the Department Manager, in his or her discretion. Managers, or designees, may establish time parameters and schedule meal and break periods for employees. Employees may not work through or during a meal period without Management approval.

Section 9. Rest Between Shifts.

a. Employees Not On-Call. EHS shall make every effort to allow employees not on-call at least ten (10) consecutive hours off between scheduled shifts. A "shift" is defined for the purpose of this Section as eight (8) or more consecutive hours of work. If an employee who is not on-call is required to work with less than ten (10) consecutive hours off between shifts, he or she shall be paid time-and-a-half (1.5X) his or her base rate for work performed from the time he or she comes back to work with less than ten (10) consecutive hours of rest until it has been ten (10) hours from the end of his or her prior shift. Thereafter, he or she shall be paid straight time (1X) for the remainder of his or her shift. (In other words, he or she shall be paid time-and-a-half for the difference between ten (10) consecutive hours and the amount of actual consecutive time off between scheduled shifts). This provision shall not apply if the employee receives less than ten (10) consecutive hours off between scheduled shifts at his or her request.

b. Employees On-Call. The Employer will maintain its policy applicable to breaks between shifts for employees who are on-call and who work more than four (4) call back hours.

Section 10. Work Schedules.

a. The Employer retains the right to determine the number of employees it employs and their scheduling, and to adjust work schedules to maintain safe, efficient and orderly operations and to otherwise satisfy patient care, business, or operational needs. Scheduling conflicts shall in the first instance be resolved based on the Employer's assessment of the knowledge, performance, and ability of the affected employees. Where the knowledge,

performance, and ability of the affected employees are substantially equal, seniority (as defined in Article 6, Section 1) shall govern.

b. Routine shift rotation is not endorsed by the Employer, and the Employer will strive to minimize same. When shift rotation is necessary, volunteers will be sought first. If no one volunteers, the Employer will rotate shifts on an inverse order of seniority basis.

c. The Employer shall post work schedules at least two (2) weeks prior to the beginning of the scheduled work period.

d. The Employer will endeavor to create repeating two (2) week schedules.

Section 11. Consecutive Hours. When an employee works more than four (4) hours beyond a regularly scheduled shift of at least eight (8) hours, the first four (4) hours shall be paid at time-and-one-half (1.5) the employee's base rate and the employee shall be paid double time the employee's base rate for hours worked over four (4) hours past the employee's regular shift (e.g., after twelve (12) hours for an employee on eight-hour shifts; after fourteen (14) hours for an employee on ten-hour shifts; after sixteen (16) hours for an employee on twelve-hours shifts). When an employee works more than four (4) consecutive hours before a regularly scheduled shift, and completes the regularly scheduled shift, the first four (4) hours before the regularly scheduled shift shall be paid at time-and-one-half (1.5) the employee's base rate. The remaining hours up to the start of the regularly scheduled shift is paid at double time the employee's base rate.

Section 12. Extra Shifts. An employee who works a shift in addition to the employee's budgeted/approved hours or who is called into work a shift which is in addition to the employee's regularly scheduled shifts shall be paid a minimum of four (4) hours pay at the employee's base rate, unless the employee leaves work early due to illness or personal choice. If the employee does not actually work four (4) hours, only those hours actually worked will be used to compute overtime pursuant to Section 6 of this Article.

Section 13. On-Call Pay. Employees may be required to keep themselves available and on-call for work in accordance with applicable EHS policies and procedures. For such on-call time, employees shall be paid Two Dollars and Eighty-Five Cents (\$2.85) per hour for each hour the employee is on-call and Three Dollars and Eighty-Five Cents (\$3.85) per hour for each hour the employee is on call on a holiday. Only hours actually worked will be used to compute overtime.

Section 14. Call Back Pay. An employee who has been placed on-call and is called into work outside the employee's scheduled shift shall be compensated at time-and-one-half (1.5) the employee's base rate, for a period of two (2) hours or for each hour worked during the call back period, whichever is greater; provided, however, that the minimum two (2) hour payment will only be paid once if the employee is called back multiple times within the two (2) hour period. If an employee works more than twelve (12) consecutive hours after being placed on-call and being called back to work, the hours in excess of twelve (12) will be paid at double time the employee's base rate.

Section 15. Lead Pay. Eligible employees assigned by EHS in its discretion to serve in a lead function shall be paid, an additional One Dollar and Twenty-Five Cents (\$1.25) per hour for time spent performing the lead function. Employees holding positions in the job classifications listed in Appendix B are eligible to receive lead pay.

Section 16. Preceptor Pay. Eligible regular full time and regular part-time surgical techs assigned by EHS in its discretion to serve in a preceptor function shall be paid, an

additional One Dollar (\$1.00) per hour for time spent serving as preceptor, in accordance with applicable EHS policies and procedures. Employees holding positions in the job classifications of Surgical Technologist, Surgical Technologist Advanced Skills I, and Surgical Technologist Advanced Skills II are eligible to receive preceptor pay, provided that they have satisfactorily completed EHS' preceptor training. This Section does not apply to unit supplemental employees.

Section 17. Certification Pay. In accordance with applicable EHS policies and procedures pertaining to certification pay, eligible employees shall be paid, an additional seventy-five cents (\$0.75) per hour for hours worked provided that the employee presents the Human Resources Office with an original, valid certification that is issued by a Board or Certifying Agency that is on the EHS established list (which is subject to review and change with fourteen (14) days' notice to the Union) and a completed and signed Certification Documentation Form. EHS shall pay certification pay only as long as the certification is valid and the employee is assigned to a position to which the certification is applicable. It is the employee's responsibility to present the Human Resources Office with an original, valid certificate at least two (2) weeks prior to the lapse date of a previously submitted certificate. To be eligible for certification pay, the certification must be in addition to any certification that is required for the position held by the employee.

Section 18. Advanced Skills Pay.

a. An employee who is receiving Advanced Skills pay as of the effective date of this Agreement shall continue to receive such pay, provided that the employee continues to comply with the applicable requirements for receiving such pay. Employees who are not receiving Advanced Skills pay as of the effective date of this Agreement and employees who fail to comply with EHS requirements for receiving Advanced Skills pay shall not be entitled to receive such pay, except as per the recommendations of the working group.

b. A working group comprised of up to three (3) representatives of EHS and three (3) representatives of the Union will be formed after ratification of this Agreement and will present within ninety (90) days of the effective date of this Agreement its recommendations for all bargaining units represented by the Union regarding maintenance of, and the requirements for, any Advanced Skills pay for other employees.

Section 19. Shift Differential.

a. Shift 2 (Evening) Differential. A Shift 2 differential of One Dollar and Sixty Cents (\$1.60) per hour shall be paid to an employee for all hours worked during the employee's entire scheduled shift if the majority of the employee's work hours occur during the 3:00 p.m. to 11:30 p.m. evening shift period.

Example: Employee is scheduled to work from 1:00 p.m. to 9:30 p.m. (with a .50 unpaid meal break). All eight (8) hours are paid at the Shift 2 differential rate because six (6) of the eight (8) hours (the majority of the time) falls during the 3:00 p.m. to 11:30 p.m. evening shift period.

b. Shift 3 (Night) Differential. A Shift 3 differential of Two Dollars and Forty Cents (\$2.40) per hour shall be paid to an employee for all hours worked during the employee's entire scheduled shift if the majority of the employee's work hours occur during the 11:00 p.m. to 7:30 a.m. night shift period.

Example: Employee is scheduled to work from 7:00 p.m. to 7:30 a.m. (with a .50 unpaid meal break). All twelve (12) hours are paid at the Shift 3 differential rate

because eight (8) of the twelve (12) hours (the majority of the time) falls during the 11:00 p.m. to 7:30 a.m. night shift period.

c. Unscheduled Work Hours. Unscheduled time prior to or after the employee's scheduled shift (including, but not limited to, time when the employee is called in early or called back) is paid based on the shift in which the time falls, regardless of whether a majority of the hours worked fall within Shift 2 or Shift 3.

Example 1: Employee is scheduled to work from 6:00 a.m. to 2:30 p.m. but, due to heavy workload, stays until 5:30 p.m. The 6:00 a.m. to 2:30 p.m. time is considered day shift with no differential. The hours from 3:00 to 5:30 are eligible for Shift 2 differential pay because it was unscheduled time that fell between the hours of 3:00 p.m. to 11:30 p.m.

Example 2: Employee is scheduled to work 11:00 p.m. to 7:30 a.m. but, due to heavy workload, stays until 8:30 a.m. The hour from 7:30 a.m. to 8:30 a.m. is not eligible for shift differential because it was unscheduled time that fell between 7:00 a.m. and 3:30 p.m.

d. An employee whose regularly scheduled shift is shortened due to low census, illness, or injury on the job, will be paid shift differential for the hours worked as long as the scheduled shift would have qualified for shift differential.

e. An employee may be entitled to receive shift differential for attendance at staff meetings and classes that are required for the job and are sponsored by EHS (e.g., ACLS, PALS, Skills Review) if the hours in attendance would qualify for shift differential if the employee worked those hours.

Section 20. Weekend Differential.

a. Weekend Differential. A weekend differential of One Dollar and Sixty Seven Cents (\$1.67) per hour shall be paid to an employee for all hours worked on the night shift on Friday, all Saturday shifts, and day and evening shifts on Sunday.

b. Definition of Weekend Shifts. For purposes of this Section, weekend shifts shall be defined as follows:

1. Friday Night Shift. If a scheduled shift on Friday night qualifies for the Shift 3 differential, it shall also be paid at the weekend differential.
2. Saturday Shifts. All hours worked on Saturday shall be paid at the weekend differential. If a scheduled shift on Saturday qualifies for the Shift 2 or Shift 3 differential, any such differential shall also be paid.
3. Sunday Day and Evening Shifts. Day shifts (7:00 a.m. to 3:30 p.m.) on Sunday shall be paid at the weekend differential. If a scheduled shift on Sunday evening qualifies for the Shift 2 differential, it shall also be paid at the weekend differential.

c. Unscheduled Work Hours. All unscheduled work hours that begin after 11:00 p.m. on Friday night and end before 11:30 p.m. on Sunday evening qualify for weekend differential.

d. Examples.

Example 1: Employee is scheduled to work from 7:00 p.m. to 7:30 a.m. on Friday. All twelve (12) hours qualify for the shift 3 differential because eight (8) of the twelve (12) (the majority of the time) falls during the Shift 2 11:00 p.m. to 7:30 a.m. period and, therefore, qualify for the weekend differential.

Example 2: Employee is scheduled to work from 3:00 p.m. to 11:30 p.m. on Sunday but, due to heavy workload, stays until 2:30 a.m. The 3:00 p.m. to 11:30 p.m. time is considered evening shift and qualifies for Shift 2 and weekend differential. The hours from 11:30 p.m. to 2:30 a.m. are eligible for Shift 3 differential because it was unscheduled time that fell between the hours of 11:00 p.m. to 7:30 a.m., but do not qualify for weekend differential.

e. An employee whose regularly scheduled shift is shortened due to low census, illness, or injury on the job, will be paid weekend differential for the hours worked as long as the scheduled shift would have qualified for weekend differential.

Section 21. Open Heart Scrub. Employees who have been receiving the open heart scrub premium prior to the effective date of this Agreement will continue to receive it, but no additional employees will begin receiving or be entitled to the premium.

Section 22. Promotions. When an employee is promoted to a higher level position with an increase in duties and responsibilities, the employee will receive an increase of at least two and one-half percent (2.5%) to the employee's base rate.

Section 23. Temporary Assignment. If an employee is temporarily assigned to a different job classification that is paid at a base rate higher than the base rate of the employee's regular job classification, the employee shall be compensated at the higher base rate for all hours assigned and worked in the higher job classification.

ARTICLE 8 -- WAGES

Section 1. Wage Increase First Full Pay Period After Ratification.

a. Effective the first full pay period after the parties' ratification of this Agreement, each regular employee will receive a four percent (4%) increase in the employee's base rate of pay, provided that the employee has received a performance evaluation of satisfactory or better on the employee's immediately preceding annual performance evaluation.

b. Effective the first full pay period after the parties' ratification of this Agreement, employees who have not since March 1, 2003 moved a step on their anniversary date(s) on the Employer's pay scale applicable to their position will have the missed steps restored. (*E.g.*, an employee who would have moved a step on April 1, 2003, April 1, 2004 and April 1, 2005, will be moved three steps on the pay scale which was applicable to the employee's position during this time period). The individuals who will move steps, and their new base wage rates, will be provided to the Union by August 4, 2005.

Section 2. Wage Increase Six Months After Ratification. Effective the first full pay period twenty-six (26) weeks after the parties' ratification of this Agreement, each regular employee will receive a two percent (2%) increase in the employee's base rate of pay, provided that the employee has received a performance evaluation of satisfactory or better on the employee's immediately preceding annual performance evaluation.

Section 3. Wage Increase in Contract Year Two.

a. Effective the first full pay period fifty-two (52) weeks after the parties' ratification of this Agreement, each regular employee will receive a three percent (3%) increase in the employee's base rate of pay, provided that the employee has received a performance evaluation of satisfactory or better on the employee's immediately preceding annual performance evaluation.

b. Employees employed as of August 2, 2005 who did not receive a base rate increase as a result of the step movement specified in Section 1(b) of this Article and who remain employed as of June 1, 2007 shall receive a retention bonus equal to two percent (2%) of their base wage rate times their budgeted/approved hours times twenty-six (26).

ARTICLE 9 -- HEALTH & WELFARE AND RETIREMENT BENEFITS

Section 1. Provision of Benefits. EHS will offer and maintain the same health and welfare benefits (that is, health, vision, dental, short-term disability, long-term disability, and accidental death and dismemberment insurance) and retirement benefits for eligible bargaining unit employees as are offered and maintained for other hourly employees of EHS, on the terms and conditions on which they are offered to other hourly employees. Such benefits offered to eligible bargaining unit members may be changed as they are changed for other hourly employees of EHS.

Section 2. Increases to Health Insurance. Any increases during the term of this Agreement to the monthly health insurance premiums will be shared equally by the employee and Employer.

Section 3. Labor/Management Benefit Committee.

a. EHS and the Union recognize the importance of undertaking joint efforts to ensure that employees have access to cost effective, quality health care and other insurance coverage. Both the Employer and the Union share a mutual interest in researching best practices in cost containment features and the benefits that ensure quality but also address increasing costs.

To address these issues, the parties will establish a Labor/Management Benefits Committee with representatives from the bargaining units represented by the Union. The Union will appoint up to a total of five (5) representatives from the bargaining units it represents at EHS to include one (1) organizer to the committee. The Employer will appoint up to five (5) management representatives. The committee shall be advisory and shall meet at least quarterly and more often as mutually agreed. In guiding the committee's work, utilization data and cost information, among other data, shall be reviewed. If the committee produces mutually agreed upon recommendations for any changes, the Union and management shall convene a meeting to review the recommendations.

In conducting its work, this committee will concentrate its efforts on:

1. Maximizing wellness programs
2. Health status improvements including incentives
3. Consumer education and prudent health care purchasing
4. Prevention Strategies

- 5. Disease management programs
- 6. Maximizing pharmacy education to avoid adverse drug interactions.

b. The Labor/Management Benefits Committee will also evaluate the option of including domestic partners on the health benefit.

ARTICLE 10 -- HOLIDAYS

Section 1. Recognized Holidays. The following holidays are recognized by EHS:

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

Section 2. Holiday Pay. Regular full-time and regular part-time employees and probationary employees are eligible for holiday pay based on their approved hours as set forth in the following schedule:

Approved Hours	Paid Holiday Hours Per Holiday
80	8.0
72	8.0
64	6.4
56	5.6
48	4.8
40	4.0
32	3.2
24	2.4
16	1.6
8	0.8

A unit based supplemental employee shall receive holiday pay in the amount of the employee's base rate multiplied by actual hours worked (not to exceed eight (8) hours per holiday) on the holiday.

Section 3. Holiday Work. EHS retains the right to schedule or otherwise require an employee to work on a holiday or to have the holiday off. As many employees will be scheduled off for the holiday as is possible, in the Employer's judgment, considering operational needs and the provision of safe patient care.

a. If a regular full-time or regular-part time employee is required by EHS to work on a holiday, or if the holiday falls on the employee's regular day off, the employee may schedule an alternative day off without pay within the period of thirty (30) days before or thirty (30) days after the recognized holiday. The employee will receive holiday pay in the pay period in which the holiday falls, regardless of when the actual time off is taken.

b. If a regular full-time, regular part-time, unit supplemental, or general supplemental employee is scheduled to work eight (8) or more hours on a holiday, the employee shall be paid at a rate of time-and-one-half of the employee's base rate for all hours worked. Such an employee shall be paid double time, rather than time and one-half, of the employee's base rate for any consecutive hours worked beyond the employee's scheduled shift on a holiday. Similarly, if the employee is scheduled to work a ten (10) hour shift or a twelve (12) hour shift on a holiday, the employee shall receive double time at the employee's base rate for any consecutive hours worked beyond the employee's scheduled shift. For purposes of this Section 3(b), "holiday" shall be defined as the night shift (11:00 p.m. to 7:30 a.m.) preceding the holiday and the day and evening shifts (7:00 a.m. to 11:30 p.m.) on the actual day of the holiday.

Section 4. Absence on a Holiday.

a. An employee who is scheduled to work on a holiday but who is absent on the holiday without approval shall not receive holiday pay and is subject to disciplinary action.

b. An employee whose department is closed on a holiday, is able to schedule a day off or is on a scheduled vacation on the holiday may elect to use unused, accumulated vacation pay to supplement holiday pay in order to receive pay in an amount equal to payment for the employee's regularly scheduled shift or an amount that is equal to .10 of the employee's approved hours.

c. If an employee is absent for a sick leave qualifying reason on a holiday, the employee shall use sick leave for the time missed on the holiday if another day has been prescheduled during the cycle as the employee's holiday off. If no other day was prescheduled as the holiday, only holiday hours will be paid. A regular part-time employee may use holiday and sick hours to make up a full shift.

d. If a holiday falls during an unpaid leave of absence or any other period in which the employee is not receiving any pay for hours worked, the employee shall not be entitled to holiday pay.

e. An employee shall not be entitled to vacation pay, sick pay, or other paid leave for any hours for which the employee receives holiday pay.

ARTICLE 11 -- VACATION

Section 1. Eligibility. Regular full-time employees and regular part-time employees who have budgeted/approved hours of at least eight (8) per pay period and do not

receive the per diem premium shall be entitled to paid vacation to the extent the employee has accrued and not used such leave. Although such employees accumulate vacation from their date of hire, they are not eligible to use vacation until they have completed six (6) months of continuous service.

Section 2. Vacation Pay. Vacation pay shall be paid at the employee’s base rate in an amount not to exceed the employee’s approved hours.

Section 3. Vacation Accumulation. Regular full-time employees shall earn vacation each pay period, up to the maximum accrual, as set forth in the following schedule:

Years of Continuous Employment with EHS	Vacation Hours Per Pay Period	Maximum Accumulation
0-3	4.00	184
4-8	5.54	264
9-19	7.08	344
20+	8.00	360

Regular part-time employees who have budgeted/approved hours of at least eight (8) per pay period and do not receive the per diem premium shall earn vacation hours based upon hours paid compared to eighty (80) hours per pay period, not to exceed eighty (80) per pay period, and no less than the budgeted/approved hours applicable to the part-time employee, provided the employee has paid hours during the pay period. The maximum accumulation for such employees shall be calculated on a pro-rated basis based on approved hours.

Section 4. Use of Vacation. Vacation must be scheduled and used in accordance with applicable EHS policies and procedures.

Section 5. Payment of Accumulated Vacation Upon Termination.

- a. An employee who resigns or is discharged before he or she has completed six (6) months of continuous service shall not be entitled to payment for accumulated, unused vacation.
- b. An employee who resigns or is laid off after he or she has completed six (6) months of continuous service will be paid accumulated, unused vacation up to a maximum of three hundred sixty (360) hours.
- c. An employee who is terminated by EHS shall not be entitled to payment for accumulated, unused vacation

Section 6. Vacation Donation. Employees will be eligible to donate accumulated unused vacation and personal leave to other EHS employees in accordance with applicable EHS policy.

ARTICLE 12 -- SICK LEAVE

Section 1. Eligibility. Regular full-time employees and regular part-time employees who have budgeted/approved hours of at least eight (8) hours per pay period and do not receive the per diem premium shall be entitled to paid sick leave to the extent the employee has accrued and unused such leave. Although such employees accumulate sick leave from their date of hire, they are not eligible to use sick leave until they have satisfactorily completed the applicable probationary period.

Section 2. Paid Sick Leave. Sick leave shall be paid at the employee's base rate in an amount not to exceed the employee's approved hours.

Section 3. Sick Leave Accumulation. Regular full-time employees shall earn paid sick leave at the rate of one (1) day per month (3.7 hours each pay period). Eligible regular part-time employees who do not receive the per diem premium shall earn paid sick leave based upon hours paid compared to eighty (80) hours per pay period, not to exceed eighty (80) per pay period, and no less than the budgeted/approved hours applicable to the part-time employee, provided the employee has paid hours during the pay period. For example, if an employee approved at halftime is paid for sixty (60) hours pay for the period, the employee will be credited with seventy-five percent (75%) (60 divided by 80) of the approved accumulation amount for a full-time employee. If an employee approved at half-time is paid for thirty (30) hours per pay period, the employee will be credited with fifty percent (50%) (30 divided by 80) of the approved accumulation amount for a full-time employee. Sick leave shall be accumulated on a pay period by pay period basis and shall be credited to the employee's sick leave balance subsequent to the last day of each pay period. Sick leave may be accumulated up to a maximum of 576 hours. Sick leave may be carried over from year-to-year up to the maximum accumulation.

Section 4. Use of Sick Leave. Sick leave must be scheduled and used, and will be paid, in accordance with applicable EHS policies and procedures. In accordance with state law, sick leave may be also used to take time off to treat or supervise children (under 18 years of age, or over 18 and disabled, including foster children, step children, and those for whom the employee stands in loco parentis) with a health condition that requires treatment or supervision. In addition, sick leave may be used to take time off to care for spouse, parents, parent-in-law or grandparents with a serious health condition or an emergency condition, as defined and allowed by state law. Sick leave cannot be donated to other employees.

Section 5. Payment of Accumulated Sick Leave Upon Termination. Employees shall not be entitled to payment for unused, accumulated sick leave upon termination of employment, including retirement.

Section 6. Sick Leave Conversion. Employees will be eligible to convert accumulated, unused sick leave into personal leave in accordance with EHS policy.

ARTICLE 13 -- LEAVES OF ABSENCE

Section 1. Family and Medical Leave.

a. General. EHS recognizes there may be occasions when employees have the need to take intermittent or extended time off from work for reasons covered by the Family and Medical Leave Act ("FMLA"). Eligibility for FMLA leave, the terms and conditions upon which FMLA leave will be granted, and reemployment following FMLA leave will be governed by applicable law and applicable EHS policies and procedures.

b. Eligibility. The employee must have been employed by EHS for at least twelve (12) months of continuous service and have worked at least 1,250 hours during the preceding twelve months to be eligible for FMLA leave.

c. Notice Required. FMLA leave should be requested thirty (30) calendar days in advance where the need for leave is foreseeable, or as soon as possible if not foreseeable.

d. Length of FMLA Leave. Eligible employees may take up to twelve (12) workweeks of unpaid leave within a twelve (12) month period beginning with the employee's first use of FMLA and measured on a rolling twelve (12) month period. FMLA leave shall be granted (1) to care for the employee's child after birth or placement for adoption or foster care; (2) to care for the employee's family member who has a serious health condition (as defined by applicable law); or (3) due to the employee's serious health condition (as defined by applicable law) which renders the employee unable to perform the employee's job. If the employee and spouse are both employed by EHS, the combined leave for both employees is twelve (12) workweeks of leave during any twelve (12) month period for care of a parent or child.

e. Use of Paid/Unpaid Leave. The employee will be required to exhaust all available paid leave, including vacation, sick and personal leave for which they would be eligible, as part of his/her FMLA leave. This time must be exhausted before unpaid leave time begins, and runs concurrently with the start of the FMLA leave. All time off taken for an FMLA-covered reason will count against an employee's FMLA entitlement, even when the employee was also on paid leave, or on other unpaid leave.

f. Reemployment Following FMLA Leave. Reemployment following FMLA leave will be governed by applicable law and EHS policies and procedures, including policies and procedures governing the presentation of medical certification where applicable.

g. Benefit Continuation During FMLA Leave. During FMLA leave, the employee will be entitled to EHS-sponsored health and welfare benefits on the same basis as if in an active work status. If the employee is taking unpaid leave, the employee must pay the same level of benefit contribution as if in active status.

h. Family Care Act of Washington ("FCA"). Employees will receive leave in accordance with the FCA.

Section 2. Discretionary Medical Leave (Outside FMLA).

a. General. EHS recognizes there may be occasions when employees have the need to take extended time off from work for medical reasons when the employee is not eligible for FMLA leave. The Discretionary Medical Leave may be granted, in EHS' sole discretion, if the employee meets eligibility requirements.

b. Eligibility. Regular full-time and regular part-time employees who have completed at least three (3) months of continuous service, and who are not eligible for FMLA leave, either because they do not meet the FMLA eligibility requirements, or because they have exhausted FMLA leave, may be considered for Discretionary Medical Leave.

c. Notice Required. The employee must complete a "Leave of Absence Request Form." Written notice to request a Discretionary Medical Leave must be given to Human Resources for approval thirty (30) calendar days in advance, or as soon as possible.

d. Length of Discretionary Medical Leave. EHS may grant Discretionary Medical Leave for the length of time an employee is unable to work due to a serious health condition, not to exceed forty-five (45) days.

e. Use of Paid/Unpaid Leave. The employee will be required to use all available sick, vacation and personal leave. This time must be exhausted before unpaid time begins.

f. Reemployment Following Discretionary Medical Leave. EHS will attempt to place the employee in the same or a comparable position when he/she returns from a Discretionary Medical Leave of absence; however, EHS cannot guarantee the same position vacated or hold a position for the employee while he/she is on a Discretionary Medical Leave. Termination may result if a position is not available within (2) two weeks of return from Discretionary Medical Leave.

g. Benefit Continuation During Discretionary Medical Leave. During paid leave the employee will be entitled to company-sponsored Health and Welfare benefits on the same basis as while on active work status. If the employee is taking unpaid leave, he/she may purchase health benefits under COBRA, if eligible.

Section 3. Adoption Leave.

a. General. EHS may grant adoption leave to eligible employees who are adopting a child who is not the natural child of either the employee or his/her spouse. Eligibility for adoption leave, the terms and conditions upon which adoption leave will be granted, and reemployment following adoption leave will be governed by applicable EHS policies and procedures. Where applicable, adoption leave will run concurrently with FMLA leave.

b. Eligibility and Length of Adoption Leave. Regular full-time and regular part-time employees who have not elected the per diem premium and have been employed by EHS for a minimum of twelve (12) months of continuous service may be eligible for up to twenty (20) days of paid adoption leave in accordance with applicable EHS policies and procedures.

Section 4. Personal Leave.

a. General. EHS recognizes there may be occasions when employees have the need to take extended time off from work. Employees may request a leave of absence (LOA) for reasons that do not qualify for any other type of leave available. The LOA may be granted, in EHS's sole discretion, if the employee meets eligibility and other requirements.

b. Eligibility. Regular full-time and regular part-time employees who have completed at least one year of continuous service and have budgeted/approved hours of at least forty (40) per pay period may be considered for Personal Leave.

c. Notice Required. The employee must complete a "Leave of Absence Request Form." Written notice to request a personal leave must be given to Human Resources for approval thirty (30) calendar days in advance, or as soon as possible.

d. Length of Personal Leave. A Personal Leave of absence may be granted to cover an absence of more than five (5) days and may extend to a maximum of twelve (12) weeks every three (3) years of employment (considered on a rolling calendar year).

e. Use of Paid/Unpaid Leave. The employee will be required to use all available vacation and personal leave. This time must be exhausted before unpaid time begins.

f. Reemployment Following Personal Leave. EHS will attempt to place the employee in the same or a comparable position when he/she returns from a Personal Leave of absence; however, EHS cannot guarantee the same position vacated or hold a position for the employee while he/she is on a Personal Leave. Termination may result if a position is not available within two (2) weeks of return from Personal Leave.

g. Benefit Continuation During Personal Leave. During paid leave the employee will be entitled to company-sponsored Health and Welfare benefits on the same basis as while on active work status. If the employee is taking unpaid leave, he/she may purchase health benefits under COBRA, if eligible.

Section 5. Unpaid Educational Leave.

a. General. EHS recognizes there may be occasions when employees have the need to take extended time off from work for educational purposes. It is the policy of EHS that employees may request an educational leave of absence (LOA). The LOA may be granted, in EHS's sole discretion, if the employee meets eligibility requirements.

b. Eligibility. Regular full-time and regular part-time employees who have completed at least one year of continuous service and have budgeted/approved hours of at least forty (40) per pay period may be considered for Unpaid Educational Leave. This leave may be applied when an employee wishes to further his/her education and EHS determines it to be of value to both the employee and the Employer .

c. Notice Required. Written notice to request an educational leave must be given to Human Resources for approval thirty (30) calendar days in advance. Documentation from an accredited institution verifying the employee's attendance may be required.

d. Length of Educational Leave. There is a maximum of eighteen (18) months Educational Leave during an employee's employment with EHS.

e. Use of Paid/Unpaid Leave. The employee will be required to exhaust all available vacation and personal leave. This time must be exhausted before unpaid time begins.

f. Reemployment Following Educational Leave. EHS will attempt to place the employee in the same or a comparable position when he/she returns from an Educational Leave of absence; however, EHS cannot guarantee the same position vacated or hold a position for the employee while he/she is on an Educational Leave. Termination may result if a position is not available within two (2) weeks of return from Educational Leave.

g. Benefit Continuation During Educational Leave. During paid leave the employee will be entitled to company-sponsored Health and Welfare benefits on the same basis as if on active work status. If the employee is taking unpaid leave, he/she may purchase health benefits under COBRA, if eligible.

Section 6. Military Leave. EHS will grant military leave in accordance with applicable law and EHS policies and procedures.

Section 7. Pregnancy-Related Absences. Leaves for pregnancy-related absences will be granted in accordance with applicable law. Such leaves will run concurrently with FMLA leave if the employee is also eligible for FMLA leave.

Section 8. Bereavement Leave. Regular full-time and all regular part-time Employees are eligible for up to three (3) consecutive days of leave paid at the employee's base

rate, not to exceed twenty-four (24) hours of leave to make arrangements for and to attend the funeral of a member of the employee's immediate family. Regular part-time employees will receive bereavement leave pay prorated according to budgeted/approved hours. Bereavement leave must be taken within a reasonable proximity of the date of death of the immediate family member's death, and within a seven (7) day consecutive period. For purposes of this leave, immediate family members include spouse, children, grandchildren, siblings, parents, grandparents, parents-in-law, daughter-in-law, son-in-law, step-parents, step-children, domestic partner, and any other family member residing in the same household with the employee and for whom the employee has legal responsibility.

Section 9. Witness or Jury Duty. Leave for witness or jury duty shall be provided in accordance with applicable EHS policies and procedure and in accordance with applicable law. An employee who misses scheduled work day(s) due to required jury duty, or due to appearing as a witness for EHS in litigation involving EHS, will be paid an amount which, when added to the fees paid for serving as a juror or appearing as a witness, will equal the employee's base rate times the employee's budgeted/approved work hours exclusive of any differentials and pay premiums, including overtime. Night shift employees may elect to receive compensation under this section for either the shift before or following jury duty. An employee must promptly notify his/her department manager when the employee learns of the jury duty or witness leave. The employee is required to provide proof of jury duty or witness leave.

Section 10. Child Care Leave. EHS shall provide Child Care Leave with applicable law and EHS policies and procedures.

Section 11. Leave of Absence Procedures. EHS shall have the right to establish procedures, including required certifications, for all leaves of absence. Such procedures must be in accordance with the law and not in conflict with this Agreement.

Section 12. Seniority While on Leave. Employees on leave pursuant to this Article for up to twelve (12) consecutive months shall not lose or accrue seniority during the leave period.

ARTICLE 14 -- COMMITTEES

Section 1. Labor/Management Committee. The Labor/Management Committee is a committee designed to enhance collaboration and communication between EHS and bargaining unit employees. The Committee will meet to discuss issues of mutual interest, such as employees' working conditions and patient and employee satisfaction. The committee may also discuss staffing issues. The committee shall not be empowered to alter any express terms of this Agreement and shall function in an advisory rather than a decision-making capacity. The Committee may recommend solutions to identified problems.

a. Structure. The Committee shall be established for the life of this Agreement and shall consist of not more than six (6) representatives of the Employer and six (6) bargaining unit employees for all the bargaining units which the Union represents at DMC and VHMC. Each party shall select its own representatives for the Committee. The number of Committee representatives may be expanded by the mutual agreement of the Employer and the Union.

b. Schedule of Meetings. The Labor/Management Committee shall meet not less than bi-monthly or as often as mutually agreed, provided that either party provides a list of agenda items at least one week prior to the meeting. Any member of the Committee may propose agenda items. Such proposals will be made to the Director -- Human Resources in writing, at least one week prior to any scheduled Committee Meeting. To the extent possible, meetings shall be scheduled during bargaining unit members' non-scheduled time. The

Committee shall operate under the guidance of co-chairs, one to be selected by the Employer and one by the Union.

Section 2. Safety Committee. EHS is committed to maintaining a safe and healthful workplace in compliance with federal, state, and local laws applicable to the safety and health of its employees. EHS will continue its the VHMC Safety Committee and the DMC Safety Committee in accordance with existing regulatory requirements. Each Committee shall include one bargaining unit employee who has been selected by the Union. Employees are encouraged to report any unsafe conditions to their Department Manager or Assistant Unit Manager.

Section 3. Committees in General. The above-referenced committees, although advisory in nature, will be expected to assist in the development of positive change which can be implemented by EHS with successful results. Each committee will discuss its progress and effectiveness annually.

Section 4. Compensation. Employees shall be compensated at their base rate of pay for all time spent in meetings of the committees set forth in this Article 14 when they are members of the committee.

ARTICLE 15 -- TUITION ASSISTANCE

Section 1. Tuition Assistance.

a. General. EHS supports continuing education by offering a tuition assistance benefit to encourage eligible employees to develop and maintain skills that will improve employees' skills, knowledge, and job performance.

b. Eligibility. Regular full-time and regular part-time employees who have budgeted/approved hours of at least forty (40) per pay period are eligible to submit an application for tuition assistance if they have completed three (3) months of continuous employment.

c. Criteria. The proposed course of study must be work-related. For purposes of this Article, "work-related" means education directly related to improving the employee's skills, knowledge, and performance in the employee's present career field or to gain advancement in a health care career. Tuition assistance is only available for courses from regionally accredited institutions, such as universities, colleges, associate degree colleges, and technical schools. Tuition assistance is not available for seminars, professional meetings, and workshops. The courses for which tuition assistance is sought must be during non-work time. In determining whether to approve an application for tuition assistance, EHS may consider other criteria at its discretion including, but not limited to, an employee's performance record with EHS. Applications for tuition assistance shall be processed in accordance with applicable EHS policies and procedures.

d. Maximum Benefits.

1. Regular full-time employees are eligible for tuition reimbursement according to the following schedule:

Years Employed	% Reimbursement	Maximum Per Calendar Year
3 months through 3 years	50% of each request	\$400.00/year
4 years through 6 years	50% of each request	\$665.00/year
7 or more years	75% of each request	\$1,000.00/year

Regular part-time employees who have budgeted/approved hours of at least forty (40) per pay period are eligible for tuition reimbursement on a pro-rated basis

2. Employees receiving money from scholarships, grants, and/or VA benefits must report such amounts to EHS. Such amounts will be subtracted from the total tuition amount, and the balance will be reimbursed in accordance with Section 1(d)(1) above.

e. Repayment of Benefits. Employees who do not remain employed with EHS for at least one (1) year following the completion of the course(s) must repay EHS for all tuition monies reimbursed during the year preceding the employee's termination.

Section 2. Paid Educational Leave.

a. General. EHS makes available to eligible employees up to sixteen (16) hours of paid educational leave per calendar year to attend non-mandatory workshops, seminars, conventions, and special meetings directly related to the job the employee is currently performing at EHS.

b. Eligibility. Regular full-time and regular part-time employees who have completed at least one (1) year of continuous service may request Paid Educational Leave.

c. Criteria. In determining whether to approve, in its discretion, a request for paid educational leave, EHS will consider whether the program is directly related to the job the employee is currently performing at EHS, whether the program is approved by the appropriate department manager, and other criteria. Requests for paid educational leave shall be processed in accordance with applicable EHS policies and procedures.

ARTICLE 16 -- GRIEVANCE PROCEDURE

Section 1. Grievance Definition. A grievance shall be defined as a claim by an employee that the Employer has violated a specific provision of this Agreement. It is the desire of the parties to this Agreement that disputes arising out of this Agreement be adjusted informally wherever possible and at the first level of supervision

Section 2. Time Limitations. If the grievant or the Union does not comply with the time limitations specified in this grievance procedure, the grievance shall be time barred. If the Employer does not comply with the time limitations specified in this grievance procedure, the grievance shall be automatically elevated to the next step without any action necessary on the

part of the grievant. Any grievance not filed or processed in accordance with the time limits shall be deemed waived without regard to any excuse therefore. A time limit which ends on a Saturday, Sunday, or a holiday designated in Article 10 of this Agreement shall be deemed to end at 4:30 p.m. on the following business day.

Section 3. Modification to Grievance Procedure. The time periods in the grievance process may be shortened or extended only by mutual written agreement. Informal attempts to resolve the grievance shall not extend any time limitations specified in this grievance procedure, except by mutual written agreement between the parties.

Section 4. Steps of Grievance Procedure. A grievance shall be submitted in accordance with the following procedure:

Step One. If an employee has a grievance, the employee shall meet with the employee's Department Manager and present the grievance, in writing, within fourteen (14) calendar days from the date the employee knew or reasonably should have known of the occurrence of the matter giving rise to the grievance. The grievance shall specify the section or sections of the Agreement which have allegedly been violated, and the remedy requested. Grievances regarding appropriate pay are understood to arise on the first pay day for the event in question, and are not considered continuing just because they may recur on each subsequent pay day. A Union Delegate shall be present at the Step One grievance meeting if the employee so requests. If a Union Delegate participates in the Step One grievance meeting, a representative from Human Resources also may be present. The Manager shall respond in writing within fourteen (14) calendar days of receipt of the grievance.

Step Two. If the employee remains dissatisfied with the Manager's response at Step One, the employee may advance the grievance to Step Two, in writing, within seven calendar days of receipt of the Step One response. Step Two grievances shall be presented to the Assistant Vice President -- Patient Care Services. The Assistant Vice President -- Patient Care Services will issue his or her response within fourteen (14) calendar days of receiving the Step Two grievance.

Step Three. If the employee remains dissatisfied with the Assistant Vice President's response at Step Two, the employee may advance the grievance to Step Three, in writing, within seven calendar days of receipt of the Step Two response. Step Three grievances shall be presented to the Director -- Human Resources. The Step Three process shall include an investigatory meeting between the grievant (and his or her Union Delegate/Representative, if requested) and the Director -- Human Resources. The Step Three meeting shall be held within fourteen (14) days of the advancement to Step Three. The Director -- Human Resources will issue his or her response within fourteen (14) calendar days of the Step Three investigatory meeting.

Arbitration. If the grievance is not settled on the basis of the foregoing procedures, and if the grievant and the Union have complied with the specific time limitations specified in Steps 1, 2, and 3, herein, the Union may submit the issue in writing to final and binding arbitration within fourteen (14) calendar days of EHS's Step 3 response. Within ten (10) calendar days of the notification to EHS that the dispute is submitted for arbitration, the Union shall request the Federal Mediation and Conciliation Service to supply a list of eleven (11) arbitrators and the parties shall alternately strike names from such list until the name of one (1) arbitrator remains who shall be the arbitrator. The party to strike first shall be determined by coin toss. Nothing in this provision shall be construed to prevent the parties from mutually agreeing on an arbitrator, with preference being given to neutral third parties from Eastern Washington.

A decision of the arbitrator within the scope of this Agreement shall be final and binding on all parties. Each party shall be responsible for its own expenses including the time of any

witnesses and attorneys fees, if any. Each party shall bear one-half (1/2) of the fee of the arbitrator, and any other expense jointly incurred incident to the arbitration hearing.

The arbitrator shall have no authority to add to, delete from disregard, or alter any of the provisions of this Agreement and shall confine the decision to the terms of this Agreement. The Arbitrator shall have no authority to award punitive damages.

Disputes concerning benefits or pay shall be considered as of the time the grievance first became known, or reasonably should have become known to the grievant, and shall not be treated as continuing violations for purposes of compensation or the time limits specified herein.

Section 5. 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. Mediation shall not extend any of the time limits set forth herein, unless the parties agree otherwise, in writing.

ARTICLE 17 -- MANAGEMENT RIGHTS

Section 1. The Employer retains all the customary, usual and exclusive rights, decision making, prerogatives, functions, and authority connected with or in any way incident to its responsibility to manage the affairs of the Hospital or any part of it. The Employer retains all power and authority not specifically abridged, delegated, or modified by a specific provision of this contract and such retained rights and prerogatives include, but are not limited to, the right and prerogative to:

- a. Direct employees and determine the number of employees, their job assignments and staffing levels.
- b. Adopt, modify, or eliminate reasonable work rules, procedures, and policies, including attendance and substance abuse and drug testing policies, so long as such rules and policies are not in conflict with any express provisions of this Agreement.
- c. Hire, promote, transfer, assign and retain employees in positions, and to suspend, demote, discharge or take other disciplinary action against employees for just cause.
- d. Discharge any employee deemed incompetent based upon established job criteria.
- e. Require standards of performance and to maintain order and efficiency.
- f. Relieve employees from duties and lay off employees because of lack of work or other legitimate reason related to operation of VHMC, VOSC, or DMC, patient census, or any other business reason.
- g. Maintain the efficiency of VHMC, VOSC, and DMC operations and implement, change, or eliminate operational methods and procedures.
- h. Determine the methods, means and personnel by which operations are to be conducted and the materials and equipment to be used.
- i. Take appropriate action as necessary to carry out the mission of VHMC, VOSC, DMC, and EHS.

- j. Determine reasonable schedules of work and establish the methods and processes by which such work is performed.
- k. Require reasonable amounts of overtime, in accordance with applicable law.
- l. Determine the need for, and assign employees to, educational and training programs, on-the-job training, and other educational activities.
- m. Determine the qualifications for all positions within the bargaining unit.
- n. Determine issues related to long-range planning, the application of VHMC, VOSC, DMC and/or EHS capital and other resources, including the right to liquidate, merge, sell or otherwise transfer such resources and the right to determine the kind and location of its facilities.
- o. Determine whether the whole or any part of the operation shall continue to operate.
- p. Contract or subcontract, sell, transfer, or discontinue any or all VHMC's, VOSC's or DMC's operations or functions.
- q. Use temporary, traveling and agency employees to perform duties also performed by employees covered by this Agreement.
- r. Create, combine or eliminate positions or job classifications.

The parties recognize that the above list of management rights is for illustrative purposes only and should not be construed as restrictive or interpreted so as to exclude any management rights or prerogatives which are not mentioned and which are not expressly and specifically limited by this Agreement.

Section 2. All rights not expressly contracted away by a specific provision of this Agreement are solely retained by the Employer. The failure of the Employer to exercise any function, power, or right reserved or retained by it, shall not be deemed to be a waiver of that right of the Employer to exercise said power, function, authority or right at a future date, or to preclude the Employer from exercising same, so long as it does not conflict with any express provision of this Agreement. All of those rights of management specified above or usually and customarily vested in management may not be ignored or impaired even if the parties agree to submit a dispute to arbitration.

ARTICLE 18 -- STAFFING

Section 1. Staffing/Workload Concerns. The Union and the Employer acknowledge that together the parties endeavor to provide a level of staffing consistent with safe working conditions and the service the parties provide to the community. The parties are committed to the proposition that adequate staffing is necessary to meet the needs of our departments and to provide quality services.

Employee(s) who work in areas that are not nursing care units and who have concerns about staffing or workloads are encouraged to address the issues directly with their manager. Many staffing/workload issues, if addressed with the manager at the time of occurrence, can be resolved through adjustment in assignments or through the use of other staffing resources.

The employee(s) involved in the staffing concern may request the issue be presented to the Labor/Management Committee when:

- a. The manager has not responded to a documented concern within fourteen (14) days; or
- b. Persistent staffing concerns (*e.g.*, lasting 6 weeks) continue to exist and have been documented, with the documentation given to the manager involved.

The parties recognize the final decision on staffing/workload issues rest with the Employer whose responsibility it is to ensure that an appropriate level of service is provided. The determination of staffing/workload shall not be subject to grievance and arbitration, nor shall employees be subject to disciplinary action for utilizing this process.

Section 2. Unit Based Committee. The Employer and the Union agree that safe, quality patient care and an appropriate working environment require adequate staffing levels and that staffing levels within all departments vary with census, acuity, shift and the specialization of various areas in delivery of patient services. In recognition of the foregoing, the Employer and the Union will establish Unit Based Committees in each unit/department comprised of frontline and management staff.

Each unit/department of VHMC and DMC will form a committee that will review the patient acuity/staffing guidelines, staffing and scheduling issues and unit operations. The committee's goals are to improve standards of care, unit operations, and patient/employee safety and satisfaction. The members of the committee will include but not be limited to, the nurse manager and/or assistant manager and Union-appointed nursing core staff. The committee will determine the duration and frequency of meetings but will meet quarterly at a minimum. The chair will be appointed from the core staff. The committee may make recommendations regarding patient acuity/staffing guidelines and core staff budgeted/approved hours to nursing administration. If conflicts within the committee are not able to be resolved, members of the committee may bring the issue to the attention of the Labor/Management committee. The Labor/Management Committee will serve as both a resource and clearing house for best practices.

ARTICLE 19 -- HEALTH AND SAFETY

Section 1. Prevention of Musculoskeletal Injuries. The parties recognize that back and musculoskeletal injuries are a major occupational hazard to healthcare workers. In the interest of prevention, the Labor/Management Committee will discuss appropriate ways to identify means for preventing such injuries.

Section 2. Prevention of Workplace Violence. The Employer and the Union agree to work together to protect employees from incidents of workplace violence. The Employer will, in its sole judgment, take appropriate steps and maintain appropriate policies or programs to minimize the risk of violence in the workplace. Such efforts may include elements of hazard and risk factor identification, training, reporting, post incident response planning and program evaluation.

Section 3. Health and Safety. The Employer remains committed to providing, in its sole judgment, education, products and equipment, work practice controls, and engineering controls to minimize employee risks from occupational injury or exposure, including medical devices that reduce or help prevent employee exposure to blood and/or body fluids.

ARTICLE 20 -- NO STRIKE, NO LOCKOUT

Section 1. No Strike. It is recognized that EHS 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 EHS and the Union. The Union, its officers, agents, representatives, and its members, as individuals or as a group, will not initiate, cause, permit, or participate or join in any strike, work stoppage, sympathy strike, informational or other picketing, or slowdown, concerted refusal to work overtime, or any other restrictions, interference with, or interruption of work at any of EHS' operations, during the term of this Agreement. Employees, while acting in the course of their employment, shall not honor any picket line established by the Union or by any other labor organization when called upon to cross picket lines in the line of duty.

Disciplinary action, including discharge, may be taken by EHS against any employee or employees, selectively or as a group, engaged in a violation of this Article. In the event of a claimed violation of this Article, EHS shall have the right, without waiving any of its other rights or remedies available under this Agreement or in law or equity, to seek and obtain immediate judicial restraint of the prohibited action and damages.

The Employer will notify the Union in writing if employees engage in such activity. In the event of any activity prohibited by this Article, the Union, its officers, agents, and representatives will take appropriate steps to end or avert same, including notifying all employees of the Union's disapproval of such action and instructing such employees to cease such actions and return to work.

Section 2. Lockout. There shall be no lockout of employees during the life of this agreement. The layoff of employees covered by this Agreement for any economic reason shall not be construed to be a lockout for purposes of this Agreement.

ARTICLE 21 -- GENERAL PROVISIONS

Section 1. EHS Policies. To the extent a subject or matter is not expressly and specifically covered by this Agreement, the applicable EHS policies and procedures, including Human Resources policies and procedures, shall govern. EHS shall have the right and authority to modify, eliminate, or create new policies and procedures, including Human Resources policies and procedures, to the extent their specific subject matter is not covered by this Agreement. EHS shall provide a copy of any modified or new Human Resources policies and procedures which apply to employees at least thirty (30) days prior to implementation and, at the request of the Union, shall meet with the Union to discuss the policies.

Section 2. Separability. In the event that any provision of this Agreement shall at any time be declared invalid by any court of competent jurisdiction or through governmental regulation or decree, such decision shall not invalidate the entire Agreement, it being the express intention of the parties hereto that all other provisions not declared invalid shall remain in full force and effect. The parties agree that if any provision of this Agreement shall be declared invalid or otherwise become unlawful, the parties shall enter into negotiations to attempt to reach a mutually satisfactory replacement for the unlawful provision(s).

Section 3. Complete Agreement. The parties recognize that this is the complete agreement between the parties for purposes of employees' wages, hours, benefits and working conditions, and that employees' rights in these areas shall be limited to the express terms of this Agreement. All of the understandings, agreements and undertakings arrived at by the parties are set forth in this Agreement. For the term of this Agreement and any extensions of it, the Union waives the right and agrees that EHS shall not be obligated to bargain collectively under the

National Labor Relations Act with respect to any subject or matter not covered in this Agreement, even though such subjects or matters may not have been within the knowledge or contemplation of either or both of the parties at the time they negotiated or signed this Agreement.

Section 4. Amendments. Any provision of this Agreement may not be amended, modified or supplemented at any time, except by mutual consent of EHS and the Union, in writing and signed by both parties. Such modifications shall be limited to the specific provision(s) involved and will not affect any other provisions of this Agreement.

Section 5. Past Practices. Any and all agreements, written and verbal, previously entered into between the parties are mutually cancelled and superseded by this Agreement. Unless specifically provided herein to the contrary, for the life of this Agreement and any extensions of it, any and all practices that existed either prior to the effective date of this Agreement or that develop during the term of this Agreement shall not be binding on the Employer. The Employer will communicate any changes to past practices of which it is aware in advance of the change.

ARTICLE 22 -- CHANGE IN OWNERSHIP

If ownership of EHS, DMC, or VHMC will be changed, EHS will provide the Union with notice of the ownership change at least sixty (60) days prior to the effective date of the change and, upon request, meet and discuss with the Union the effects of the change on bargaining unit employees.

ARTICLE 23 -- DURATION AND TERMINATION

Section 1. This Agreement will become effective September 1, 2005 and will remain in full force and effect through September 30, 2008, and from year to year thereafter unless modified, amended or terminated in accordance with the following provisions.

Section 2. Should either party wish to modify, amend or terminate this Agreement, notice of the party's desire to modify, amend or terminate the Agreement shall be given by certified mail to the other party not more than one hundred and twenty (120) days nor less than ninety (90) days prior to September 30, 2008, or any subsequent anniversary date.

Section 3. In the event notice to modify, amend or terminate has been given, as provided above, and assuming the Union gives proper notice pursuant to the Labor Management Relations Act, 1947, as amended, Section 8(g), and if no agreement has been reached by the expiration date of this Agreement, the Agreement shall be considered terminated by the parties.

Section 4. Notwithstanding the foregoing, either party may reopen this Agreement by providing the other with written notice of its intent to reopen this Agreement at least ninety (90) days prior to August 31, 2007. If either party reopens this Agreement, the parties hereto shall have the right to propose to modify existing terms or provisions pertaining to wages, benefits and other economic items or to propose new provisions pertaining to wages, benefits or other economic matters. Should either party reopen this Agreement by giving written notice of same at least ninety (90) days prior to August 31, 2007 and the parties thereafter are unable to reach agreement on the subjects of the reopener by August 31, 2007, this Agreement will expire on August 31, 2007 and the parties hereto as of that date will have and retain any and all rights a party would otherwise have and retain in connection with the expiration of a collective bargaining agreement.

IN WITNESS WHEREOF, the parties hereto have subscribed their names this _____ day of January, 2006.

SEIU 1199NW

EMPIRE HEALTH SYSTEMS

By _____
Diane Sosne
President

By _____
Jeff Nelson
CEO

By _____
Chris Barton
Secretary-Treasurer

By _____
Patricia White
Vice President of Leadership &
Organizational Development

By _____
Danny Klocko
Director of Human Resources

January 4, 2006

Ms. Chris Barton
Secretary-Treasurer
SEIU 1199NW
15 S. Grady Way
Suite 200
Renton, WA 98055

Re: Performance of Bargaining Unit Work

Dear Ms. Barton:

This letter will confirm the agreement reached by EHS and SEIU 1199NW during the 2005 collective bargaining negotiations concerning performance of bargaining unit work (Article 1, Section 3). It is not the Employer's intent to replace bargaining unit employees with non-bargaining unit employees.

Your signature below shall be deemed acceptance on behalf of SEIU 1199NW.

Sincerely,

G. Daniel Klocko
Director of Human Resources

Confirmed and Accepted:

Chris Barton
Secretary and Treasurer
SEIU 1199 NW

Date

January 4, 2006

Ms. Chris Barton
Secretary-Treasurer
SEIU 1199NW
15 S. Grady Way
Suite 200
Renton, WA 98055

Re: Radiology Order of Layoff

Dear Ms. Barton:

This letter will confirm the agreement reached by EHS and SEIU 1199NW during the 2005 collective bargaining negotiations regarding Radiology order of layoffs (Article 6, Section 13). For purposes of determining the order of layoffs, clinical mammographers and certified radiology technologists will be considered as one classification.

Your signature below shall be deemed acceptance on behalf of SEIU 1199NW.

Sincerely,

G. Daniel Klocko
Director of Human Resources

Confirmed and Accepted:

Chris Barton
Secretary and Treasurer
SEIU 1199 NW

Date

January 4, 2006

Ms. Chris Barton
Secretary-Treasurer
SEIU 1199NW
15 S. Grady Way
Suite 200
Renton, WA 98055

Re: Article 5, Section 5 Floating within Clinical Groupings

Dear Ms. Barton:

This letter will confirm the agreement reached by EHS and SEIU 1199NW during the 2005 collective bargaining negotiations concerning Article 5, Section 5. A working group comprised of up to six (6) representatives of EHS and six (6) representatives of the Union will be formed after ratification of this Agreement and will present its recommendations regarding the clinical groupings to EHS by December 15, 2005.

Your signature below shall be deemed acceptance on behalf of SEIU 1199NW.

Sincerely,

G. Daniel Klocko
Director of Human Resources

Confirmed and Accepted:

Chris Barton
Secretary and Treasurer
SEIU 1199 NW

Date

January 4, 2006

Ms. Chris Barton
Secretary-Treasurer
SEIU 1199NW
15 S. Grady Way
Suite 200
Renton, WA 98055

Re: Open Heart Scrub Premium

Dear Ms. Barton:

This letter will confirm the agreement reached by EHS and SEIU 1199NW during the 2005 collective bargaining negotiations concerning the open heart scrub premium (Article 7, Section 21). If EHS has difficulty recruiting for positions which have historically received the open heart scrub premium, it will discuss reinstating the premium with the Union.

Your signature below shall be deemed acceptance on behalf of SEIU 1199NW.

Sincerely,

G. Daniel Klocko
Director of Human Resources

Confirmed and Accepted:

Chris Barton
Secretary and Treasurer
SEIU 1199 NW

Date

January 4, 2006

Ms. Chris Barton
Secretary-Treasurer
SEIU 1199NW
15 S. Grady Way
Suite 200
Renton, WA 98055

Re: Taft-Hartley Health Plan Trusts

Dear Ms. Barton:

This letter will confirm the agreement reached by EHS and SEIU 1199NW during the 2005 collective bargaining negotiations concerning Taft-Hartley Health Plan Trusts. Specifically, as part of EHS's and the Union's collaborative work on health care issues, the Employer will consider participating in a Taft-Hartley multi-employer health plan created by the Union with other employers.

Your signature below shall be deemed acceptance on behalf of SEIU 1199NW.

Sincerely,

G. Daniel Klocko
Director of Human Resources

Confirmed and Accepted:

Chris Barton
Secretary and Treasurer
SEIU 1199 NW

Date

January 4, 2006

Ms. Chris Barton
Secretary-Treasurer
SEIU 1199NW
15 S. Grady Way
Suite 200
Renton, WA 98055

Re: Alcohol and Chemical Dependency

Dear Ms. Barton:

This letter will confirm the agreement reached by EHS and SEIU 1199NW during the 2005 collective bargaining negotiations concerning alcohol and chemical dependency.

The Employer and the Union recognize that alcohol and chemical dependency are chronic and treatable conditions. Subject to applicable regulatory rules, the Employer and the Union support efforts which will enable the chemically impaired employee to remain in practice so long as performance expectations are maintained. Efforts should be made by the employee to identify these conditions and the treatment options at an early stage to prevent or minimize erosion in work performance. The Employer and the Union will encourage and support employee participation in the State substance abuse monitoring program, including individually tailored return to work agreements, through which employees may seek confidential assistance in the resolution of chemical dependency or other problems which may impact job performance. The Employer further acknowledges the alcoholism and chemical dependency are health conditions for which the employee is eligible for accrued sick leave and/or medical leave of absence under the same terms as other health conditions. It is the intention of the Employer, to work with an employee to adjust their work schedule on an ad hoc temporary basis to support the chemically dependent employee's participation in prescribed treatment programs. The Employer and the Union acknowledge that employees continue to be responsible for maintaining satisfactory job performance and attendance and for compliance with the Employer's policies and procedures.

Your signature below shall be deemed acceptance on behalf of SEIU 1199NW.

Sincerely,

G. Daniel Klocko
Director of Human Resources

Confirmed and Accepted:

January 4, 2006

Ms. Chris Barton
Secretary-Treasurer
SEIU 1199NW
15 S. Grady Way
Suite 200
Renton, WA 98055

Re: Side Letter to Article 22

Dear Ms. Barton:

This letter will confirm the agreement reached by EHS and SEIU 1199NW during the 2005 collective bargaining negotiations that the following articles and subjects shall be subject to negotiation or renegotiation as part of the re-opener in 2007 provided for in Article 22, Section 4 of the parties' Agreement:

Article 6 - Seniority, Layoff, Low Census, Work Assignment

Article 7 - Hours of Work, Overtime and Pay Practices

Article 8 - Wages

Article 9 - Health & Welfare and Retirement Benefits

Article 10 - Holidays

Article 11 - Vacation

Article 12 - Sick Leave

In addition, either party during or as part of the re-opener may make proposals or counterproposals on economic items which are not covered by the foregoing Articles.

Your signature below shall be deemed acceptance on behalf of SEIU 1199NW.

Sincerely,

G. Daniel Klocko
Director of Human Resources

Confirmed and Accepted:

Chris Barton
Secretary and Treasurer
SEIU 1199 NW

Date

APPENDIX A

Technical Bargaining Unit Positions at Valley

Registered CV Technologist

Surgical Technologist

Clinical Mammographer

CT Technologist

Histology Technologist

Licensed Practical Nurse

MRI Technologist

Nuclear Medicine Technologist

OR Coordinator Surgical Tech

Pharmacy Technician Advanced Skills II

Radiologic Technologist

Radiology Coordinator

Echocardiographic Tech Registered

Registered Ultrasound Technologist

Respiratory Therapist

Surgical Technologist

Positions Excluded from Technical Bargaining Unit at Valley

Clinical Mammographer/ZQ

Dietetic Technician

Nuclear Medicine Tech Coordinator

Radiology Coordinator/Supervisor

Ultrasound Coordinator

Technical Bargaining Unit Positions at Deaconess

Cardiovascular Cath Supervisor

Clinical Mammographer

Coordinator Electrophysiology

CT Technologist

Echocardiographic Tech Registered

Echocardiographic Tech II

Electrophysiology Technologist

Histology Technologist

Licensed Practical Nurse

Medical Laboratory Technician

MRI Technologist

Nuclear Medicine Technologist

Perinatal Ultrasound Specialist

Pharmacy Chemo Technician

Pharmacy Technician Advanced Skills I

Pharmacy Technician-Advanced Skills II

Pharmacy Technician-Advanced 3

Radiologic Technologist

Radiologic Technologist II

Registered CV Technologist

Registered CV Tech Advanced Skills

Registered Ultrasound Technologist

Respiratory Therapist

Surgical Pathology Tissue Assistant

Surgical Technologist

Surgical Technologist-Advanced Skills I

Surgical Technologist-Advanced Skills II

Ultrasonographer-Advanced Skills

Positions Excluded from Technical Bargaining Unit at Deaconess

Clinical Mammography Coordinator

Dietetic Technician

EEG Technician

EKG Technician

Medical Laboratory Technologist

Noninvasive Cardiovascular Supervisor

Nuclear Medicine Tech Coordinator

OB Technician

Ultrasound Coordinator

APPENDIX B

Employees holding the following positions are eligible to receive lead pay pursuant to Article 7, Section 15 of the Agreement:

Clinical Mammographer

CT Technologist

Histology Technologist

MRI Technologist

Nuclear Medicine Technologist

Pharmacy Technician Advanced Skills I

Pharmacy Technician Advanced Skills 3

Radiologic Technologist

Radiologic Technologist II

Respiratory Therapist

Surgical Technologist Advanced Skills I

Surgical Technologist Advanced Skills II

Registered Ultrasound Technologist

APPENDIX C

10-HOUR WORK SCHEDULE

1. Employees scheduled to work ten (10) hour shifts shall accumulate annual leave and sick leave based upon hours worked. Sick leave benefits shall accumulate from date of hire. Eligibility for use of sick leave and vacation shall commence after completion of three (3) months' continuous employment for sick leave and six (6) months' continuous employment for vacation leave. For purposes of sick leave and vacation, ten (10) hours constitutes one (1) work day.
2. Employees scheduled to work ten (10) hour shifts will receive shift differential in accordance with Article 7, Sections 19 and 20.
3. Employees scheduled to work ten (10) hour shifts shall be paid overtime compensation in accordance with Article 7, Section 6 of the Agreement.
4. In scheduling work assignments, the Employer will make a good faith effort to provide each employee with at least ten (10) hours off duty between shifts. In the event an employee is required to work with less than ten (10) hours off duty between shifts, all time worked during the next shift shall be paid in accordance with Article 7, Section 9 of the Agreement.
5. The Employer retains the right to discontinue regularly scheduling an employee to work ten (10) hour shifts and to revert back to a normal eight (8) hour regular schedule after at least twenty-one (21) days advance notice to the employee. Employees scheduled to work ten (10) hour shifts who would like to discontinue working a ten (10) hour work schedule and whose performance has been satisfactory shall be guaranteed the first available posted eight (8) hour position for which the employee is qualified, provided that a more senior, qualified employee has not applied for the position.

APPENDIX D

12-HOUR WORK SCHEDULE

1. Employees scheduled to work twelve (12) hour shifts shall accumulate annual leave and sick leave based upon hours worked. Sick leave benefits shall accumulate from date of hire. Eligibility for use of sick leave and vacation shall commence after completion of three (3) months' continuous employment for sick leave and six (6) months' continuous employment for annual leave. For purposes of sick leave and vacation, twelve (12) hours constitutes one (1) work day.
2. Employees scheduled to work twelve (12) hour shifts shall be paid differential in accordance to Article 7, Sections 19 and 20.
3. Employees scheduled to work twelve (12) hour shifts shall be paid overtime compensation in accordance with Article 7, Section 6 of the Agreement.
4. In scheduling working assignments, the Employer will make a good faith effort to provide each employee with at least ten (10) hours off duty between shifts. In the event an employee is required to work with less than ten (10) hours off duty between shifts, all time worked in the next shift shall be paid in accordance with Article 7, Section 9 of the Agreement.
5. The Employer retains the right to discontinue regularly scheduling an employee to work twelve (12) hour shifts and to revert back to a normal eight (8) hour regular schedule after at least twenty-one (21) days advance notice to the employee. Employees scheduled to work twelve (12) hour shifts who would like to discontinue working a twelve (12) hour work schedule and whose performance has been satisfactory shall be guaranteed the first available posted eight (8) hour position for which the employee is qualified, provided that a more senior, qualified employee has not applied for the position.

APPENDIX E

SEIU Help Hold Politicians Accountable
SEIU Committee on Political Empowerment (COPE)

Join with other SEIU District 1199NW members to make sure working families have a voice.

Everyday, politicians make decisions that affect our patients, our careers, and our families. To hold politicians accountable on the issues that matter to us, health care employees are joining together to elect people who will stand up for working families. You can help by making a voluntary contribution to our "Committee On Political Empowerment" (COPE).

I authorize my employer to deduct the following amount from each of my paychecks to be forwarded to the SEIU COPE (please circle amount):

\$5.00 \$3.50 \$2.50 \$_____ (other) to be effective (date)

Employer _____ Date _____

Unit/Dept _____ Work
phone _____

(Please Print)

Name _____ Soc. Sec. # _____ - _____ - _____

Home Address _____ Home
Ph.(_____) _____

City _____ State _____ Zip _____ Home Email _____

This authorization shall remain in effect until revoked by me in writing.

Signature _____

_____ Please return to your Delegate or Organizer or mail to:
SEIU 1199NW, 15 S Grady Way, Ste 200, Renton, WA 98055

*This authorization is voluntarily made. I understand that contributions to SEIU COPE are not a condition of membership in the union or of employment with any employer, that I have a right to refuse to sign this authorization and to contribute to SEIU COPE without reprisal and that SEIU COPE will use the money it receives to make political expenditures including contributions in connection with federal, state and local elections and for other political purposes. I also understand that the amount of \$_____ per paycheck is merely a suggested guideline, and I am free to contribute more or less than this amount by some other means and that the union cannot favor or disadvantage me because of the amount of my contribution or my decision not to contribute. Contributions to SEIU COPE are not deductible as charitable contributions for federal income tax purposes.