

TENTATIVE AGREEMENT SUMMARY

Agreed to August 6, 2015 between UNAC/UHCP and KFHKHP

RECOGNITION and COVERAGE – for full text see pages 3-4 of Tentative Agreement

Job classifications included in the bargaining unit and those excluded are identified.

COURTESY – for full text see page 5 of Tentative Agreement

Management and Pharmacists are “to perform in an efficient, courteous and dignified manner.”

RIGHTS OF MANAGEMENT – for full text see page 6 of Tentative Agreement

Management has rights exclusive of the Agreement’s provisions.

STRIKES AND LOCKOUTS – for full text see page 7 of Tentative Agreement

Pharmacists may not strike and management may not lock out Pharmacists during term of Agreement.

UNION MEMBERSHIP – for full text see pages 8-9 of Tentative Agreement

Membership is a condition of employment.

NON-DISCRIMINATION – for full text see page 10 of Tentative Agreement

Protections against discrimination are defined.

HARASSMENT – for full text see page 11 of Tentative Agreement

Management commits to providing a work environment free from discrimination and unlawful harassment.

UNION REPRESENTATION – for full text see pages 12-15 of Tentative Agreement

Union can appoint a reasonable number of Union stewards.

Union representatives (Affiliate officers and/or stewards) are paid for time spent during scheduled work hours when participating in grievance, disciplinary, issue resolution or corrective action meetings.

Pharmacists have a right to Union leaves of absence.

Union affiliate officers or designee shall have access to new employee orientation meetings.

CORRECTIVE ACTION and DISCIPLINE – for full text see pages 16-17 of Tentative Agreement

Pharmacists are not “at will” employees and may only be disciplined, suspended, or terminated for just cause.

Pharmacists have the right to a Union representative at any meeting with management where the Pharmacist believes the meeting might result in discipline, including investigatory meetings.

The Union and management will use the progressive five-level Corrective Action and the Issue Resolution processes developed by the Southern California Labor Management Partnership.

GRIEVANCE and ARBITRATION – for full text see pages 18-21 of Tentative Agreement

The grievance procedure provides for a two-step grievance process with arbitration. Unresolved Step 2 grievances may go to arbitration, using a neutral third party arbitrator whose decision is binding on both the Union and management. Grievance mediation is also available by mutual agreement.

PROBATION and EVALUATION – for full text see pages 22-24 of Tentative Agreement

Full-Time and Part-Time Pharmacists have a six month probationary period from date of hire. Per Diem Pharmacists have a probationary period of 520 worked hours or six (6) continuous months from date of hire, whichever is greater, but not to exceed twelve (12) months. Performance evaluations may be conducted, but may not be used to deny transfers.

EMPLOYEE STATUS – for full text see pages 25-26 of Tentative Agreement

Full-Time, Part-Time, Per Diem and temporary Pharmacist statuses are defined. Zero to 39 hour Part-Time status is eliminated; all Part-Time Pharmacists will convert to minimum 0.5 FTE status (40 hours per pay period). Part-Time Pharmacists will also have opportunity to convert to their actual FTE status based on an individual Pharmacist's work history. Per Diem Pharmacists may be converted to benefited status based on the 2015-2018 National Agreement. See the Part-Time and Per Diem Conversion Unpublished Letter of Understanding on pages 136-137 of Tentative Agreement.

SENIORITY – for full text see pages 27-33 of Tentative Agreement

Full-Time and Part-Time Pharmacist seniority defined as continuous service beginning from most recent date of hire.

Per Diem Pharmacist seniority is defined as 2,000 worked hours equals one year, commencing on effective date of Agreement.

Seniority used for reductions in force, layoff and recall, job bidding, transfers and promotions, and vacation and holiday scheduling, as provided for in each relevant section of the Agreement.

Seniority tie breaker is defined as a Pharmacist's employment application date.

Loss of Pharmacist seniority is defined. No loss of seniority if outside of bargaining unit for one year or less. For Pharmacists transferring to a residency/fellowship program position, no loss of seniority if return to bargaining unit position within three (3) months of ending residency and/or fellowship program.

Reduction in Force terms are specified. No layoff under LMP Employment and Income Security Agreement (EISA); EISA provides minimum one year pay and benefits for a displaced Pharmacist in transition pool.

PATIENT CARE ADVOCACY and PROFESSIONAL PRACTICE – for full text see pages 34-37 of Tentative Agreement

"The Parties recognize that that bargaining unit Pharmacists are obligated by licensure, and are accountable for providing safe, high quality patient care through the use of independent clinical judgment within their licensed scope of practice. Bargaining unit Pharmacists are dedicated to the principles of advancing the well-being and dignity of their patients, acting with integrity and conscience, and collaborating respectfully with healthcare colleagues. Bargaining unit Pharmacists are committed to working cooperatively with, and with respect for, other healthcare providers, co-workers, patients and customers and to improve the quality of health received by the communities in which they work and live."

Four (4) regional workgroups (Outpatient, Inpatient, Ambulatory Care, and MOPC/CRP) shall be established no later than 1st quarter 2016 to address pharmacy staffing/workload issues. The Outpatient, Inpatient, and Ambulatory Care workgroups will be composed of 6 Pharmacists, selected by the Union, and 3 pharmacy managers. The MOPC/CRP workgroup will be composed of 3 Pharmacists, selected by the Union and 2 Managers. The regional workgroups will be facilitated and utilize LMP principles, including interest-based problem solving and consensus decision making in conducting the work.

An on-going Regional Professional Practice Committee (RPPC) with representation from Outpatient, Inpatient, Ambulatory Care and MOPC/CRP (4 Outpatient Pharmacists, 4 Inpatient Pharmacists, 4 Ambulatory Care Pharmacists, 2 CRP Pharmacists and 1 MOPC Pharmacist) shall be established for the purpose of providing a forum to advance the pharmacy practice of Pharmacists using a joint decision making process. RPPC subjects to be addressed may include, but are not limited to, quality of patient care; patient safety; staffing levels/workload; service; access; and affordability.

Under Bargaining Unit Work, it is not the Employer's policy or intent to establish jobs or job titles for the purpose of excluding non-supervisory Pharmacists from the bargaining unit.

JOB POSTINGS and FILLING OF VACANCIES – for full text see pages 38-48 of Tentative Agreement

Open positions are posted minimum of 7 calendar days; management to provide Union all postings electronically. All specific job requirements are to be included on posting.

When filling a vacancy on a non-promotional transfer basis, Full-Time and Part-Time Pharmacists who apply within the 7 day posting period and who meet the minimum job requirements will be awarded open position based on

seniority in the following order: applicants within the Area Pharmacy Operations where the position is posted; all other Full-Time and Part-Time bargaining unit Pharmacists who apply; and lastly applicants from outside the bargaining unit.

Effective March 1, 2016, Per Diem Pharmacists who apply within the 7 day posting period and who meet the minimum job requirements will be awarded open positions based on seniority over all outside candidates.

When filling a vacancy on a promotional basis, bargaining unit Pharmacists who apply and meet minimum qualifications will be interviewed; where all qualified Pharmacists have demonstrated abilities, position awarded based on seniority.

If a new job or specialty is to be developed, the Employer shall offer the opportunity to all Pharmacists within the Area Pharmacy Operation in the following order: within the affected classification; all Pharmacists within the affected Area Pharmacy Operation. Selection shall be based on seniority. If the job development results in a new permanent position, the new position will be posted and filled per this Agreement.

A twenty-one (21) day trial period for new positions is established whereby Pharmacists may voluntarily return to former position. If Pharmacist returns to former position, the next qualified bidder among all applicants of original posting will be awarded position.

HEALTH CARE PROFESSIONAL VACANCIES – for full text see page 49 of Tentative Agreement

Management will notify the Union of vacant unfilled positions and discuss reasons.

NEW OR REVISED JOBS – for full text see pages 50-51 of Tentative Agreement

If creating a new job description or substantially modifying an existing description, then management will meet with the Union to discuss and reach agreement.

HOURS OF WORK and OVERTIME – for full text see pages 52-59 of Tentative Agreement

Workday, workweek, how overtime is paid, and work schedules are defined.

All bargaining unit Pharmacists are to be paid at appropriate daily overtime rates, including Per Diems. Overtime hours shall be offered by seniority. There is no mandatory overtime.

Employer is to post a four (4) week schedule no later than two (2) weeks in advance of schedule start date. Employer may change posted schedule up to 2:30 p.m. on Wednesday of prior week based on reasonable cause. The work schedule shall not be changed after 2:30 p.m. on Wednesday of preceding week without reasonable cause and without discussion and notice to the affected Pharmacist. The Employer is to give consideration to the scheduling requests of the Pharmacists prior to revising the schedule.

Each manager shall develop an alternative electronic method to distribute schedules and changes to all Pharmacists.

Minimum of 10 hours shall elapse between 2 consecutive work shifts. In scheduling 2 or more Part-Time Pharmacists, there shall be no less than 2 hours between any 2 or more 4-hour schedules except when a Full-Time Pharmacist is not available for an 8-hour schedule.

Seniority shall be used in developing schedules for Full-Time and Part-Time Pharmacists. Pharmacists will be scheduled in the following order: Full-Time, Part-Time, Part-Time wanting additional hours up to 40 in a work week and lastly Per Diems. The Employer will utilize Per Diems who have made themselves available for shifts that match the gaps in schedules, prior to scheduling Part-Time Pharmacists by inverse seniority. The Employer will make a good faith effort to minimize hours assigned through the inverse seniority process.

Starting January 1, 2016, Pharmacists will be scheduled a minimum of one weekend off per month which shall include a consecutive Saturday and Sunday. In June 2016, the Employer shall meet with the Union to discuss the viability of allowing for an additional weekend off per month.

Pharmacists will not be required to involuntarily work more than seven (7) consecutive days in any combination of workweeks.

The Employer shall make every reasonable effort to schedule Part-Time Pharmacists with two (2) consecutive days off.

Part-Time Pharmacists shall notify manager at least two (2) weeks before the posting of the schedule with availability to work additional hours above their status.

The Employer will strive to schedule eight (8) hour shifts. Shifts less than eight (8) hours may be assigned and evenly distributed where feasible.

One (1) supervisor shall be permitted to perform bargaining unit work at each licensed pharmacy provided that a bargaining unit Full-Time Pharmacist is also scheduled to work in that pharmacy on the same day. In addition, a supervisor may work alone for two (2) hours per day if a bargaining unit Pharmacist is scheduled eight (8) hours during that day and for emergencies. The supervisor may work alone during meal and rest periods.

Effective January 1, 2016, Ambulatory Care supervisors may only perform bargaining unit work to the extent necessary to maintain their competency, skills and professional licensure and/or certification.

With the exception of Pharmacists working the Midnight schedule, all Full-Time Pharmacists within a classification and licensed pharmacy or specific non-licensed work location shall rotate days off and starting times approximately equally on a periodic basis. Separate rotations shall be established at each work location jointly by the manager, affected Full-Time Pharmacists and the Union for purposes of efficiency of operations, quality of health care and continuity of care. In June 2016, the Employer will meet with the Union to discuss the feasibility of developing schedules including Part-Time rotations.

Meals and breaks language provided.

EARNED TIME OFF PROGRAM – for full text see pages 60-70 of Tentative Agreement

Holidays are defined. Designates how Pharmacists are paid for working on a designated holiday (2.5 times hourly base rate). Designates how Pharmacists are paid for holidays not worked. Provides guidelines for scheduling holidays worked.

ETO accrual is defined. Provides guidelines for scheduling ETO; allows Part-Time Pharmacists to bid on number of vacation slots equal to years of service vacation weeks in the first round of bidding; two rounds of vacation bidding to occur, with Pharmacists able to bid entire annual accrual; eliminates spring break as special event week; and provides new option for first round bidding.

ESL accrual and guidelines for accessing ESL are defined.

Existing Health Reimbursement Account (HRA) is maintained until December 31, 2016; Pharmacists retiring on or before December 31, 2016 may cash out entire ESL bank (both PRE and POST) into HRA; effective January 1, 2017, ESL hours will be divided between PRE and POST banks, with ESL hours accrued after January 1, 2014 placed in POST bank. Provides methodology for dividing ESL hours into PRE and POST banks.

LEAVES OF ABSENCE – for full text see pages 71-81 of Tentative Agreement

Personal, FMLA/CFRA, Medical, Occupational and Military Leaves of Absence are defined. Provides guidelines for benefits continuation while on such leaves of absence. Provides for unpaid personal time off; bereavement leave of 3 or 5 days, depending on travel distance; and jury duty with no limit on length of jury duty obligation.

COMPENSATION – for full text see pages 82-85 of Tentative Agreement

Across-the-board wage increases:

October 1, 2015	0% ATB
October 1, 2016	1% ATB
October 1, 2017	2% ATB

Increased differentials:

Lead pay increases from \$1.00 per hour to \$1.50 per hour.

Pharmacist-in-charge (PIC) pay increases from \$1.00 per hour to \$3.00 per hour.

Per Diem pay increases from \$1.00 per hour to \$2.00 per hour.

Shift differentials amounts unchanged; evening shift differential paid on all hours worked for shifts beginning between 2pm and 6pm; shifts beginning after 10am and before 2 pm receive evening shift differential from 6pm until midnight.

Pharmacists assigned to work as a Lead receives Lead differential.

Pharmacists working temporarily as management receive 5% differential.

Report pay, call-in pay, remote reporting pay, qualified bilingual differential pay, and witness pay are defined.

Standby guidelines are established with a standby pay rate of \$10.00 per hour.

HEALTH and WELFARE BENEFITS – for full text see pages 86-92 of Tentative Agreement

Current flex program to be continued. New protection under the National Agreement that does not allow for changes in the benefit levels, the flex credits provided, or the price tags used. Also provides the continuation of all benefits provided outside of the flex program.

RETIREMENT BENEFITS – for full text see pages 93-103 of Tentative Agreement

Defined benefit pension plan is reinstated (unfrozen) effective July 1, 2015 for any bargaining unit Pharmacist hired on or before December 31, 2014. No pension credited service for the period January 1, 2014 to June 30, 2015. Pension early reduction factors improved to 5% per year for every year less than age 65. Also provides for service hours when participant is on workers compensation leave of absence.

Bargaining unit Pharmacists hired on or after January 1, 2014 maintain 6% employer contribution plan (PDC). Pharmacists returning to defined benefit plan lose employer contribution, but may continue to participate and make own contributions to PDC.

The 1.25% employer TSA match is maintained.

All bargaining unit Pharmacists are eligible to receive an additional 1% employer TSA contribution each March, based on Southern California regional financial performance for the preceding year.

New retiree life insurance benefit is acquired.

Existing retiree medical benefit is maintained for any Pharmacist who retires on or before December 31, 2016 and is early retirement eligible at date of termination (age 55 or over, and minimum 15 years of service). Existing retiree medical benefit for any grandfathered Pharmacist is maintained, regardless of retirement date. New retiree medical plan effective January 1, 2017, with no change to existing plan structure until at least 2028. In 2028, new individual Senior Advantage/premium subsidy/HRA plan will take effect. Initial premium subsidy is \$146 in 2028, and increase 3% each year. HRA funded at \$2,000 per year of service, with a reload at age 85 of \$10,000.

MEDICAL MALPRACTICE INSURANCE – for full text see page 104 of Tentative Agreement

Employer is responsible for carrying medical malpractice insurance for all Pharmacists.

EDUCATION BENEFITS – for full text see pages 105-108 of Tentative Agreement

Mandatory training is recognized as part of work day.

Mandatory certifications and/or recertification is provided by Employer, or paid by the Employer if provided offsite.

Pharmacists may now use the tuition reimbursement program (currently \$2,000 per year) for “courses, workshops, seminars, professional conferences, educational meetings, and special events taken/attended for continuing education and/or to attain or maintain licensure or certification.” Tuition reimbursement to increase to \$3,000 per year effective January 1, 2016, with \$500 allowed for travel-related expenses.

Paid education leave of five (5) days per year for Full-Time Pharmacists, with one year carryover allowed (maximum of ten days accrual possible). Part-Time receive pro-rated number of education days with Pharmacists regularly scheduled to work 32 or more hours earning five (5) days per year and those regularly scheduled to work less than 32 hours earning three (3) days per year.

SAFETY and HEALTH – for full text see page 109 of Tentative Agreement

Management shall make reasonable provisions for the safety and health of Pharmacists. Review and corrective action of unsafe conditions shall be made.

SUBCONTRACTING – for full text see page 110 of Tentative Agreement

The National Agreement contains language that provides for no subcontracting of Pharmacists work except in the case of extraordinary circumstances.

CONFIDENTIALITY of RECORDS – for full text see page 111 of Tentative Agreement

Disclosure of patient health information is prohibited per the Employer’s current policy.

SAVINGS CLAUSE – for full text see page 112 of Tentative Agreement

If any provision in the Agreement to be found in conflict with Federal or State law, the remaining Agreement provisions remain in full force and effect.

DURATION – for full text see page 113 of Tentative Agreement

Expires at 11:59pm three years from date of Agreement.

WAGE SCHEDULE – for full text see page 114 of Tentative Agreement

Job classification wage rates through end of Agreement are provided.

ALTERNATIVE COMPENSATION PROGRAM (ACP) – for full text see page 115-117 of Tentative Agreement

Outlines Alternate Compensation Program.

PER DIEM COMMITMENT – for full text see page 118-120 of Tentative Agreement

Minimum Per Diem work commitment is defined, including weekend, evening and holidays worked requirements.

JOB CLASSIFICATIONS – for full text see page 121-122 of Tentative Agreement

Outpatient, Inpatient and Ambulatory job classifications are listed.

AREA of PHARMACY OPERATIONS – for full text see page 123-124 of Tentative Agreement

Areas Pharmacy Operations are listed; used for job bidding/awarding and reduction in force.

ALTERNATIVE WORK SCHEDULES – for full text see page 125-130 of Tentative Agreement

Alternative Work Schedule agreement for 10 and 12 hours shifts is provided.

HARD TO RECRUIT – for full text see page 131 of Tentative Agreement

Union and Employer to meet if recruiting difficulties arise in the future.

NEW FACILITY OPENING – for full text see page 132 of Tentative Agreement

Union and Employer to meet to determine staffing prior to new facility opening or expansion of hours.

NATIONAL AGREEMENT – REIMBURSEMENT OF PART/ FUNDING LMP TRUST – for full text see page 133-134 of Tentative Agreement

New benefit is established where in first two years of retirement, the Employer will reimburse retired Pharmacists the cost of any Medicare part D surcharge. Funding of LMP Trust – defers \$.09 per hour from the October 1, 2016 wage rates to the Joint Partnership Trust. All employees participating in the LMP defer \$.09 per hour, which is matched by the company, to fund LMP activities.

PER DIEM and PART-TIME UTILIZATION REVIEW Unpublished Letter of Understanding – for full text see page 135 of Tentative Agreement

Union and management agree to review an Area of Pharmacy Operation's Per Diem Pharmacist utilization. Agreement to review issues where an Area of Pharmacy Operation may appear to be over-utilizing mandatory scheduling of Part-Time Pharmacists by inverse seniority in an attempt to understand the root cause, and if needed, jointly identify possible solutions.

PART-TIME AND PER DIEM CONVERSION Unpublished Letter of Understanding – for full text see page 136-137 of Tentative Agreement

The Parties agree to convert all Part-Time Pharmacists to a minimum 0.5 FTE status (40 hours per pay period). The Parties will jointly review and convert Part-Time Pharmacists to their actual FTE status based on their individual work history, including possible conversion to Full-Time status. Conversion to actual FTE status will be voluntary; any Part-Time Pharmacist may choose to remain at the minimum 0.5 FTE status. Part-Time status conversion will occur during the first full pay period of 2016. The Parties also agree to convert Per Diem Pharmacists to a benefited status per the 2015-2018 National Agreement provision. The Per Diem conversion shall be implemented in the first full pay period of 2016.