



NEW TENTATIVE AGREEMENT

HIGHER WAGES, BETTER BENEFITS, SECURE RETIREMENT

After 10 weeks of bargaining, our Union Coalition bargaining team emerged at 6 am Saturday, June 6, with a tentative agreement for our best-ever national contract. The nearly 150 union, management and physician representatives approved the tentative three-year package. The agreement now goes to a Union Delegate Conference for endorsement on June 16, then to our 28 Coalition local unions for ratification and to Kaiser Permanente senior leadership for its approval.

The tentative agreement includes across-the-board wage increases totaling 10% over three years for California and totaling 7% for regions outside California. We preserved our pension benefits, while dental coverage, tuition reimbursement and life insurance coverage were improved. Active medical is preserved with one change to emergency room co-pays. We also protected retiree

medical coverage for current and future retirees.

Building on our 2012 National Agreement, the tentative agreement provides additional funds for workforce training and development, strengthens workplace health and safety, ensures more consistent application of partnership principles, and strengthens joint problem-solving.

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“We’re on year 18 of a remarkably successful strategy. Our contract is better than ever. Kaiser Permanente’s service and quality scores are higher than ever, and the organization is healthy and growing along with our unions. Partnership pays off for consumers, workers and mission-driven organizations like Kaiser Permanente.”

— Hal Ruddick, executive director,
Coalition of Kaiser Permanente
Unions

This message is being shared across the Coalition of Kaiser Permanente Unions, which represents 105,000 union members in 28 local unions in every KP region.



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WAGES AND BENEFITS

For California, the tentative agreement includes across-the-board wage increases of 3% on 10/1/15, 3% on 10/1/16 and 4% on 10/1/17. For the regions outside California, the across-the-board wage increases are 2% on 10/1/15, 2% on 10/1/16, 2% on 10/1/17 and 1% on 9/1/18.

In every region, dental coverage is increased to \$1,500 per year; the lifetime maximum for orthodontia is increased to \$1,500 per child; life insurance is increased to \$50,000; and tuition reimbursement is increased to \$3,000 a year. For the first time ever, tuition reimbursement, life insurance, and dental/orthodontia coverage are the same across all regions.

Active medical coverage remains fully paid by the employer. Emergency room co-pays are increased to \$50 in California and the Northwest regions, and \$100 in all other regions outside California. All other co-pays including doctor's office visits, pharmacy and, inpatient care remain the same.

“Our partnership drives Kaiser’s success, and Kaiser recognizes that. We entered bargaining with the best contract in the industry, and we are leaving with an even better contract that protects our pension, improves on health care and job security, and has raises too. We are helping Kaiser innovate for the future of a rapidly changing industry and are making sure that good, union jobs are a guaranteed part of that future.”

— **Dave Regan**, president, SEIU-UHW

“It was the power of 105,000 of us that helped us protect and improve our wages and benefits—the same power that fuels the quality and service we provide for KP members.”

— **Ken Deitz**, president, UNAC/UHCP

The agreement also includes a long-term solution to protect retiree medical benefits for current and future retirees, with no net increase to retirees’ out-of-pocket expenses. In California, there will be no change to retiree medical until 2028 at the earliest; after that date, the plan

design will change but there will be no net increase to retirees’ out-of-pocket expenses. Because retirees in regions outside of California will experience immediate savings by switching to the new plan design, these regions will move to the new plan design in 2017.

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PREPARING FOR THE WORK OF THE FUTURE

The tentative agreement commits more resources to support frontline workers in obtaining the mix of skills, training and experience they will need in the coming years as health care delivery and technology undergo major change. It calls for:

- An increase of 33% in funding to our educational trust funds for workforce development (the Ben Hudnall Memorial Trust and the SEIU UHW-West and Joint Employer Education Fund). This will allow the funds to provide career development services for more workers.
- An additional \$1 million per year to each of the two educational trusts, dedicated specifically to support employees going through redeployment.

- The development and implementation of a consistent and transparent redeployment process in every region that will place the right people in the right place at the right time.
- Addressing experience requirements that create barriers to job mobility by having regional workforce planning and development teams set goals for preceptorships and mentorship and work to identify training positions.

IMPROVING PARTNERSHIP ACCOUNTABILITY AND CONSISTENCY

- The tentative agreement includes provisions for improving learning, accountability, problem-solving, consistency, flexibility and support for partnership, such as:

- Creating a tool to measure partnership performance at the facility and regional levels to ensure consistency and accountability.
- Updating methods for assessing unit-based team performance and for spreading and adopting successful practices.
- Forming regional subgroups to work on issues related to flexibility and subcontracting, including use of registry and non-union temporary personnel. The subgroups will review ideas that address patient and KP member needs and help spread successful practices.
- Improving the dispute-resolution processes.

TOTAL HEALTH AND WORKPLACE SAFETY

The tentative contract expands our groundbreaking total health program. To help union members live healthy and productive lives and enjoy their well-earned benefits in retirement, the agreement's provisions include:

- Improving the Total Health Incentive Plan by adding screenings for cervical, colorectal and breast cancer and replacing the cholesterol screening with an alternate blood sugar measure, called A1C, that identifies diabetes risk.
- Including labor as a partner in KP's regional and local Community Benefit groups, to work jointly on community health programs.

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- Conducting an organization-wide analysis of workplace violence and developing programs to improve violence prevention.
- Bolstering workplace safety with a variety of measures, including:
 - » an organization-wide safety hazard reporting system, and a national library of effective safety practices
 - » a set of jointly identified activities that support wellness and worker safety
 - » a proactive ergonomics program, including safe patient handling, material handling and office ergonomics

The tentative agreement, which covers more than 105,000 represented employees in seven regions, was reached after four rounds of interest-based bargaining—the collaborative approach at the heart of our [Labor Management Partnership](#). Using the process, the 149 members of the bargaining team, plus union observers and alternates representing frontline workers, came together from all levels of the organization to systematically identify shared goals.

The agreement is the largest private-sector contract in the United States this year. Once union members and Kaiser Permanente ratify it, it will take effect Oct. 1, 2015, and be in effect through Sept. 30, 2018.

For more information, see www.bargaining2015.org.

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UNIONS

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