

AGREEMENT

THIS AGREEMENT made and entered into by and between ST. FRANCIS MEDICAL CENTER, hereinafter referred to as the "Employer," and the HAWAII NURSES' ASSOCIATION, hereinafter referred to as the "Association";

WITNESSETH:

Section 1. RECOGNITION

The Employer recognizes the Association as the exclusive representative for all employees covered by this Agreement for the purpose of collective bargaining with respect to wages, hours of work and other conditions of employment.

Section 2. COVERAGE

This Agreement shall cover all nurses who can legally practice as registered nurses in the State of Hawaii and who are working as registered nurses, hereinafter referred to as employees, employed by the Employer at its Hawaii facilities. Excluded from coverage by this Agreement shall be employees holding executive, administrative or supervisory positions, employees who do not meet the criteria of Section 3, Employment Status Defined, employees who occupy positions that are one hundred percent (100%) funded by outside sources, and temporary employees who work less than ninety (90) days.

Section 3. EMPLOYMENT STATUS DEFINED

3.1 Employment Status Defined. The term "employee" or "employees" as used in this Agreement shall include employees of the Employer as provided by Section 2 and consistent with the definitions below.

3.2 Regular Full-Time Employees. A regular full-time employee is one who works a predetermined work schedule amounting to forty (40) hours per week.

3.3 Regular Full-Time (36-Hour Per Week) Employees. A regular full-time (36-Hour Per Week) employee is one who works a predetermined work schedule amounting to thirty-six (36) hours per week. This would only include an employee who works twelve (12)-hour shifts on Friday, Saturday and Sunday or Saturday, Sunday and Monday. This employee shall receive such benefits as a regular full-time employee.

3.4 Regular Part-Time Employees (Predetermined). A regular part-time employee (predetermined) is one who works a predetermined work schedule amounting to twenty (20) hours or more per week but less than forty (40) hours per week.

3.5 Regular Part-Time Employees (Quarterly). A regular part-time employee (quarterly) is one who does not work a predetermined work schedule but who is paid for at least two hundred sixty (260) hours in a payroll quarter.

3.6 Part-Time Employees. A part-time employee is one who works a predetermined work schedule amounting to sixteen (16) hours or more per week but less than twenty (20) hours per week and is paid for less than two hundred sixty (260) hours in a calendar quarter.

3.7 Temporary Employees. A temporary employee is one who is employed for a limited time, not to exceed a period of ninety (90) calendar days or who is employed to replace an employee who is on a leave of absence in which case the period of temporary employment shall be for the duration of the leave. The Employer shall notify the Association, under the provisions of Section 4.3 Employee Notices, of any temporary employee who is hired for a period expected to exceed ninety (90) calendar days. Temporary status beyond the above-stated parameters shall only be extended by mutual written agreement with the Association.

(Refer to Addendum IV for benefit entitlement on regular part-time and part-time employees.)

Section 4. ASSOCIATION SECURITY

4.1 Definition of Member in Good Standing A member of the Association in good standing shall mean one who becomes and remains a dues paying member of the Association, or who pays a service fee for representational activities of the Association related to the negotiation and administration of the collective bargaining agreement.

4.2 Membership

(a) All nurses presently employed by the Employer and covered by this Agreement must become and remain members of the Association in good standing within thirty-one (31) days from the execution of this Agreement. It shall also be a condition of employment that all those employed on or after the effective date of this Agreement, shall on the thirty-first (31st) day following the beginning of such employment become and remain members in good standing in the Association. Any employee who fails to become a member of the Association in accordance with the foregoing shall, upon notice of such fact in writing from the Association to the Employer, and after an opportunity for counseling, be replaced.

(b) Employees with bona fide religious convictions are exempted from the provisions of 4.2(a) above. Such employees must submit a letter from their church or sect leader that a historical, bona fide religious conviction exists and that such conviction is an appropriate exemption as defined in Section 19 of the NLRB, as amended. Such employees shall pay a monthly amount equal to the membership dues uniformly required as a condition of retaining membership in the Association or pay a service fee either directly or by means of Exhibit "C," "Contribution to Charitable Fund," to one of the following charities: (1) Hawaii Heart Association, (2) American Cancer Society, (3) Muscular Dystrophy Association, (4) St. Francis Hospice, or (5) Margaret Jones Memorial Nursing Fund.

4.3 Employee Notices

(a) At the time of employment, specific attention shall be called to the obligations of Section 4.2(a). The Employer will provide the Association and the Unit Chairperson on or before the fifteenth (15th) of each and every month a list with the names of newly hired employees, employees whose classifications have changed, employees whose names have changed, employees going on leave of absence including date, employees returning from leave of absence including date, and terminated employees. On newly hired employees, the list shall also include

their date of hire, date of coverage under the Agreement, address, social security number, work unit, status and classification. The list shall also include employees who achieve regular part-time (quarterly) status and the date such coverage becomes effective. In subsequent reports, the list shall indicate which of the regular part-time (quarterly) employees lose their status and the effective date.

(b) Employees who are transferred out of the bargaining unit will be reported as transferred and the report will indicate whether such transfer is temporary or permanent.

4.4 Bargaining Unit and Staffing Information. Upon request by the Association, the Employer shall furnish to the Association not more than twice a year (but not more often than once (1) every six (6) months) the number of budgeted positions, on a given day as specified by the Association, and based on those budgeted positions, the number of FTE (Full Time Equivalent) vacant or frozen positions on each nursing unit.

4.5 New Positions. In the event the Employer creates any new non-supervisory, non-bargaining positions which require a registered nurse, the Employer shall notify the Association in writing. Said written notice shall provide a copy of the position job description and shall be provided to the Association at least thirty (30) days before the position is posted or otherwise filled. The Association may request a meeting to discuss such new positions.

Section 5. MONTHLY DUES DEDUCTION

5.1 Deduction of Dues

(a) The Employer will deduct Association membership dues from the wages of each covered employee who has made application for membership and who submits the standard signed authorization, Exhibit "B," "B-1," or "C" to the Employer. Deductions will be made in equal amounts on the first (1st) and second (2nd) pay period of the month. The Employer will remit such amounts by check drawn to the order of the Association along with a listing which includes name, social security number and amount of deduction for each employee for whom a deduction is made no later than two (2) weeks from the date of the second deduction made in the month. It is agreed that deductions required by law shall have priority over deduction of Association dues.

(b) An employee who, during the term of this Agreement, executes an authorization form for deduction of Association dues out of the employee's wages, shall continue to pay regular monthly dues to the Association in conformance with Exhibits "B," or "B-1" and "C."

5.2 Indemnity. The Association shall indemnify the Employer and hold it harmless against any and all suits, claims, demands and liabilities that shall arise out of or by reason of any actions that shall be taken by the Employer for the purpose of complying with the foregoing provision of this Section.

Section 6. NON-DISCRIMINATION

There shall be no discrimination by the Employer or the Association against any employee on account of membership or non-membership in the Association, or activity on behalf of the Association provided that such activity does not disrupt the employee's regular duties and responsibilities. The Employer and the Association agree that there shall be no discrimination against any employee on account of age, sex, sexual orientation, race, creed, color, national origin, pregnancy, physical handicaps (in accordance with Section 504 of the Rehabilitation Act of 1973 and The American with Disabilities Act

of 1922), Vietnam Veteran status as defined in the Vietnam Era Veterans Readjustment Act of 1974 or political beliefs. The Employer agrees not to practice favoritism or partiality in the administration or application of the terms of this Agreement.

Section 7. ACCESS TO EMPLOYER'S PROPERTY

7.1 The Employer shall allow duly authorized representatives of the Association to visit the Employer's facilities, except patient-care areas unless accompanied by a representative of the Employer, at reasonable times to ascertain whether or not this Agreement is being observed and to assist in adjusting grievances, provided that no interference with the work of any employee shall result therefrom and that the Association representatives shall advise the Employer of such visits and the nature of the visit prior to entering the Employer's premises.

7.2 The Association may request the use of Employer meeting rooms for the purpose of conducting meetings dealing with Association Unit matters. The Employer shall honor such requests provided they are exercised reasonably and subject to the availability of meeting rooms.

7.3 The Employer shall allow duly authorized representatives of the Association to attend all new hire orientation sessions to present Association information. The Employer shall, on a monthly basis, provide the Association a listing of the dates and times of new hire orientation sessions.

Section 8. BULLETIN BOARDS

The Employer shall permit the posting of official Association notices provided such items are signed and posted by a duly authorized official of the Association and a copy shall be provided to a designated representative of the facility at the time of such posting. There shall be a space of 12 inches by 12 inches set aside for Association use in each nursing unit.

Section 9. MANAGEMENT OF FACILITIES

The Association recognizes that the Employer has the duty and the right to manage its facilities. This includes the right to hire, transfer, promote, demote, layoff, establish reasonable rules of conduct for employees, and to discipline and discharge employees for just cause. The exercise of these duties and rights shall be subject to the terms of this Agreement. The Association also recognizes that there are rights and responsibilities belonging solely to the Employer such as, but not limited to, the authority to determine the nature of the services to be provided and the manner in which such services shall be implemented by the registered professional nurses. In the event any policy or rule conflicts with a provision of this Agreement, the Agreement shall prevail.

Section 10. HOURS OF WORK

10.1 Definition This Section is intended to define the normal hours of work and shall not be construed as a guarantee of hours of work per day or per week or of days of work per week. This Section shall not be considered as any basis for the calculation of overtime.

10.2 Regular Hours of Work

(a) The workweek shall begin at 12:01 a.m. on Sunday and end at 12:00 midnight the following Saturday. The workday shall begin at 12:01 a.m. and end at 12:00 midnight. Any work shift that commences at 12:00 midnight or earlier shall be deemed to fall within that workday.

(b) The regular workday shall not exceed eight (8) hours, except in those units where flexible work schedules are being tried through mutual agreement between the Employer and the Association.

(c) Conditions for the ten (10)-hour, four (4)-day workweek are covered in Exhibit "D." Conditions for the twelve (12) and eight (8)-hour, four (4)-day workweek and the twelve (12)-hour and four (4)-hour, four (4)-day workweek are covered in Exhibit "E". Other mutually agreed work schedules shall be specified in a letter of agreement between the parties.

(d) The regular workweek shall not exceed forty (40) hours.

10.3 Work Shift

(a) The day shift will begin at or after 4:30 a.m. but before 12 noon. The evening shift will begin at or after 12:00 noon but before 10:30 p.m. The night shift will begin at or after 10:30 p.m. but before 4:30 a.m.

(b) The Employer shall grant employee requests for permanent weekdays off and permanent shifts when an opening is available. Openings on permanent shifts shall be filled subject to patient care requirements and in accordance with the provisions of Section 23.4 (b) Promotions and Transfers.

10.4 Posting of Work Schedules

(a) Work schedules on a unit basis will be posted two (2) weeks in advance; such schedules shall not preclude emergency changes in hours of work. If the schedule is not posted according to the requirements of this Section, each employee scheduled to work on the first day of the new schedule shall be paid one and one-half (1-1/2) times their regular straight time rate for all hours worked on the first day of the new schedule.

(b) For nursing units which are closed on weekends or partial weekends, the first day of the new schedule for the purpose of any overtime payments for failure to post in accordance with this Section, shall be Monday.

10.5 Work Schedules

(a) Units which desire different work schedules may establish alternate work schedules by consultation and joint determination between the Employer, the Association and the units affected.

(b) Weekends

(1) Definition of Weekend. A weekend is defined as Saturday and Sunday except that for night shift employees it may be a Friday and Saturday or Saturday and Sunday.

(2) Guarantee of Weekends Off

[a] Each employee shall be granted every third weekend off. If an employee is required to work on a third consecutive weekend, the employee shall be paid at one and one-half (1-1/2) times the regular straight time rate of pay for all hours worked on that weekend and each succeeding weekend until granted a weekend off. For the purposes of the cycle, any absence from work during a weekend (vacation, sick leave, leave of absence, etc.) shall not affect the cycle and the weekend shall be counted as if the employee had been at work. Employees who successfully bid for any other position, however, shall have their cycle interrupted without any overtime payment by the Employer, and the employee shall assume the weekend cycle of the new position.

[b] The Employer will grant every other weekend off for every regular full-time and regular part-time employee with more than six (6) months of continuous service subject to the following conditions:

[1] Work units which presently are on flexible schedules or are in the process of converting to flexible scheduling shall so remain for the duration of this agreement unless there is mutual agreement to do otherwise.

[2] If an employee works a weekend (day or days) in excess of the requirements of this section, the Employer shall pay the employee at one and one-half (1-1/2) times their straight time rate for all time worked on such weekend (day or days). There shall be no pyramiding of overtime for working additional weekends with other overtime and or premium or penalty provisions. Payment at one and one-half (1-1/2) times for a weekend worked shall count as a weekend off.

[3] If an employee is required to work more than three (3) consecutive weekends, the employee shall be paid at one and one-half (1-1/2) times the regular straight time rate for all hours worked on the fourth (4th) successive weekend and each succeeding weekend until granted a weekend off. For the purposes of the cycle, any absence from work during a weekend (vacation, sick leave, leave of absence, etc.) shall not affect the cycle and the weekend may if necessary be counted as if the employee had been at work. Employees who successfully bid for any other position, however, shall have their cycle interrupted without any overtime payment by the Employer, and the employee shall assume the weekend cycle of the new position.

[4] Employees who desire to work more than every other weekend may do so by signing a waiver with the Employer.

[5] If the Employer has to schedule employees for additional weekends, it will do so with volunteers first and then will rotate such work among the remaining employees.

[6] The weekend cycle may be interrupted during the Christmas and New Year's Holidays so that the Employer may fulfill Section 14.15(d) to the extent possible.

[c] In the event the Employer establishes regular shifts which require working every weekend, employees signing up for such a shift shall sign a waiver which will exempt them from the provisions of this subsection. Such employees shall instead be paid a differential of four dollars and fifty cents (\$4.50) per hour for each hour worked on every weekend. Because the intent of this differential is to have employees work every weekend, the Employer shall have the right to remove any employee from such schedule if the employee fails to work more than two (2) weekends (total or partial) in any six (6)-month period (unless such absence is due to approved vacation, educational days, or excused absences due to low need or layoff). The weekend differential shall be paid in accordance with the provisions of Addendum VI, Conditions of the Weekend Differential.

(c) Third Shift Premium. It is not the intent of the Employer to schedule employees to work three (3) different shifts within a workweek (day, evening and night shifts) on a regular basis. In the event this becomes necessary, all hours worked by the employee on the third (3rd) shift of that workweek shall be paid at one and one-half (1-1/2) times the regular straight time rate of pay. This provision is not applicable to employees who may end up working three (3) shifts due to their working some "double shifts" during the workweek.

10.6 Scheduling of Work

(a) In scheduling of work, the Employer will give consideration to the requests of full-time personnel and to employees who are enrolled in courses relating to the nursing profession at an accredited institution of higher learning or a series of classes, conferences or seminars. With regard to such requests, it is understood that the requirements of nursing care are primary.

(b) The Employer will grant permanent shifts to the fullest extent possible subject to recruitment problems.

10.7 Exceptions. The provisions of Section 10 may be changed by mutual written agreement between the supervisor and the employee. The employee may waive overtime or other penalty payments resulting from such changes except they may not waive overtime payments required by law.

10.8 Nothing in this section shall amend the right of the Employer to establish "flexible" shift hours for new units or for shifts not occupied by incumbent employees.

Section 11. MEAL PERIODS AND REST PERIODS

11.1 Meal Period

(a) An uninterrupted meal period without pay of at least one-half (1/2) hour's duration shall be afforded at a time to be designated by the Employer (however, an employee afforded less than twenty (20) minutes for an uninterrupted meal period will be compensated for the full one-half (1/2) hour.) If an employee is required to work more than six (6) hours after the start of the shift without being given an opportunity to eat, the employee shall be paid at the applicable overtime rate for all time worked after said sixth (6th) hour until such time as the employee is afforded the opportunity to eat. Before any employee may be paid any overtime payments due to their inability to have a meal period within the designated six (6) hours, such employee must have contacted supervisory personnel to notify them of the employee's inability to take a meal period at the scheduled time prior to the employee working through the scheduled meal period.

(b) For employees on the night shift, the Employer may establish a shift of eight and one-half (8-1/2) hours in accordance with paragraph (a) above or eight continuous hours with up to one-half (1/2) hour made available for meals in conformity with the requirements of providing complete patient care.

(c) If an employee is required to work an unscheduled second shift (double shift) or a partial shift of four (4) hours or more, the employee shall be provided with a meal by the Employer at no cost to the employee. Such meal shall be comprised of at least a sack lunch (sandwich, fruit and beverage). An unscheduled second shift means that the employee reported to work not knowing they would end up working a second shift.

11.2 Rest Periods

(a) A period of fifteen (15) minutes during the first four (4) hours of work and a period of fifteen (15) minutes during the second four (4) hours of work shall be set aside as a rest period with pay for all employees subject to the requirements of complete patient care.

(b) However, employees on the night shift who may be scheduled for eight (8) continuous hours of work shall have their rest periods in conformity with the requirements of providing complete patient care.

Section 12. COMPENSATION

12.1 Wages. The minimum rates of pay are set forth in the attached Exhibits "A-1," "A-2," and "A-3."

12.2 Shift Differentials

(a) An employee working the "evening" shift shall receive a shift differential of one dollar (\$1.00) per hour for all hours worked within the shift. An evening shift is defined as any shift that begins at or after 12:00 noon but before 10:30 p.m.

(b) An employee working the "night" shift shall receive a shift differential of three dollars (\$3.00) per hour for all hours worked within the shift. A night shift is defined as any shift that begins at or after 10:30 p.m. but before 4:30 a.m.

12.3 Payment of Shift Differential

(a) Permanent Evening and Night Shift Employees. Employees who are on permanent evening or night shifts shall receive the appropriate shift differential as part of their regular straight time hourly rate and shall receive such differential for all hours paid as long as they remain permanent evening or night shift employees.

(b) Other Employees. Employees who are not on permanent evening or night shifts shall receive the appropriate differential as outlined in 12.2 above for all hours worked within the evening and night shifts. If such employees work more than one shift, they shall receive the appropriate shift differential as outlined in 12.2 as long as they work at least one (1) hour into the next shift. For example, an employee working an evening shift and then continuing into the night shift shall receive the evening shift differential for all hours worked on the evening shift and shall receive the night shift differential for all hours worked on the night shift as long as the employee works at least one (1) hour on the night shift. Employees who are called in to work prior to their

scheduled shift shall receive the appropriate shift differential if their start time falls within the shift hours outlined in (a) and (b) above for all hours worked prior to their scheduled shift.

12.4 Reporting Pay. An employee who is scheduled to work and reports to work at the starting time scheduled without receiving prior notice that no work is available, shall receive payment for four (4) hours' work at the straight time rate of pay. It shall be the responsibility of the employees to notify the Employer of their current addresses and telephone numbers. Failure to do so shall excuse the Employer from notification requirements, and from payment of reporting pay.

12.5 On-Call Pay

(a) If an employee is placed "on-call," the employee shall be paid five dollars and fifty cents (\$5.50) for each hour on on-call duty which shall not include time when the employee is recalled to work. On-call time not worked shall not be considered as time worked in determining regular pay, or for overtime or premium purposes.

(b) If an employee is called back to work during an on-call period, the employee shall be guaranteed two (2) hours of worked or pay for each call to work and shall be paid at one and one-half (1-1/2) times the employee's regular straight time rate for all hours actually worked. Actual work shall begin when the employee arrives at the designated place of work and shall end when the employee is released by the Employer. For Home Hospice and Home Health employees, one and one-half (1-1/2) times regular straight time pay shall begin immediately after the employee is contacted for work, and for all time spent providing actual nursing care (i.e., taking and answering phone calls that involve the utilization of their professional license).

(c) If an employee is called back to work a second time during a twenty-four (24) hour period (from the time the employee is placed on-call), the employee will be paid at double time, regardless of previous hours worked and shall be entitled to ten (10) hours rest from the end of the employee's work time to the start of the employee's next shift. If such ten (10) hours of rest is not provided, the time and one-half (1-1/2) pay provision of Section 12.7 (f) shall apply unless such schedule results from the request of the employee. The Employer agrees to continue the current practice of scheduling in the O.R. as it relates to shift start time after being on-call. Should the Employer see the necessity of changing this specific practice, the Association shall be notified in order to allow problem identification and mutual problem solving. Designated O.R., Endoscopy, Cell Separator, Cardiac Cath. Lab and PACU on-call nurses who take a call at the end of their shift (prior to going home) shall be considered as taking the first call.

(d) For Home Hospice and Home Health employees, when an employee is called back to work, the employee shall be entitled to ten (10) hours of rest from the end of the employee's work time to the start of the employee's next shift. If ten (10) hours rest is not provided, the time and one-half (1-1/2) pay provision of Section 12.7 (f) shall apply unless such schedule results from the request of the employee.

(e) On-Call In Lieu of Scheduled Shift

(1) An employee placed on-call by the Employer due to low need shall be paid five dollars and fifty cents (\$5.50) for each hour on-call, which shall not include time when the employee is recalled to work. If the employee is called to work during the on-call period, the employee shall be guaranteed a minimum of two (2) hours of work or pay for each call and the rate of pay shall be at the straight time rate of pay.

(2) If there is work opportunity and an employee elects to be placed on-call in lieu of floating and the Employer is agreeable, the employee shall be paid the on-call rate as stated in subsection 12.5(a) for each hour of on-call. If the employee is called back to work during the on-call period, the employee will be paid at the straight time rate of pay.

(3) If an employee is offered work opportunity and prefers not to float, and the Employer does not need the employee to float, and does not need to place the employee on-call, the employee may take an excused absence day without pay or a PTO day for the time not worked.

(f) Before the Employer establishes an on-call program for a unit which traditionally has not performed the on-call duty, or plans to change the existing on-call policy for a unit, the following procedures shall apply:

(1) The Employer will give the Association and the affected employees thirty (30) days' notice prior to the implementation of such a program.

(2) The Employer will meet with the Association if requested and discuss the method of implementation.

(3) The Employer will take into consideration any personal hardships caused by the implementation of such on-call program.

(4) In implementing an on-call program, the Employer shall utilize volunteer employees to the extent possible.

12.6 Call Back

(a) When a regular full-time employee (not on on-call status) is called to come into work on a scheduled day off or after completing a regular shift and having left the premises, that employee shall receive a minimum of four (4) hours' work or pay.

(b) When a regular part-time or part-time employee (not on on-call status) is called to come into work after completing a regular shift and having left the Employer's premises, that employee shall receive a minimum of four (4) hours' work or pay.

(c) The rate of pay for such call back shall be one and one-half (1-1/2) times the employee's regular straight time rate. Such call back as defined above shall apply to all work that an employee is called back for within a twenty-four (24)-hour period from the start of their normal shift. However, call back pay shall not apply to employees who are called in while on an on-call status or when they are called back to perform work and such work continues on to their normal work shift.

(d) If an employee is called in prior to their regularly scheduled shift the employee shall receive one and one-half (1-1/2) times their regular straight time rate of pay for all hours worked prior to the commencement of their regular shift. There shall be no minimum time requirement as long as there is no break between the early start and the commencement of their regular shift.

12.7 Overtime

(a) All hours worked in excess of an employee's scheduled workday (must exceed eight [8] hours) or forty [40] hours per workweek shall be compensated for at the rate of one and one-

half (1-1/2) times the employee's regular straight time hourly rate. An employee who works more than twelve (12) consecutive hours in a workday shall be compensated at two (2) times the employee's regular straight time hourly rate.

(b) There shall be no duplication of overtime or premium payments of the same hours worked under any of the provisions of the Agreement, and to the extent that hours are compensated for at overtime or premium payments under the same or any other provisions, except holiday hours worked and paid at one and one-half (1-1/2) times the straight time rate and PTO hours taken and paid for on the date of a recognized holiday as listed in Section 14.15 shall count as hours towards forty (40) hours in the workweek.

(c) For overtime purposes, shift differentials will be considered as part of the employee's straight time rate of pay.

(d) Employees shall work overtime at the discretion and upon the approval of the Employer. All overtime worked by an employee must be authorized in advance if possible. If, on the day overtime is worked, it is not possible for the employee to secure overtime authorization in advance and if the employee has to work overtime in order to complete assigned duties, the employee shall record the overtime on the day the overtime is worked. The employee will make a record of the overtime explaining the reason for the necessity of working overtime which will be provided to the Employer at the earliest opportunity.

(e) An employee who rotates from a night shift to a day shift shall have at least forty-eight (48) hours' rest between the shifts. All hours worked within the forty-eight (48) hour rest period shall be paid at the rate of one and one-half (1-1/2) times the employee's regular straight time hourly rate.

(f) An employee who is scheduled to report back for work to a regular shift after completing a shift of four (4) hours or more without at least ten (10) consecutive hours of rest shall be paid at the rate of one and one-half (1-1/2) times the employees regular straight time hourly rate for all hours worked until a period of ten (10) consecutive hours of rest is provided, regardless of whether the hours worked during the previous shift are at the regular straight time, overtime or premium rate of pay, except where such schedule results from a request of the employee. When the Employer schedules an employee for a voluntary overtime shift which would result in less than ten (10) hours rest before the next scheduled shift and the Employer plans to change the employee's regular shift start time in order to avoid the payment of the overtime penalty, the Employer shall notify the employee of such planned schedule change prior to the employee accepting the overtime shift. If the shift is mandatory, the Employer shall not change the shift start time to avoid the penalty payment without the agreement of the employee.

(g) Regardless of whether the hours worked are at the regular straight time, overtime or premium rate of pay, an employee shall be compensated at the rate of two (2) times the regular straight time hourly rate for all work time exceeding twelve (12) consecutive hours in a work day. A break of two (2) hours or less shall not be considered an interruption in the computation of the twelve (12) consecutive hours of work. Scheduled meal periods shall not be counted as part of the consecutive hours worked.

(h) Time worked on the seventh (7th) consecutive day and on each succeeding consecutive calendar day thereafter shall be paid at the rate of one and one-half (1-1/2) times the employee's regular straight time hourly rate, provided the employee has worked four (4) hours or more on each of the first six (6) consecutive days. The foregoing premium shall apply

regardless of whether time worked on the first six (6) consecutive calendar days is paid at the straight time, overtime or other premium rate of pay. The premium for time worked on and after the seventh (7th) day shall be subject to the provisions of paragraph 12.7(b) of this agreement. No premium shall be payable where the work schedule results from a request of the employee. The Employer has the right to schedule an employee off in order to break the consecutive days of work to avoid payment of the premium.

(i) Mandatory Overtime. Mandatory overtime will be used only when necessary and other reasonable resources, including but not limited to Agency Nurses, have been used. Subject to patients care requirements, mandatory overtime shall be rotated on an equitable basis with the least senior qualified employee being assigned first.

(j) Employees shall not normally be required to work more than sixteen (16) consecutive hours except for Acts of God, disasters or unusual circumstances such as transplant.

(k) All efforts made prior to invoking mandatory overtime will be documented. This information will be reported through the Labor-Management Committee on a monthly basis and will include the number of mandatory overtime hours. Voluntary overtime hours will be reported through the Labor-Management Committee upon request.

12.8 Relief in Higher or Lower Classification

(a) Employees required to perform higher classification work within the bargaining unit for four (4) hours or more in one workday, shall receive the higher classification rate of pay for hours worked in the higher classification or retain their own salary whichever is greater.

(b) If an employee is required to perform higher classification work in positions outside the bargaining unit for four (4) hours or more in one workday, such employee shall receive a differential of ten percent (10%) of the employee's regular rate of pay for all hours worked in the higher classification.

(c) Employees required to perform lower classification work shall retain their regular rate of pay during such hours of work.

12.9 Promotion and Demotion

(a) Employees promoted to a higher classification in the bargaining unit shall receive the salary in the higher classification or retain their own salary whichever is greater.

(b) If an employee is demoted to a position of a lower classification, the employee shall receive the salary in the lower classification.

12.10 In-Service Training or Work Related Meeting

(a) If the Employer directs the employee to participate in an in-service training program or any other meeting which is related to their work, the employee shall receive the applicable rate of pay for the time spent in attendance at the in-service program or required work related meeting. However, if the Employer does not direct the employee to attend, the employee attends of the employee's own volition and the Employer allows the employee to attend such in-service programs or work related meetings, the Employer shall not be required to pay for the time spent in attendance.

(b) Employees attending required in-service training or work related meetings shall receive a minimum of two (2) hours' pay, unless the in-service training is connected with their regular shift in which case they shall be paid for actual time spent, at the applicable rate of pay.

12.11 Deductions and Itemized Paycheck Stub

(a) Payday will be every other Friday. An itemized stub shall be given with the paycheck showing the following items of information:

- (1) Pay period ending date;
- (2) The gross regular pay; including hourly rate;
- (3) Identification of PTO, EST, overtime and other premium pay;
- (4) Itemization of all deductions;
- (5) Net compensation;
- (6) PTO balance;
- (7) Year-to-date gross pay;
- (8) Year-to-date gross taxes.

(b) For employees who request and receive advance vacation pay, the Employer will deduct taxes so that the deductions will closely approximate the deductions that would have been made had the employee received regular paychecks rather than advance vacation pay.

(c) The Employer shall provide for direct deposit of employee paychecks to any institution of the employee's choice provided that institution is part of the National Automated Clearing House Association system. In the event the Employer becomes aware that an employee's paycheck is not deposited on the due date, the Employer will make a reasonable attempt to contact and inform the employee of the delay (telephone call to the number listed in the Personnel Office).

(d) Payroll Errors. Payroll errors by the Employer that exceed fifty dollars (\$50.00) will be corrected as soon as possible, but not later than three (3) working days after they are reported. For payroll errors amounting to fifty dollars (\$50.00) or less, the correction shall be reflected in the next pay period.

Section 13. CONTINUOUS SERVICE DEFINED

13.1 "Continuous service" for the purpose of PTO and eligibility for leaves of absence is defined as an employee's total length of employment with the Employer in regular full-time and/or regular part-time status, including employment outside of this bargaining unit. Continuous service earned under this Agreement shall include the following:

(a) Scheduled days off, PTO, EST, jury duty, bereavement leave and educational days off under the terms of this Agreement.

(b) Time spent on an authorized leave of absence including medical leaves of absence for TDI and Workers' Compensation not in excess of thirty (30) calendar days.

13.2 An employee's continuous service shall be adjusted for time spent on leaves of absence in excess of the foregoing limits.

Section 14. PAID TIME OFF (PTO)

14.1 Purpose. Paid Time Off (PTO) provides compensated time off for employees to use for purposes of their own determination. PTO supersedes and is in lieu of the traditional benefits of vacations, holidays and sick time, except as specifically referred to below.

14.2 Eligibility. All regular full-time and regular part-time employees are eligible to participate in PTO from their date of hire, or their status date after they assume a position qualifying them for PTO.

14.3 Accrual

(a) PTO accrues based on service credit and, per pay period for regular, full-time employees or straight time compensated hours paid for regular part-time employees. Accrual begins from employee's status date. Employees shall be eligible to take PTO upon successful completion of the probationary period of employment, based on the table in Section 14.4.

(b) Straight time compensated hours shall include all straight time hours paid by the Employer under any provision of the Policy & Procedures, but shall exclude TDI and Workers' Compensation.

14.4 Accrual Rates. The accrual formula is based upon length of service credit at the hospital and shall change upon the employee's applicable anniversary date.

(a) PTO Accrual

<u>Years of Service</u>	<u>Accrual Rate/Hr for RPT</u>	<u>Accrual Rate/PPD¹ for RFT</u>	<u>Equivalent Hours/Yr²</u>	<u>Equivalent 8-Hour Days/Yr</u>
Less than 1 year of continuous service	.0577	4.6154	120	15
1 - 4 years of service	.0962	7.6923	200	25
4 - 7 years service	.1154	9.2308	240	30
7 years or more	.1346	10.7692	280	35

¹ Based on 80 hours worked per pay period.

² Based on 2080 hours worked per year.

(b) After completing their first full year of continuous service credit a regular full-time employee will be credited with an additional eighty (80) hours of PTO (in addition to the amount earned under paragraph (a) above), and a regular part-time employee will be credited with additional PTO hours prorated on the basis of the employees straight time compensated hours during the first year of continuous service times .038462 accrual rate per hour. Employees who do not complete the one (1) full year of continuous service credit will not receive any portion of this additional PTO credit.

14.5 Payment. PTO hours must be earned before they can be taken. The rate of pay shall be at the employee's regular base hourly rate at the time the PTO is utilized. For determining the hourly rate, shift differentials (as described in Section 12.2 and charge differentials (as described in Exhibits "A-1," "A-2" and "A-3") will be included in the employee's hourly rate if the employee is permanently assigned to a shift for which a differential is paid (Section 12.3), and/or holds a permanent charge

position (Exhibit "A"). Employees in the Level III and Level IV classifications will receive the applicable hourly rates.

14.6 Scheduling and Approval. Employees wishing to utilize earned PTO shall utilize the following procedure:

(a) Scheduled Absences

(1) The Employer retains the right to schedule time off consistent with operational requirements. On January 1 of each year the PTO sign-up form for the following year will be posted. Between January 1st and 31st of 2000, the employees will submit written requests for desired PTO period(s) for the period starting February 1 of the current year through the end of February of the following year. Thereafter, between January 1st and 31st, PTO requests shall be submitted for the March 1st to end of February time periods. Where partially or wholly conflicting dates are requested by two (2) or more employees, seniority will prevail. Thereafter, an employee who has selected available time period shall be protected in such choice even though an employee having greater seniority may later request the same dates. In units where more than one (1) employee is allotted vacation, registered nurses will have a separate vacation sign-up sheet from other bargaining groups and at least one (1) of those positions will be designated for a HNA member. The completed list shall be posted by February 15th.

(2) Whenever possible, after due regard for operating requirements, the preference expressed by an employee for a particular PTO period will be given consideration. Although unforeseen circumstances may arise, every effort shall be made to provide for the PTO period as scheduled.

(3) Subsequent requests made after January 31st shall be considered in the order of the request. In the event two or more employees submit their request on the same day for the same day for the same period, seniority shall govern.

(4) In the event an employee has PTO days approved and based on that approval make financial commitment for travel, such as purchasing airline tickets, etc. and that PTO approval is subsequently canceled by the Employer, the employee shall be reimbursed for cancellation costs incurred as a result of cancellation on the scheduled PTO. The employee shall present proof of any claim of financial loss.

(b) Unscheduled Absence Due to Illness or Injury or of Urgent Nature

(1) Employee Notice. An employee absent due to illness or injury or because of a situation of urgent nature which could not be foreseen by the employee and which requires the employee's attendance (i.e. emergency situations, serious illness in the family) and which prevents the employee from working shall notify the Employer of the employee's pending absence at least two (2) hours prior to the day shift or at least three (3) hours prior to the evening or night shift. The employee shall also notify the Employer before returning to work by calling prior to 10:00 a.m. of the same day for evening shift employees and by 2:00 p.m. of the same day for night shift employees. The return to work notice for day shift employees shall not be later than 10:00 p.m. of the previous day. An employee not fulfilling the requirement of this subsection will not receive PTO pay. Employees who cannot give the Employer a specific return date shall keep the Employer apprised of their status on a regular basis at times established by the Employer.

(2) Certification of Illness or Injury. The Employer may require certification by a licensed physician, dentist, nurse practitioner in clinical practice, certified nurse midwife or Employee Health (if hospital has Employee Health) that the employee's absence from work was caused by a bona fide illness or injury justifying the employee's absence before sick leave shall be payable. The Employer may not require medical certification after an employee is well and ready to return to work. Abuse of this section by the employee may be just cause for discharge.

(c) Cash Out. Effective January 1, 2000, the employee may cash out forty (40) hours of PTO once per calendar year provided the employee has accumulated forty (40) hours. The rate of pay shall be at the applicable straight time rate.

14.7 Temporary Disabilities. The Employer will provide a Temporary Disability Insurance Plan to all employees covered by this Agreement. Benefits will become payable on the eighth (8th) day of disability if the employee does not have Extended Sick Time (EST). If an employee has EST, TDI will begin when the employee's EST is exhausted (but not sooner than the eighth [8th] day) and shall continue for the duration of the disability with a maximum of twenty-six (26) weeks in a benefit year. Employees shall receive fifty-eight percent (58%) of weekly earnings but not more than provided by the Hawaii Temporary Disability Insurance Law. Employees may request PTO to be integrated with TDI benefits so that the employee receives the equivalent of regular pay for those days for which the employee is entitled to receive TDI payments, but the employee will be considered to be on TDI (medical disability leave) status. Disabilities caused or contributed to by pregnancy, miscarriage, abortion, childbirth and recovery therefrom shall be, for all job related purposes, temporary disabilities. Employees must be certified by a physician upon commencement and termination of disability. The TDI plan shall be non-contributory for employees.

14.8 Workers' Compensation. Employees absent from work due to a work-related injury or illness may request PTO or Extended Sick Time (EST [see Section 14.13]) to be integrated with Workers' Compensation benefits so that the employee receives the equivalent of regular pay for those days which the employee is entitled to receive Workers' Compensation payment, but the employee will still be considered to be on Workers' Compensation status.

14.9 Emergency Leave. PTO may be used during approved emergency leaves if taken under the provisions of "Emergency" as defined in Section 15.2(c).

14.10 Maximum PTO Accumulation and PTO

(a) Employees will be allowed to carry a balance of earned PTO up to a maximum of 1.2 times their annual accrual rate. PTO earned beyond the allowed maximum will be forfeited. The Employer will give the employee at least sixty (60) calendar days' written notice before an employee reaches their maximum accumulation and work out a program with the employee to utilize his or her PTO without forfeiting.

(b) A minimum of one hundred twenty (120) earned PTO hours must be taken off each calendar year by each full-time employee. Regular part-time employees must take off PTO hours in proportion to the number of hours worked during a year. The minimum amount of PTO hours which may be taken off is fifteen (15) minutes.

(c) Earned PTO will be paid to an employee upon termination at their current base rate of pay, provided proper notice is given.

(d) In case of the death of the employee, the cash value of any earned PTO shall be paid to the employee's estate.

14.11 Recall to Work During PTO. When a regular employee is recalled to work after having started a PTO period and before completing same, the employee shall be paid one and one-half (1-1/2) times the basic straight time rate (plus shift differential where applicable) for hours worked during the balance of that paid PTO period. The PTO time so worked shall be rescheduled through mutual agreement.

14.12 Termination of Employment. Employees who resign from their employment or who have retired shall receive payment for all earned PTO hours, provided thirty (30) calendar days written notice of their resignation has been approved.

14.13 Extended Sick Time (EST)

(a) Purpose. The hospital provides protection against loss of income sustained because of personal illness (injury or sickness) sufficiently severe to cause an employee to miss twenty-four (24) or more consecutive hours of scheduled work for each occasion of absence.

(b) Accrual. Beginning with the first month of employment, regular full-time employees accrue 2.1538 EST hours per pay period and regular part-time employees accrue EST at a rate of .0269 hours per straight time compensated hour of work, under the same parameters as PTO accrual (14.3). EST hours may be accrued to a maximum of eight hundred (800) hours. EST hours may not be converted to PTO hours and are not payable except in extended illness as outlined above.

(c) EST During PTO Period. An employee who sustains an illness or injury during a scheduled PTO period may request that extended sick time (EST) be substituted for the period of disability which exceeds twenty-four (24) consecutive work hours for each occasion of absence. The employee must provide appropriate notice (see Section 14.6(b)) and will be required to provide certification of such illness or injury to Employer. The balance of the employee's PTO period may be rescheduled according to Section 14.6(a).

(d) Employee Notice. See 14.6(b).

(e) Workers' Compensation. Employees absent from work due to a work-related injury or illness may request EST pay to be integrated with Workers' Compensation benefits so that the employee receives the equivalent of regular pay for those days which the employee is entitled to receive Workers' Compensation payment.

(f) Use/Termination. Under no circumstances will EST be used for any purpose other than illness or injury resulting in absence from work. EST at the time of termination, retirement, etc., is not redeemable for cash and may not be used as paid time off.

(g) Abuse of PTO, EST for absences claimed to be due to illness or injury may be just cause for discharge.

(h) If any absence is due to outpatient surgery or hospitalization, the employee has immediate access to EST.

14.14 Overtime Computation. Except as provided in Section 14.15(f), time spent on PTO or EST shall not count towards forty (40) hours in the workweek for purposes of overtime or premium computation.

14.15 Hospital Recognized Holidays

(a) Recognized Holidays. The following holidays are recognized as paid holidays within the meaning of this Section.

New Year's Day	Independence Day
President's Day	Labor Day
Good Friday	Veteran's Day
Memorial Day	Thanksgiving Day
Kamehameha Day	Christmas Day

(b) Holidays shall be recognized in the following manner:

(1) Departments/Nursing Units operating on a six (6) or seven (7)-day/week schedule shall recognize holidays on the State observed holiday, except Christmas Day, New Year's Day and Independence Day, which shall be recognized on the actual date of the holiday (i.e. December 25, January 1, July 4).

(2) All other Departments/Nursing Units shall recognize all holidays on the State observed holiday.

(3) Employees who work in a Department/Nursing Unit that is closed on a particular holiday and are not scheduled to work nor are placed on-call, shall take PTO for that day.

(c) The following holidays shall be designated as one and one-half (1-1/2) times straight time days:

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

Employees required to work on any of the above listed holidays shall be paid at one and one-half (1-1/2) times the straight time rate of pay for all hours worked on the holiday.

(d) Holiday Scheduling

(1) In scheduling holiday work, the Employer will, after due regard for operating requirements, consider the employee's preference. Employees will be asked to express their preference October 1 and October 31. If, during this period, there is a conflict in employees' preference, the employee with greater seniority will merit consideration.

(2) The Employer shall schedule so that the maximum number of regular full-time and regular part-time employees consistent with nursing care requirements are off on either:

Christmas Eve Day (December 24) New Year's Eve Day (December 31)
and Christmas Day (December 25) or and New Year's Day (January 1)

(3) Those employees having other than Christian religious beliefs may elect to substitute for Christmas Day a holiday that coincides with their religious beliefs.

(e) Shifts on Holidays. When a shift starts on a day preceding a holiday and extends into the holiday, it shall be considered a non-holiday shift. When a shift starts on a holiday and extends into the following day, it shall be considered a holiday shift.

(f) Overtime Compensation. PTO hours taken and paid for on the date of a recognized holiday as listed in Section 14.15(a) shall count as hours towards forty (40) hours in a workweek.

(g) Exceptions. The provisions in this Section may be modified by mutual agreement, in writing, between the employee and the Employer.

Section 15. LEAVES OF ABSENCE WITHOUT PAY

15.1 Family & Medical Leave & Medical Disability Leave. An employee shall be granted a leave of absence without pay for the reasons and maximum times listed below:

(a) Family & Medical Leave. In compliance with the provisions of the Family and Medical Leave Act, after one (1) continuous year (12 months and at least 1,250 hours) of employment and only for employees working at locations with more than fifty (50) employees within a seventy-five (75) miles radius, not to exceed twelve (12) weeks for the care of a newborn or newly adopted child, family member's serious illness or the employee's own serious health condition (as provided in the Federal Family and Medical Leave Act). When Family & Medical Leave is taken for an employee's serious health condition, and the condition exceeds twelve (12) weeks, such employee shall be placed on a Medical Disability Leave in accordance with section 15.1(b), except the maximum allowable time off under such Medical Disability Leave shall be reduced by the length of time the employee spent on Family & Medical Leave. Employees taking Family & Medical Leave for their own serious health condition shall be required to take sick leave. If the leave is for reasons other than the employee's serious health condition, the employee shall be required to take accumulated vacation, to the extent available. Employees who exhaust Family & Medical Leave for a reason other than their own serious health condition and who want additional time off must apply for Personal Leave in accordance with section 15.2(a), except the maximum allowable time off under such Personal Leave shall be reduced by the length of time the employee spent on Family & Medical Leave.

(b) Medical Disability Leave. After completion of the probationary period or the exhaustion of Family & Medical Leave, not to exceed one (1) year from the date of disability. Medical Disability Leaves may be extended for up to one (1) additional year (total of twenty-four [24] months from the date of disability. The maximum time allowed shall be reduced by the length of time spent on Family & Medical Leave.) Employees who are on TDI or Workers' Compensation shall, upon exhaustion of Family & Medical Leave be placed on a Medical Disability Leave, if eligible. Employees who are on Family & Medical Leave and/or Medical Disability Leaves for maternity-related disabilities and who want additional time off beyond their disability period must apply for Personal Leaves for the period of time exceeding the maximum time allowed on Family & Medical Leave. Additional time off under personal leave shall be in accordance with sections 15.2(a), except the maximum allowable time off under such Personal Leave shall be reduced by the length of time the employee spent on Family & Medical Leave.

15.2 Personal, Educational, Emergency, and Association Business Leaves. An employee upon written request may be granted a leave of absence without pay for the reasons and maximums listed below:

(a) Personal. After one (1) continuous year of employment (as defined in Section 13, Continuous Service Defined), not to exceed six (6) months for reasons not covered under Family & Medical Leave. Employees on Personal Leave shall be required to take their accumulated vacation but may save one (1) week.

(b) Educational. After one (1) continuous year of employment (as defined in Section 13, Continuous Service Defined), for one (1) year or the length of the course's term (whichever is less) for courses related to their job, a higher rated job, or a course requirement in a program of study leading to a work-related certification, license or degree. When such a course is a Master's or B.S. program, the leave may be extended to two (2) years. An employee shall not be required to take accumulated vacation for educational leaves.

(c) Emergency. After completion of thirty (30) calendar days of employment, not to exceed four (4) calendar weeks for reasons not covered under Family & Medical Leave. An employee shall not be required to take accumulated vacation for emergency leaves.

(d) Association Business. After one (1) continuous year of employment (as defined in Section 13, Continuous Service Defined), not to exceed one (1) year, nor for more than one (1) employee at any time. An employee shall not be required to take accumulated vacation for association business leaves.

15.3 Reinstatement From Leave

(a) Upon return from a Leave of Absence within the approved time limits, but no longer than one (1) year, the employee shall be reinstated to his/her former regular position. If conditions have so changed that it would be unreasonable to reinstate the employee in the same position, the Employer will reinstate the employee in a position as nearly comparable to the employee's original position as is reasonable under the circumstances. Employees on approved leaves exceeding one (1) year (Medical Disability or Educational) shall have reinstatement rights to the first available opening for which the employee is qualified.

(b) In the event an employee is on a Medical Disability Leave and such employee is cleared for work but not for the employee's normal duties, the parties agree to review such situation on a case by case basis. There may be times when there are suitable openings for such employees in jobs which normally are required to be placed for bid under the provisions of the agreement. In such instances, the parties agree that they may waive such posting requirements and place the employee who is on the Medical Disability Leave in such position.

15.4 Benefits During Leave

(a) Family & Medical Leave. In compliance with the Act the Employer shall continue the employee's medical and dental coverage on the same basis as if the employee had been working.

(b) Medical Disability Leave. For employees who are not eligible for Family & Medical Leave but are eligible for Medical Disability Leave, the Employer shall continue the employee's

medical coverage on the same basis as if the employee had been working, not to exceed three (3) months from the date of disability.

(c) Except as specified above, it shall be the employee's responsibility to make advance arrangements if the employee intends to retain and continue health plan and/or other insured benefits (at the employee's expense) during such leave.

15.5 Leave Requests. Employees requesting leaves of absence shall request such leaves in writing at least thirty (30) days prior to the date requested (except for emergencies, unforeseen Family & Medical Leaves and unforeseen medical disabilities) and specify the date of return to work. The date of return may be changed by mutual agreement. Failure to return at the expiration of an authorized leave shall be considered a resignation. Employees who wish to return to work prior to the expiration of their authorized leave may do so only if approved by the Employer. If a leave request is denied, the employee may request the reasons for the denial in writing.

15.6 Purpose of Leave. Employees granted leaves of absence shall utilize such leaves only for the purposes for which the leaves were approved, except that employees may apply for and be granted paid professional development leave during the time the employee is on an unpaid leave of absence, subject to the conditions of Section 20.2(j) Procedure. Employees who desire to work for the Employer on a part-time or call-in basis will be afforded the opportunity to do so (if such work is available) and shall retain their regular hourly rate of pay for such work. Employees who wish to perform work for other employers may do so only upon the approval of the Employer. Work for other employers may be approved as long as such work does not alter the basic purpose of the leave as originally approved by the Employer.

Section 16. LEAVES OF ABSENCE WITH PAY

16.1 Funeral Absence With Pay. In the event of death in the immediate family of a regular employee, when proper evidence has been submitted to the supervisor, such an employee shall be granted three (3) days off with pay from the employee's work schedule. The immediate family is defined as father or stepfather, mother or stepmother, spouse, child or stepchild, brother or stepbrother, sister or stepsister, mother-in-law or father-in-law, grandparents or grandchildren. Upon request, employees may be granted a reasonable number of additional days (either without pay or utilizing vacation days) to be used in conjunction with the funeral absence with pay.

16.2 Jury Duty

(a) Any regular employee who serves on a federal or state jury shall receive the difference, if any, between the amount paid the employee by the government, excluding mileage allowance, and the straight time amount the employee would have earned had the employee worked. It is understood that the employee shall submit to the Employer a proper certificate from a court official indicating the time so spent and the amount of jury pay.

(b) It is also understood that if evening and night shift employees serve on a jury on a workday but at a time outside of the employee's normally scheduled work shift and such service exceeds four (4) hours, the employee shall not be required to report to the employee's normally scheduled shift and will be paid in accordance with the provisions of paragraph (a). Employees must, however, give the Employer as much advance notice as is given them in regards to the requirements of the jury service.

(c) Any employee who is required to serve as a witness on behalf of the Employer in any judicial or arbitration proceeding shall have such time considered time worked and compensated for under the provisions of this Agreement.

(d) Due to the great variations in work schedules, it is impossible to cover every permutation of work schedules and jury duty. The intent of this provision is to allow employees to discharge their civic responsibilities without suffering loss of pay from what they would have earned absent the jury duty or ending up with a combination of work schedule and jury service which is clearly worse than what the employee would have worked absent the jury duty. After the first week of jury duty, the Employer shall change the employee's work shift to coincide with the jury service.

Section 17. HEALTH PLAN COVERAGE

17.1 Medical Plan

(a) The Employer shall provide the St. Francis Medical Center Plan with Drug 164 and Vision A Riders as the basic health plan to all eligible participating employees. In addition, the Employer shall provide the HMSA Preferred Provider Plan (PPP) as an option. The Employer shall pay ninety percent (90%) of the monthly single plan premium and ninety percent (90%) of the monthly family plan premium up to the listed dollar maximum with the employee paying the balance of the premium. Effective 12/1/07, the Employer shall pay ninety percent (90%) of the monthly single plan premium and eighty percent (80%) of the monthly family plan premium up to the listed dollar maximum with the employee paying the balance of the premium.

	Effective <u>12/1/06</u>
Single	\$295
Family	740

(b) The Employer shall pay the same percentage of the monthly premiums for employees electing the HMSA PPP option, but in no event shall the portion that the Employer pays exceed the dollar amount the Employer pays for the St. Francis Medical Center Plan.

17.2 Dental Plan. The Employer shall provide the Hawaii Dental Service (100% basic coverage, 70%-30% coverage on all other services, with a \$900 maximum) dental plan for all eligible participating employees who have three (3) or more months of continuous service. The Employer shall pay the following percentage of the monthly premiums up to the dollar maximum listed with the employee paying the balance:

		Effective <u>12/1/06</u>
Single	100% w/max.	\$25
Family	75% w/max.	57

17.3 Right to Change Medical and Dental Plans. The Employer retains the right, during the life of this agreement, to change medical and dental plans as long as such change does not result in a reduction of overall benefits to the employees and does not result in any increased cost to the employees over the present plan. Prior to implementing such a change, the Employer shall notify the Association sixty (60) days in advance and inform the Association of the contemplated changes in order to allow the Association to inspect the new plan to insure that the overall benefits to the employees are

being maintained. In the event the Association can substantiate that the new plan is not equal to or better than the present plan on an overall benefit basis, the Association shall have the right, within sixty (60) days of being informed of the Employer's plan to change the medical and/or dental plans, to demand arbitration in accordance with the provisions of Section 28.2, Step 4 (Arbitration). In the event the Association requests arbitration, the Employer shall delay any implementation until receiving the arbitrator's decision.

17.4 Eligibility. Medical and Dental Plan coverage shall apply to all regular full-time, and regular part-time employees who elect such coverage. Part-time employees who elect to receive medical and/or dental coverage shall receive the coverage outlined in 17.1 and 17.2 above with the Employer paying one-half (1/2) the premium it would pay for a regular full-time and regular part-time employee.

17.5 Employee Health Requirements

(a) Required Physical. Employees shall be made aware of applicable health requirements, which are a condition of employment, at the point of hire or transfer to a new job classification. All required physical examinations and other required tests shall be performed on the employee's paid time. An employee may elect to have a physical examination performed by a private physician, the cost of which will be borne by the employee and shall be done on their own time. The employee's private physician shall report the results of the physical examination on the hospital's standard form within the time limits established by the Employer.

17.6 Flexible Spending Program. The Employer will offer a flexible spending plan for all eligible employees.

Section 18. GROUP LIFE INSURANCE

The Employer shall provide group life insurance of \$15,000 with AD&D for all regular full-time and regular part-time employees at no cost to the employees.

Section 19. LONG-TERM DISABILITY INSURANCE

Employees are eligible to voluntarily participate in the Employer's long-term disability insurance plan. All premium costs will be paid by the employee.

Section 20. EDUCATIONAL AND PROFESSIONAL IMPROVEMENT

20.1 Eligibility

(a) After one year of continuous employment, regular full-time, regular part-time and part-time employees are entitled to three (3) days of paid professional development leave during each year of employment to attend training or educational sessions off premises. For regular full-time, regular part-time and part-time employees, the three (3) days of professional development leave shall be paid on the employees' regularly scheduled hours for those days not to exceed twelve (12) hours. Employees on twelve (12)-hour, twelve (12)-hour and eight (8)-hour, or twelve (12)-hour and four (4)-hour shifts shall have the option of receiving paid professional development leave on the basis of two (2) days at twelve (12) hours each day or three (3) days at eight (8)

hours each day. Employees on ten (10) hour shifts shall receive a maximum of twenty-four (24) hours of paid professional development leave per year.

(b) After five (5) years of continuous employment, regular full-time, regular part-time and part-time employees are entitled to a total of five (5) days of paid professional development leave which shall be paid on the employees' regularly scheduled hours for those days not to exceed twelve (12) hours. Employees on twelve (12)-hour, twelve (12)-hour and eight (8)-hour, or twelve (12)-hour and four (4)-hours shifts shall have the option of receiving paid professional development leave on the basis of twelve (12) hours per day or eight (8) hours per day up to a maximum of forty (40) hours per year. Employees on ten (10) hour shifts shall receive a maximum of forty (40) hours of paid professional development leave per year.

20.2 Procedure

(a) Professional development leave must be requested in writing on the form provided, at least two (2) weeks in advance. Each applicant shall be notified as to the approval or disapproval of the professional development leave. Employees shall be given the reason in writing should their professional development leave request be denied.

(b) The educational activity must either be in the requesting nurse's specialty or, at management's discretion, be of benefit to the employee in the employee's current position.

(c) The educational activity must be scheduled for at least four (4) hours in order to be approved for professional development leave.

(d) The educational activity must be approved by management.

(e) Each day of professional development leave must be taken at one time (professional development leave cannot be taken in increments of hours). For programs lasting four (4) or more hours, nurses will be excused for the total scheduled shift and shall be paid in accordance with the provisions of Section 20.1 above.

(f) Professional development leave will be considered the same as time worked.

(g) Professional development leave will be granted for approved educational activities as requested whenever possible, consistent with operating requirements.

(h) Professional development leave is not accrued from year to year.

(i) The employee is required to provide evidence in writing of attendance at educational activity as requested and approved.

(j) Employees on unpaid leaves of absence may apply and be granted professional development leave in accordance with the provisions of this Section. Such employees must return to work at the end of their unpaid leave and work thirty (30) calendar days prior to applying for payment of the professional development leave.

20.3 The Employer will utilize the CEARP approved method to credit employees for appropriate required and voluntary in-service.

Section 21. TUITION REIMBURSEMENT

21.1 The Employer has agreed to establish a tuition reimbursement program for the growth and development of regular employees through their enrollment in educational courses for credit in an institution of higher learning, continuing education programs and specialty certification examinations. In order to qualify for approval, the educational course/program/examination for which assistance is requested must be of direct benefit to the Employer in reaching its established goals.

21.2 Eligibility

(a) Employment Status. Regular full-time employees and regular part-time employees who have completed one (1) continuous year of employment are eligible for tuition reimbursement.

(b) Eligible Charges. The following charges paid for are eligible for reimbursement:

- (1) registration fees,
- (2) Certification and re-certification exam fees,
- (3) instructor fees,
- (4) lab fees,
- (5) fees per credit hour, etc.,
- (6) books required for course work.

(7) Off-island travel for neighbor island nurses working in Kauai Home Care or neighbor island renal satellite facilities who need to travel to Oahu for courses to obtain or maintain their certification.

Supplies required for study are not included as eligible charges.

(c) Reimbursement. Reimbursement for approved educational endeavors/certification course/program/examination is at 100% of eligible charges.

(1) Where grades are issued, reimbursement will be paid only subsequent to attaining a passing grade for the course or examination.

(2) Receipts must be presented for reimbursement.

(3) Tuition will be reimbursed only to the extent that budgeted funds are available (up to \$30,000 per year), and not to exceed \$800 per employee per calendar year.

(d) Continued Employment. An employee must continue regular employment for at least one (1) year after the completion of the most recent course/program/ examination for which reimbursement is made.

(1) An employee who, for whatever reason, fails to meet this requirement, shall be required to refund to the Employer a prorated amount (computed to the nearest whole

month) of the tuition reimbursement paid for course(s)/program(s)/ examination(s) completed within the last year of employment.

21.3 Procedure

(a) An eligible employee will make application on a "Tuition Reimbursement Application Form." (Available from the employee's supervisor.)

(1) The Application shall include a description of the course/program/ examination, the cost and dates of the course/program/ examination and any other pertinent information.

(2) The Application shall be made at least two (2) weeks prior to the course/program/examination. Approved requests for reimbursement must be submitted for payment no later than thirty (30) days after the calendar year in which the course/program/examination was taken.

(3) The Application shall include a statement that the employee authorizes the deduction of a prorated amount of any tuition reimbursement paid, should the requirement of continuing employment for at least one (1) year after completion of the course/program/examination not be met.

(b) The employee shall be advised of approval or non-approval in writing, within two (2) weeks of submission.

Section 22. RETIREMENT PLAN

22.1 (a) The Employer shall continue its present pension plan. The details of such plan shall be outlined in a pension plan booklet. Effective January 1, 2000, the Employer will make the following benefit improvements to the pension plan:

(1) For participation prior to January 1, 2000, the greater of

(a) The monthly benefit credited for service to December 31, 1999 under the plan, and

(b) One percent (1%) of the monthly rate of earnings on November 30, 1999 (maximum of \$26.43 times 173.33) up to \$1,200 plus one and one-half percent (1-1/2%) of the excess multiplied by years of credited service prior to January 1, 2000.

(2) For participation on and after January 1, 1997: One and one-half percent (1-1/2%) of monthly earnings up to one-twelfth of the maximum Social Security Taxable Wage plus two percent (2%) of the excess earnings.

(b) The Employer shall provide a 403(b) Plan and shall contribute one-half (1/2) of the employee's contribution up to a maximum of two percent (2%) of the employee's gross pay. For example: if the employee contributes two percent (2%) of his/her gross pay the Employer shall contribute one half (1/2) of that amount or 1% of his/her gross pay. If the employee contributes four percent (4%) of his/her gross pay, the Employer shall contribute two percent (2%) of his/her gross pay. Likewise, a eight percent (8%) employee contribution would generate a two percent

(2%) maximum Employer contribution. If an employee contributes more than four percent (4%), however, the Employer would not contribute above its two percent (2%) maximum contribution.

(c) The Employer reserves the right to amend or modify the plan at any time but in no event will there be a reduction of benefits as a result of such amendment or modification.

Section 23. SENIORITY

23.1 Probationary Period. A probationary period shall be established for all employees and shall begin after the completion of orientation. The probationary period shall be three (3) months for all employees except that employees with less than six (6) months of experience and part-time shall have a four (4) month probationary period. Employees who are on a four (4) month probationary period shall be reviewed at the completion of three (3) months' employment. During the probationary period, the principle of seniority shall not apply and such employees may be terminated without recourse to the grievance procedure. An employee who takes emergency leave during the probationary period shall have the probationary period automatically extended for a period equivalent to the duration of the leave. The probationary period may be extended by mutual agreement between the Employer and the Association.

23.2 Seniority

(a) Seniority Defined. Bargaining unit seniority shall begin from the date of last continuous covered employment as an RN by the Employer.

(b) Seniority Delimited. An unpaid leave of absence exceeding thirty (30) calendar days shall lessen seniority by the number of days on such leave which exceed thirty (30) calendar days. Employees on leaves covered under Workers' Compensation, Medical Disability or Temporary Disability Insurance shall not have their seniority adjusted. Seniority shall be terminated by discharge, resignation, failure to return from an authorized leave of absence, layoff in excess of one hundred and eighty (180) days or failure to report to work within one (1) calendar week after receiving a recall letter.

23.3 Low-Need Days, Layoff and Recall from Layoff

(a) Definition of Layoff

(1) A reduction in straight time work opportunity on a nursing unit of a short term, temporary nature. This reduction of work opportunity shall be on a shift by shift or partial shift basis.

(2) Temporary Layoff - A temporary reduction of straight time work opportunity from a regular full-time, regular part-time, or part-time employee's regular work schedule which at the time of layoff is not expected to exceed thirty (30) calendar days in duration.

(3) Extended Layoff - A reduction of straight time work opportunity from a regular full-time, regular part-time, or part-time employee's regular work schedule and which at the time of layoff is expected to exceed thirty (30) calendar days in duration but is not expected to be permanent. Extended layoffs would also include temporary layoffs that unexpectedly end up exceeding thirty (30) calendar days in duration. The reduction of straight time work opportunity must be sufficient to cause a change in employment status of the employee.

(4) Permanent Layoff - A complete elimination of work opportunity when, at the time of layoff, there is no reasonable expectation of being recalled in the future. Extended layoffs which result in a complete elimination of work opportunity shall be deemed to be permanent when such layoff exceeds one hundred eighty (180) calendar days.

(b) Layoff Procedure

(1) Low-Need Days

[a] Prior to invoking low need day layoff procedures, the Employer shall wherever possible and as is consistent with patient care needs:

[1] Cancel agency nurses;

[2] Cancel employees who are scheduled to work additional hours above their regularly scheduled shift and are being paid at the time and one-half (1-1/2) rate.

[3] Float employees to provide work opportunity;

[4] Seek volunteers to take PTO or unpaid time off.

[b] Once the above has occurred and it is still necessary to reduce staff on a short term temporary basis, the Employer shall:

[1] Cancel any non-covered employees;

[2] Cancel Quarterly Part-time employees;

[3] Cancel employees who are scheduled to work additional hours above their regularly scheduled shift but are not being paid at the time and one-half (1-1/2) rate.

[c] In addition to the above steps, the Employer may allow time for Committee work, Level III or Level IV work, CQI, etc.

[d] Once the above steps have been taken and further reductions of staff are necessary, the following system shall be utilized with the Association's and the Employer's mutual understanding that an adequate number of qualified staff shall be available at all times. Due to the great variations in the work schedule and environments of the individual nursing units, it is impossible to anticipate all potential permutations of low need scenarios. The intent of this provision is to avail the parties to a reasonable, general procedure for reduction of work opportunity which retains sufficient flexibility to address individual unit situations.

[1] Low-need days shall be addressed in a unit by unit, shift by shift manner beginning where the least seniority employee scheduled for that shift shall lose work opportunity.

[2] If the least seniority employee has already served a scheduled low need day, the next least seniority employee scheduled for that particular shift shall lose work opportunity and thereafter in progression up the seniority ladder.

[3] Once the majority of employees on a unit have lost forty-eight (48) hours of work in a calendar quarter, employees on the affected unit shall be given the option to vote on whether to continue the rotation or implement temporary layoff procedures. The decision to continue rotation must be unanimous.

[4] The Employer shall provide notice to employees to be called off because of low need at least one and one-half (1-1/2) hours prior to the beginning of the day shift and two and one-half (2-1/2) hours prior to the evening and night shift.

[5] Employees who are called off because of low need will be informed of the time and day that they are to report back to work.

[6] It shall be the responsibility of the employee to notify the Employer of their current address and telephone number. Failure to do so shall excuse the Employer from notification requirements, and from payment of reporting pay.

[7] Employees who are called off because of low need and subsequently are called back to work and agree to work shall receive their applicable rate of pay for all hours worked.

[8] In the event that the employee requests to be placed on-call because of low need, and the Employer agrees, the provisions of 12.5 On-Call Pay, shall apply.

[9] An employee taking low need days if mandatory, shall maintain their current employment status.

(2) Combined/Merged Units. In the event the Employer finds it necessary to combine or merge nursing units, the following procedure will be followed:

[a] The Employer will determine the number of FTE's, hours and shifts required for staffing the combined/merged units.

[b] The Association will be notified of the Employer's intent to combine/merge units and will be provided with all relevant information. The Employer will meet with the Association upon request to discuss the plans.

[c] Staff of the combined/merged unit will re-bid for positions, if necessary, according to seniority. The most senior qualified employees will be retained.

[d] In the event there are not enough positions sufficient for all employees, layoff may occur in accordance with Section 23.3 Low-Need Days, Layoff and Recall From Layoff.

(3) Temporary Layoff. In the event of a temporary layoff, the Employer will, within the affected work unit or cost center by shift, first seek volunteers to reduce staffing. Such volunteers may take earned vacation or unpaid leaves of absence at the employees' choice. In the absence of sufficient volunteers, employees shall be laid off in accordance with the following:

[a] At the request of the Association or the Employer, the parties may explore the feasibility of a work-share arrangement among employees in lieu of a layoff and may, by mutual agreement, institute such work-share arrangement. If no agreement is reached on a work-share arrangement, employees shall be laid off in accordance with the seniority provisions of this section.

[b] In all cases of temporary layoff, employees shall be laid off by classification within a work unit or cost center by shift in accordance with bargaining unit seniority.

[c] In no event will any displacement of other employees take place in a temporary layoff situation except as outlined in (f) below.

[d] "Float" employees who are normally assigned to float to a particular work unit or cost center shall, for the purposes of Section 23.3, be considered to be employees of the work unit or cost center to which they are normally assigned.

[e] Float employees who are not normally assigned to a particular work unit or cost center shall be considered part of the "float" unit. During temporary layoffs, they shall have priority for all "float" work. During extended layoffs, they shall be laid off within their "float" unit.

[f] Employees who lose work opportunity due to layoff shall be floated out of their unit and have priority over temporary agency nurses, call ins, and regular part-time (quarterly) employees to the extent that they are qualified to perform such work and such move is operationally feasible. This provision shall apply after "float" personnel have been assigned work.

(4) Extended Layoff

[a] In the event the layoff is sufficiently extensive within a work unit or cost center that it is impractical to continue the posted work schedule, the parties may agree to post a new work schedule of shorter duration and waive the two (2)-week notice requirement.

[b] Displacement of Employees (Bumping). In the event of extended layoff, the procedure shall be the same as for low need days, except that, the following principles shall apply:

[1] If an employee is displaced from her/his unit, she/he shall have the right to displace a less senior employee in a unit for which the employee is reasonably qualified. For the purposes of this section, the term "reasonably qualified" means the ability to perform the duties of the position within a reasonable period of orientation not to exceed two (2) weeks and which requires similar nursing skills. The employee will displace an employee in the same employment status. If no position is available in the same status, then the employee shall have the right to displace the position occupied by the least senior employee for which the employee is qualified in the Hospital on each respective island.

[2] An orientation of a maximum of two (2) weeks within the new unit shall be afforded on a one time only basis. Employees unsuccessful with such an orientation shall be laid off.

(5) Permanent Layoff

[a] In the event of permanent layoff, the same procedure as for extended layoffs shall be followed, except that reduction in staffing by volunteers and work-share arrangements will not be utilized. Up to two (2) weeks of orientation and training will be provided, if necessary, for the employee to qualify for the position. The employee must be able to complete the competency requirements of the position and be able to perform the duties of the position within the two (2) weeks of orientation. Additionally, the Employer will meet with the Association to explore other feasible re-training opportunities which may be available to laid off employees subject to available openings and maintaining the proper mix of skills in specialty areas.

[b] Layoffs and recalls from layoffs shall be accomplished as outlined above only on each respective island. Employees permanently laid off from a particular island may apply for available vacancies at the time of layoff on any island. Seniority shall not be broken if an employee refuses a transfer to a position on another island unless the employee's layoff exceeds one hundred and eighty (180) continuous calendar days.

(c) Notification Requirement

(1) In the event of extended or permanent layoffs, the Employer shall notify the Association of its intention as soon as possible.

(2) In the event of permanent layoffs, non-probationary employees shall receive twenty-one (21) calendar days' notice, or pay in lieu of notice, except for layoffs caused by acts of God, disasters, or emergencies totally outside the control of the Employer.

(3) In the event of a work force reorganization that does not involve layoffs (but might involve a reduction in hours or positions, or the closing of a nursing unit on a temporary or permanent basis), the Employer shall notify the Association as soon as possible, but prior to instituting such action. The Employer shall meet with the Association upon request, to discuss such action and implementation of a plan.

(d) Scheduling of Work for Laid Off Employees. Employees who have been laid off may designate and update the list of those units/workplaces on which they can function as a safe practitioner, to work occasional, available shifts. Employees interested in working such shifts must submit their availability to the staff scheduler at least two (2) weeks in advance of the posted schedule date. Refusal to work available shifts will not affect recall rights. Work will be offered on a rotating basis, starting with the most senior employee. Laid off employees shall have first work opportunity over call-in employees and uncovered employees. Rate of pay will be at the employee's applicable rate.

(e) Recall From Layoff

(1) In making recalls from layoff, employees shall be recalled in reverse order of layoff, i.e., the last laid off shall be the first one recalled, provided that recalled employees are qualified for the position and can satisfactorily perform the work required.

(2) Temporary Layoff. In recalling the laid-off employee, the Employer shall notify the employee by telephone. The Employer shall also provide the Association with a list of recalled employees. It shall be the responsibility of the employee to keep the Employer

and the Association informed in writing of the employee's current address and telephone number. Employees who fail to return to work within forty-eight (48) hours of the date and time of receipt by the Association of the list of recalled employees shall be considered terminated.

(3) Extended Layoff. In recalling the laid-off employee, the Employer shall notify the employee by telephone or if unable to contact the employee by telephone, by certified letter to the address last given to the Employer by the employee. The Employer shall also provide the Association with a list of recalled employees. It shall be the responsibility of the employee to keep the Employer and the Association informed in writing of the employee's current address and telephone number. Employees who fail to return to work within one (1) calendar week from the time of receipt by the Association of the list of recalled employees shall be considered terminated.

23.4 Promotions, Transfers and New Positions

(a) Promotions. Preference for promotion to all bargaining unit permanent vacancies of higher classification and newly created positions shall be given to present qualified employees. Present employees shall be notified via posting and shall be given an opportunity to apply for such positions. Positions will be posted one (1) week prior to being offered to the public. Among qualified employees whose ability is equal, bargaining unit seniority shall determine the choice. Each applicant for the position shall be notified in writing as to the employee's selection or non-selection. Upon request, each applicant shall be given the reason for the non-selection.

(b) Transfers. The Employer shall also notify employees of all other permanent vacancies which do not entail promotions to a higher classification by posting such vacancies for seventy-two (72) hours (excluding Sundays and holidays) prior to the position being offered to the public. Among qualified employees whose ability is equal, employees who are in the work unit where the vacancy exists shall receive first priority; otherwise, the employee with the most bargaining unit seniority shall be awarded the position. Each applicant for the position shall be notified in writing as to the applicant's selection or non-selection. Upon request, each applicant shall be given the reason for the non-selection.

(c) Notwithstanding the posting provisions provided in paragraphs (a) and (b) above, present employees may continue to apply for vacant positions after the close of the posting until someone has been selected for the vacancy; however, such employees will not receive any special consideration over outside applicants. A list of available vacant positions will be posted by the Employer at the hospital in a location that is always accessible to employees.

(d) Temporary Vacancies. Temporary vacancies which are expected to exceed ninety (90) calendar days shall be posted and filled in accordance with the provisions of (b) above. The posting notice shall specify that the temporary position has no guarantee of duration nor does the employee have any guarantee of return to the employee's former position once the temporary position is finished. Employees who transfer into such temporary positions shall maintain their seniority.

(e) New Positions

(1) New registered nurse job classifications established during the term of this Agreement shall be covered by this Agreement unless they are bona fide executive, supervisory or administrative positions.

(2) Upon request of either party, the Employer and Association representatives will meet to discuss and consider the bargaining unit status of the position in question. If the parties are unable to agree on including or not including the new position in the Agreement, either party may request the assistance of the Federal Mediation and Conciliation Service (FMCS) in an attempt to resolve the issue. If no agreement is reached as a result of the assistance of the FMCS, the unit clarification procedure of the Labor Relations Board may be used by either party.

23.5 Transfer Out of the Bargaining Unit. In the event an employee is assigned a position outside of the bargaining unit, the employee's bargaining unit seniority will be protected for a period of three (3) years. In the event the employee is transferred back into the bargaining unit or the employee elects to transfer back into the bargaining unit during the three (3) year period, such employee shall be reinstated in the bargaining unit without loss of bargaining unit seniority (the employee shall retain all seniority earned prior to the transfer but shall not accumulate seniority for the period of time spent outside the bargaining unit). After the three (3) year period if the employee transfers back into the bargaining unit, the employee shall be treated as a new hire for the purpose of start rates and bargaining unit seniority except that if such employee has nineteen (19) months or more experience (as defined in Exhibit "A"), the employee shall be paid at the job rate.

23.6 Seniority List. Upon request by the Association, the Employer shall furnish to the Association a complete seniority list, including the status, social security number, and work unit of the employees covered by this Agreement, but not more than twice per year (but not more often than once [1] every six [6] months).

Section 24. RESIGNATION NOTICE

Each employee shall give the Employer at least thirty (30) calendar days' written notice before the date of resignation. The resigning employee shall be paid accrued vacation in cash providing the employee has twelve (12) months of continuous service. If the employee fails to give such notice, the Employer may not pay the employee for accrued vacation benefits. This notice requirement may be waived or reduced or provided verbally by mutual agreement between the Employer and the employee when extenuating circumstances exist. If the employee wishes to take accrued vacation benefits in time, the notice requirement shall be thirty (30) calendar days prior to the commencement of the vacation. For employees with less than one (1) year of service this Section shall not be applicable to any holidays earned which have been converted to vacation days. Such days shall be paid the employee upon termination regardless of resignation notice. For employees who receive vacation pay along with the termination paycheck, the Employer will deduct taxes so that the deductions will closely approximate the deductions that would have been made had the employee received separate paychecks.

Section 25. DISCIPLINE AND DISCHARGE

25.1 (a) Employees shall be subject to discipline or discharge by the Employer for just and sufficient cause. An employee who is suspended or discharged shall be furnished the reason for the suspension or discharge in writing.

(b) The Employer's house rules shall be conspicuously posted and shall not be inconsistent with the provisions of this Agreement. The Employer agrees to notify the Association of major changes in personnel policies which affect bargaining unit employees and in the house rules prior to posting and/or implementation of such new personnel policies and/or

rules and to discuss such changes with the Association's representatives prior to the application. In the event of a conflict between the personnel policies and/or house rules and the provisions of this Agreement, the Agreement shall prevail.

(c) When the Employer believes there is sufficient cause for discharge, any non-probationary employee shall be placed on seven (7) calendar days suspension pending discharge. Any grievance on the discharge shall be filed within the seven (7) calendar days of suspension.

(d) If an employee is disciplined for a violation of any of the Employer's policies, the employee has the right to be given a copy of the applicable policy.

(e) The Employer recognizes the right of an employee to demand the presence of an Association representative if the employee is to be called into a meeting to receive a written warning or to be suspended or discharged. If the Employer intends at that meeting to issue a written warning or suspend or discharge the employee, the Employer shall, prior to taking such action, notify the employee so that the employee may exercise the right to have Association representation.

(f) Any employee who reports to work at the normally scheduled starting time and is suspended or discharged at the beginning of the shift shall not receive reporting pay on that day.

Section 26. PERSONNEL INFORMATION

26.1 Personnel File. An employee, upon request at reasonable intervals and by appointment, shall be permitted to examine at the Personnel Office the employee's entire personnel file, except for confidential reference letters. In addition, at any time when necessary for processing of a grievance, the employee and the employee's Association representative may examine and copy such documents, together with any other documents in the employee's personnel file relevant to the subject matter of the grievance.

26.2 An employee shall be informed of any disciplinary notice placed in the employee's personnel file and shall be provided a copy of such notice if requested. The employee shall be given an opportunity to submit explanatory remarks for the record.

26.3 Any derogatory material shall be null and void and removed from the personnel file after two (2) years if requested by the employee (except for evaluations). An employee who receives a written warning or a suspension may request a follow-up evaluation six (6) months after the occurrence of the incident. Such follow-up evaluation will be placed in the employee's personnel file. An employee may submit pertinent information, such as work experience, educational degrees, courses taken, recommendations and awards, to be included in the employee's personnel file.

Section 27. UNIT REPRESENTATIVES

27.1 The Association may appoint one (1) Unit Chairperson and a maximum of nine (9) representatives, (one (1) representative for each nursing unit), plus one (1) for each satellite location, for the purpose of handling grievances. The Unit Chairperson and the representatives shall have seniority only for purposes of layoff over all other employees in the respective work unit assigned.

27.2 Handling Grievances

(a) Each representative shall represent employees in the representative's designated units only and may assist those employees in the handling of grievances.

(b) The representative shall not interfere with the management of the Employer's operation or direct the work of any employee. The Unit Chairperson may assist other representatives in the handling of grievances.

27.3 Time For Negotiations. Employees who are members of the Negotiating Committee for the Association shall have their schedules adjusted to allow them to participate in negotiations subject to patient care requirements.

Section 28. HEALTH AND SAFETY

28.1 It shall be the policy of the Employer that the safety of the employees, the protection of work areas, the adequate education, and the maintenance of equipment and facilities that are safe and functioning properly, and necessary safety practices, and the prevention of accidents are a continuing and integral part of its everyday responsibility. It shall also be the responsibility of all employees to cooperate in programs to promote safety to themselves and to the public, and to comply with rules promulgated to ensure safety. The Employer shall provide training to employees which addresses violence in the workplace and offer strategies for self-protection.

28.2 Biological Hazards/Agents. The Employer shall provide information and educational material(s) to employees regarding any known hazards/agents. Where hazards/agents are known or suspected, the Employer shall notify the Association and meet promptly with Association Representatives to review the steps that have been initiated to safeguard the health and safety of the employees.

Section 29. GRIEVANCE PROCEDURE

29.1 No Strikes, Lockouts, Work Stoppages. The Employer and the Association realize that a hospital is different in its operation from other industries because of its service rendered to the community and for humanitarian reasons and agree that there shall be no lockouts nor suspension of work on the part of the Employer, nor suspension of work on the part of the employees, it being one of the purposes of this Agreement to guarantee that there will be no picketing of the Employer, no strikes, lockouts, work stoppages, sympathy strikes or slowdowns.

29.2 Procedure

(a) The Employer and the Association pledge their active, aggressive and continuing efforts to secure prompt disposition of grievances and agree that most disputes can be solved through oral discussion.

(b) When an employee covered by this Agreement or the Association believes that the Employer has violated the express terms and provisions of this Agreement and that by reason of such violation one of the employee's or the Association's rights under this Agreement has been adversely affected, the affected party shall be required to follow the procedure hereinafter set forth in presenting the grievance. (Grievances dealing with suspension or discharge cases shall commence at Step 3 by presenting the grievance, in writing, to the Chief Executive Officer (or the designated representative) within seven (7) calendar days of the suspension.) In such cases where grievances are not resolved by informal means, the following procedure shall apply.

(c) By mutual written agreement, certain steps may be waived. Where an extension of the time limits at any step is desired by either party, it must be requested in writing and shall stipulate the period of time extension needed which shall be of reasonably short duration.

(d) If at any step the time limits of the grievance procedure are not met by the Employer, the grievance shall proceed to the next step. If at any step the time limits of the grievance procedure are not met by the grieving party, the grievance shall be considered dropped.

(e) Step 1 - The employee or the unit representative shall take up the grievance with the immediate supervisor within fourteen (14) calendar days of the alleged breach of the express terms and conditions of this Agreement. The immediate supervisor shall respond to the grievant within seven (7) calendar days.

(f) Step 2 - If the grievance is not adjusted at Step 1, then the grievant may present the grievance, in writing, to the Department Head within seven (7) calendar days. The Department Head shall provide the grievant with a written reply within seven (7) calendar days.

(g) Step 3 - If the grievance is not adjusted at Step 2, then the grievant may present the grievance, in writing, to the Chief Executive Officer (or the designated representative) within seven (7) calendar days. Upon receipt of such notice, a meeting shall be held to discuss the grievance between the grievant, the Association Representative and the Chief Executive Officer (or the designated representative) within seven (7) calendar days. The Chief Executive Officer (or the designated representative) shall respond in writing by the end of the seven (7) calendar days.

(h) Step 4 (Arbitration) If the grievance is not settled in Step 3, the Association shall notify the Employer in writing of the intent to submit the grievance to arbitration within fourteen (14) days not including weekends and holidays. A grievance in the fourth step shall be submitted to an arbitrator who shall be chosen from the following panel of arbitrators: Patrick Yim, Michael Nauyokas, Edward Parnell, Louis Chang, and Tamotsu Tanaka. Within seven (7) calendar days the parties shall by a flip of a coin decide the first choice to alternately strike names from the list until one (1) name remains. The one remaining will serve as arbitrator in the case.

(i) All decisions of the arbitrator shall be limited expressly to the terms and provisions of this Agreement, and in no event may the terms and provisions of this Agreement be altered, amended or modified by the arbitrator. The arbitrator shall convene the arbitration hearing as soon as possible after being selected. The complainant in every hearing before the arbitrator shall present a prima facie case. In general, judicial rules of procedure shall be followed at every hearing, but the arbitrator need not follow the technical rules of evidence prevailing in a court of law or equity. The arbitrator shall make a decision in the light of the whole record and shall decide the case upon the weight of all substantial evidence presented. If briefs or memoranda are to be submitted after the close of the hearing, such briefs or memoranda shall be submitted no later than three (3) weeks from the receipt of the transcripts; replying briefs or memoranda, if any, shall be submitted no later than one (1) week from the submission of the closing briefs or memoranda. In conducting the hearing, the arbitrator shall allow only such postponements as are absolutely essential in the proper presentation of the case unless extensions are mutually agreed upon by both parties. The arbitrator shall render a decision no later than thirty (30) calendar days from the adjournment of the hearing or submission of briefs or memoranda, whichever is later. All decisions of the arbitrator under this section including decisions following informal hearings shall be final and binding upon the parties.

(j) The parties may by mutual agreement request the arbitrator to conduct an informal hearing. Informal hearings shall be conducted without reporters or transcriptions. There shall be no briefs filed by either party. The arbitrator shall issue a decision within twenty-one (21) calendar days from the adjournment of the hearing. The decision of the arbitrator shall be limited to a written statement of the arbitrator's conclusion setting forth briefly the factual basis for the decision.

(k) The retroactive application of any remedy of the arbitrator shall be limited to sixty (60) days from the time the grievance was filed. In any case of discipline where the arbitrator finds that such discipline was without cause or improper, the arbitrator may set aside, reduce or modify the action taken by the Employer. If the discipline is set aside, reduced or otherwise changed, the arbitrator may award back pay to compensate the employee wholly or partially for any wages lost because of the discipline. In determining the amount of award for back pay, the arbitrator shall deduct from the award sums received from unemployment compensation and other compensation received while the discipline was in effect. All decisions of the arbitrator shall be in writing and a copy thereof shall be submitted to each of the parties. The arbitrator shall receive for services such remuneration as shall be acceptable to the arbitrator and agreed upon by the parties. All fees and expenses of the arbitrator shall be borne equally by the Association and the Employer. Each party shall bear the expenses of the presentation of its own case.

29.3 Mutually Agreed Upon Mediation. The Employer and the Association may agree to use the services of the Federal Mediation and Conciliation Service 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 as a step in the grievance process and may be pursued concurrently with the filing, selection and processing of an arbitration submission.

Section 30. NURSING PRACTICE

30.1 The Medical Center recognizes the legal and ethical obligations inherent in the nurse/patient relationship and the accountability and authority of the registered nurse related to her or his individual practice.

(a) Nursing Assessment. Only a registered nurse can assess, plan, and evaluate a patient's or client's nursing care needs.

(b) Delegation. No nurse will be required or directed to delegate nursing activities to other personnel in a manner inconsistent with Medical Center policy, the Hawaii Nurse Practice Act, the Joint Commission on Accreditation of Healthcare Organizations, or the ANA Standards of Practice.

30.2 Supervision and Professional Responsibility

(a) It is understood and agreed that supervisory personnel will not normally be assigned to perform work assignments regularly and customarily performed by bargaining unit employees.

(b) Bargaining unit employees are not expected to be responsible for supervisory functions with respect to other employees, including but not limited to hire, transfer, suspend, layoff, recall, promote, discharge, reward or discipline, adjust their employment grievances or otherwise responsibly direct other employees with respect to their employment with the Medical Center. Routine monitoring, clinical guidance, and professional direction of employees to whom

bargaining unit nurses delegate nursing tasks or assign professional responsibilities will not be considered supervisory work.

(c) Nothing in this provision relieves covered employees of their professional responsibility to deal with any person when professional judgment indicates the nurses' intervention.

Section 31. LABOR/MANAGEMENT COMMITTEE

31.1 Purpose. The purpose of the Committee is to provide a method of communication and recommendation to the Employer and the bargaining unit regarding matters of mutual concern and interest with respect to issues affecting professional nurses in the bargaining unit, taking into consideration contractual agreements, nursing practice and patient care, including review of staffing policies and procedures, completed "Concern for Safe Staffing" forms, and the recommendation of changes deemed appropriate by the Committee.

31.2 Membership. The Labor-Management Committee shall be comprised of an equal number of six (6) management and five (5) bargaining unit representatives and an Association Staff Representative. Both parties agree to review annually the participation and effectiveness of their appointed representatives and the functioning of the Committee as a whole.

31.3 Recommendations. Recommendations and actions agreed upon by a consensus of the Committee will be submitted to the appropriate Nurse Director and Association Staff Representative. If the Nurse Director and the Association Staff Representative agree with the proposed recommendation(s), implementation shall begin as soon as practical. If either party does not agree with the recommendation(s), both parties agree to meet within fourteen (14) calendar days to discuss the issue(s) and arrive at a mutually agreeable solution. In the event that a mutually agreeable solution cannot be reached, the Committee reserves the right to submit the recommendations directly to the Nurse Executive for review. The Nurse Executive shall respond within fourteen (14) calendar days.

31.4 Meeting Schedule. The Committee will meet monthly unless waived by a majority of the members of the Committee. Additional meetings may be held with the agreement of a majority of the Committee. Bargaining unit employees who serve on the Committee will be paid their straight time hourly rate for those hours spent at committee meetings. The Employer or the Association may, if mutually agreed, invite a person having specialized knowledge or expertise not available on the Committee who can assist in presentation of views related to the matter under discussion. Each party shall designate one (1) member of the Committee to act as a co-chairperson. The co-chairs shall be responsible for distributing the meeting agenda at least seventy-two (72) hours before the meeting. The Employer will provide a secretary to take minutes and all information will be considered confidential under the continuous performance improvement program. The Committee will establish meeting times and procedures. Minutes will be distributed to all Committee members, the Nurse Executive and the Association and will be made available in all nursing units.

31.5 The Labor-Management Committee shall not be empowered to change any terms and conditions of this Agreement or any other matter affecting the employment relationship between the Medical Center and any employee.

31.6 Procedure for Reviewing Concern for Safe Staffing Forms:

(a) A copy of all Concern for Safe Staffing forms is to be sent to the Association and the appropriate Nurse Manager within three (3) working days excluding Saturdays, Sundays and holidays.

(b) Any employee who submits a Concern for Safe Staffing form will receive a written response from the appropriate Nurse Manager within five (5) working days excluding Saturdays, Sundays and holidays.

(c) Upon receipt, the forms will be reviewed by the Unit Chairperson and the Association to identify units that may be having staffing problems.

(d) Any employee who submits a Concern for Safe Staffing form may, upon receipt of the manager's written response, refer the issue to the Labor-Management Committee for review.

(e) If the Committee cannot reach consensus regarding any recommendations, the Association reserves the right to submit recommendations directly to the Nurse Executive for review. The Nurse Executive will respond within a mutually agreed upon timeframe.

(f) Employees who raise staffing issues and/or initiate a staffing concern shall be free from any reprisal or retaliation.

Section 32. REGISTERED NURSE STAFFING

32.1 Staffing. The Employer shall have a system for determining and measuring the effectiveness of nurse staffing. The Employer will utilize the existing staffing guidelines of the American Nurses Association, as published in the ANA "Principles for Nurse Staffing" dated 1998. The System shall provide for the method of identifying patient needs for nursing care, the method of classifying patients according to acuity of illness, participation of staff in the assessment of patients' daily needs for nursing care and the basis upon which nursing personnel are assigned to meet the needs of patients. The System shall also include the collection of information in accordance with the American Nurses Association quality indicators to measure the effectiveness of staffing. Staffing patterns shall be based on patient acuity and patient census. Appropriate staffing patterns will be maintained on each unit, and the Employer will staff in accordance with appropriate staffing guidelines and policies in an effort to maintain full efficiency and patient care. The parties agree to cooperate in achieving these objectives.

32.2 Since the Employer agrees to the ANA Principles for Nurse Staffing, including the collection of information according to the ANA quality indicators, to measure the effectiveness of staffing, the Employer agrees to have a patient acuity/patient classification system or tool, to provide staffing parameters by September 30, 2000.

32.3 The Employer and the Association agree to utilize the Labor-Management Committee to evaluate the current staffing system, develop recommendations for any future staffing system, and evaluate the effectiveness of such systems to insure incorporation of the ANA Principles for Nurse Staffing, at every step.

32.4 The Employer agrees to negotiate with the Association over safe staffing standards. While such discussions are being held, the Employer agrees to continue the current (December 1999)

RN staffing on all units as a minimum staffing pattern until the inpatient acuity system is fully implemented. Upon implementation, staffing patterns will be determined by the acuity system.

32.5 A patient acuity / patient classification system or tool will be developed and completed to provide staffing parameters for Home Care and Hospice by December 31, 2003.

32.6 A patient acuity / patient classification system or tool will be developed and completed to provide staffing parameters for the renal dialysis units by December 31, 2004.

32.7 A patient acuity / patient classification system or tool will be developed and completed to provide staffing parameters for Ambulatory and Emergency Room by June 30, 2004.

Section 33. DOCUMENT CONTAINS ENTIRE AGREEMENT

This document contains the entire Agreement of the parties and neither party has made any representations to the other which are not contained herein.

Section 34. SAVING CLAUSE

If any provision of this Agreement is found to be in conflict with the laws of the State of Hawaii or of the United States of America, the remaining provisions of the Agreement shall remain in full force and effect.

Section 35. MODIFICATION OF AGREEMENT

This Agreement shall not be amended, modified, changed, altered, or waived except by written document executed by the parties hereto.

Section 36. DURATION OF AGREEMENT

36.1 This Agreement shall remain in full force and effect from December 1, 2006, to and including November 30, 2008. It shall be deemed renewed thereafter from year to year unless either party gives written notice to the other party of its desire to amend or terminate the same. Such written notice shall be given at least ninety (90) calendar days and not more than one hundred five (105) calendar days prior to the last day of its original term or the last day of any yearly extended term, as the case may be. Desired modifications, if any, shall be specified in the written notice. If the aforesaid notice of termination or modification is served by either party, this Agreement terminates upon the expiration of its original term or its yearly extended term.

36.2 The Association shall provide the Employer with written notice of its intent to strike ten (10) days prior to the date of any strike or any work stoppage at or after the termination of this Agreement. In addition, if the NLRA, as amended, requires any additional notice, the Association will comply with such requirement.

IN WITNESS WHEREOF, the parties hereto, through their duly authorized representatives have executed this Agreement on the 29th day of January 2007 at Honolulu, Hawaii.

ST. FRANCIS MEDICAL CENTER

HAWAII NURSES' ASSOCIATION

/s/ Sister Agnelle Ching

/s/ Jessica Sphar

/s/ Jon Carroll

/s/ Rosemarie V. Cordova

/s/ Kenneth K. Obayashi

/s/ Eric Ching

EXHIBIT "A-1"
WAGES

Applies to all RN's on Employer's payroll, except contract nurses receiving subsidies.

<u>Start Rates</u>	<u>Effective 12/03/06</u>	<u>Effective 11/25/07*</u>	<u>Effective 12/02/07**</u>
0-6 months (70% JR)	28.57	30.29	30.29
7-12 months (75% JR)	30.62	32.45	32.45
13-18 months (80% JR)	32.66	34.62	34.62
19-23 months (90% JR)	36.74	38.94	38.94
Job Rate	40.82	43.27	43.27
7-year rate***	41.82	44.27	44.27
15-year rate****	42.82	45.27	45.27
Level III	41.82	44.27	44.27
Level III after 7 years	42.82	45.27	45.27
Level III after 15 years	43.82	46.27	46.27
Level IV	42.82	45.27	45.27
Level IV after 7 years	43.82	46.27	46.27
Level IV after 15 years	44.82	47.27	47.27
Charge	3.00	3.00	3.00

The following applies to Exhibits "A-1," "A-2," and "A-3."

START RATES

1. Newly hired employees shall be given credit for all experience as defined below within the immediately preceding five (5)-year period prior to employment:
 - a. Staff Nurse - Direct nurse to patient care in an acute care facility***** of twenty (20) or more hours per week. Full credit will also be given to In-Service Instructors employed by acute care facilities.
 - b. Clinic Nurse - Direct nurse to patient care of twenty (20) or more hours per week. Non-acute nursing duties, such as routine work in a doctor's office, shall not count toward acute care experience.
 - c. The Employer agrees to recognize service at the Rehabilitation Hospital of the Pacific for the purposes of qualifying under the appropriate start rate level.

*Effective date of wage increase for CHS employees

**Effective date of wage increase for all other employees

***The seven (7) year rate (as it applies in Exhibits "A-1" and "A-2") shall apply to employees when they have completed seven (7) years of service with the Employer. For the purpose of these Exhibits, the seven (7) years shall be calculated on the same basis as Section 23.2 Seniority and 23.5 Transfer Out of the Bargaining Unit.

****The fifteen (15) year rate (as it applies in Exhibits "A-1" and "A-2") shall apply to employees when they have completed fifteen (15) years of service with the Employer. For the purpose of these Exhibits, the fifteen (15) years shall be calculated on the same basis as Section 23.2 Seniority and 23.5 Transfer Out of the Bargaining Unit.

*****For the purposes of Start Rates, an acute care facility shall include free-standing Surgical Centers, Birthing Centers and Emergency Rooms.

2. Employees will be placed in the appropriate start rate level (at the appropriate month within the start rate level) according to the amount of experience (as defined above) they possess at the time of hire. They will then progress through the start rates until they reach the job rate. Employees who have nineteen (19) months or more of experience shall be placed at the appropriate month within the 19-23 months start rate but shall stay at that rate for a minimum of three (3) months before they progress to the job rate.
3. RNs who have been out of nursing for more than five (5) years but not more than ten (10) years and have at least one (1) year's experience in accordance with the requirements of this section shall be placed at the 7-12 months rate upon hire.
4. Any Staff Nurse who has completed at least one year of employment as a regular employee, who returns to employment as a regular non-subsidized employee with ST. FRANCIS MEDICAL CENTER within three (3) years of the employee's termination of employment with ST. FRANCIS MEDICAL CENTER and who has at least twenty-three (23) months of acute care experience within the immediate preceding five (5)-year period prior to reemployment, shall be paid at the job rate at the time the nurse completes orientation. Orientation may be extended or reduced by mutual agreement as per Addendum VII, 3, Letter of Agreement. This provisions pertains only to the determination of the employee's base rate of pay upon reemployment. All other provisions of the Agreement apply.
5. The Employer agrees to recognize service at a SNF/ICF facility for the purposes of qualifying under the appropriate start rate level for nurses applying to a similar unit.
6. The Employer agrees to recognize related work experience as confirmed by the hiring nurse supervisor for the determination of start rates in the areas of Home Care and Hospice.

EXHIBIT "A-2"

Nurses hired or transferred into areas designated as "A-2" shall be paid in accordance with the schedule below. (Contract nurses receiving subsidies shall be paid in accordance with the Exhibit "A-3" schedule.)

<u>Start Rates</u>	<u>Effective 12/03/06</u>	<u>Effective 11/25/07*</u>	<u>Effective 12/02/07**</u>
0-6 months (70% JR)	26.99	28.61	28.61
7-12 months (75% JR)	28.92	30.65	30.65
13-18 months (80% JR)	30.85	32.70	32.70
19-23 months (90% JR)	34.70	36.78	36.78
Job Rate	38.56	40.87	40.87
7-year rate***	39.56	41.87	41.87
15-year rate****	40.56	42.87	42.87
Level III	39.56	41.87	41.87
Level III after 7 years	40.56	42.87	42.87
Level III after 15 years	41.56	43.87	43.87
Level IV	40.56	42.87	42.87
Level IV after 7 years	41.56	43.87	43.87
Level IV after 15 years	42.56	44.87	44.87
Charge	3.00	3.00	3.00

Criteria for "A-2" Schedule

- a. All outpatient clinic operations regardless of operating hours with the exception of dialysis units.
- b. All primarily (over 50%) outpatient operations on a six (6)-day operations schedule with work hours between 6:00 a.m. and midnight.

The criteria to determine whether a shortage exists in a work unit shall be based on the following considerations: 1) Difficulty in filling vacancies for regular positions over a sufficient period so it is clear that an established pattern exists; 2) Consistent utilization of contract nurses.

Identification of "A-2" units which subsequently develop shortages shall be done through mutual agreement. In the event mutual agreement cannot be reached, HNA may utilize the grievance/arbitration procedure to determine whether a bonafide shortage exists.

EXHIBIT "A-3"

Applies to such nurses on the Employer's payroll as of December 1996 and for future contract nurses.

<u>Start Rates</u>	<u>Effective 12/03/06</u>	<u>Effective 11/25/07*</u>	<u>Effective 12/02/07**</u>
0-6 months (70% JR)	25.29	26.81	26.81
7-12 months (75% JR)	27.10	28.73	28.73
13-18 months (80% JR)	28.90	30.64	30.64
19-23 months (90% JR)	32.52	34.47	34.47
Job Rate	36.13	38.30	38.30
Level III	37.13	39.30	39.30
Level IV	38.13	40.30	40.30
Charge	3.00	3.00	3.00

Exhibit "B"

ASSIGNMENT OF WAGES TO COVER ASSOCIATION DUES

I, _____, an employee of ST. FRANCIS MEDICAL CENTER, voluntarily agree to have the Employer take out of my wages monthly dues as certified to you in writing by the Association and to turn over to the Association signatory to the existing collective bargaining agreement any and all such monies.

This authorization shall become effective upon the date set forth below and cannot be canceled for a period of one (1) year from this date or until the termination of the existing collective bargaining agreement between the Employer and the Association, whichever occurs sooner.

I agree and direct that this authorization shall be irrevocable for successive periods of one (1) year each, or for the period of each succeeding applicable collective bargaining agreement between the Employer and the Association, whichever shall be shorter, unless

- (1) I cancel this authorization by written notice to the Employer within ten (10) days after the expiration of any such one (1) year period; or
- (2) In the case of the expiration of the applicable collective bargaining agreement between the Employer and the Association during any such one (1)-year period, I cancel this authorization by written notice to the Employer within ten (10) days after the expiration of the collective bargaining agreement.

This authorization shall be suspended during any period in which there is no collective bargaining agreement in effect between the Employer and the Association.

This authorization shall end if my employment with ST. FRANCIS MEDICAL CENTER ends or when the collective bargaining agreement referred to above no longer covers my employment.

Date _____

Employee's Signature

Effective Date _____

Address

Telephone Number

Employee's Social Security Number

Exhibit "B-1" WAGES
ASSIGNMENT OF WAGES FOR ASSOCIATION'S NEGOTIATION
AND ADMINISTRATION OF CONTRACT

ASSIGNMENT OF WAGES FOR ASSOCIATION'S SERVICE FEES

I, _____, an employee of ST. FRANCIS MEDICAL CENTER, voluntarily agree to have the Employer take out of my wages for the Association's representational activities, including the negotiation and administration of the collective bargaining agreement on my behalf a monthly service fee in an amount no greater than Association dues, as certified to you in writing by the Association, and to turn over to the Association signatory to the existing collective bargaining agreement any and all such monies.

This authorization shall become effective upon the date set forth below and cannot be canceled for a period of one (1) year from this date or until the termination of the existing collective bargaining agreement between the Employer and the Association, whichever occurs sooner.

I agree and direct that this authorization shall be irrevocable for successive periods of one (1) year each, or for the period of each succeeding applicable collective bargaining agreement between the Employer and the Association, whichever shall be shorter, unless

- (1) I cancel this authorization by written notice to the Employer within ten (10) days after the expiration of any such one (1) year period: or
- (2) In the case of the expiration of the applicable collective bargaining agreement between the Employer and the Association during any such one (1) year period, I cancel this authorization by written notice to the Employer within ten (10) days after the expiration of the collective bargaining agreement.

This authorization shall be suspended during any period in which there is no collective bargaining agreement in effect between the Employer and the Association.

This authorization shall end if my employment with ST. FRANCIS MEDICAL CENTER ends or when the collective bargaining agreement referred to above no longer covers my employment,

Date _____

Employee's Signature

Social Security Number

Address

Exhibit "C"

CONTRIBUTION TO CHARITABLE FUND

I voluntarily agree to have the Employer take out of my wages a monthly fee in the same amount as Association dues and, in accordance with the agreement between the Employer and the Association, to turn over all such monies to:

- | | |
|-------|--|
| Check | [] HAWAII HEART ASSOCIATION |
| One | [] AMERICAN CANCER SOCIETY |
| | [] MUSCULAR DYSTROPHY ASSOCIATION |
| | [] ST. FRANCIS HOSPICE |
| | [] MARGARET JONES MEMORIAL NURSING FUND |

This authorization shall become effective upon the date set forth below and cannot be canceled for a period of one (1) year from this date or until the termination of the existing collective bargaining agreement between the Employer and the Association, whichever occurs sooner, or unless I execute an Exhibit "B," Assignment of Wages to Cover Association Dues.

I agree and direct that this authorization shall be irrevocable for successive periods of one (1) year each, or for the period of each succeeding applicable collective bargaining agreement between the Employer and the Association, whichever shall be shorter, unless

- (1) I cancel this authorization by written notice to the Employer within ten (10) days after the expiration of any such one (1)-year period; or
- (2) In the case of the expiration of the applicable collective bargaining agreement between the Employer and the Association during any such one (1) year period, I cancel this authorization by written notice to the Employer within ten (10) days after the expiration of the collective bargaining agreement.

This authorization shall be suspended during any period in which there is no collective bargaining agreement in effect between the Employer and the Association.

This authorization shall end if my employment with ST. FRANCIS MEDICAL CENTER ends or when the collective bargaining agreement referred to above no longer covers my employment.

Date

Employee's Signature

Social Security Number

Address

Effective Date

Exhibit "D"

TEN-HOUR SHIFTS

Notwithstanding the provisions of Section 10, Hours of Work, the Employer may establish work schedules of four (4) days of ten (10) hours each within a workweek.

- (a) The Employer however agrees not to schedule employees who are on an eight (8)-hour workday to a ten (10)-hour workday as outlined above without the employees' agreement. If the Employer or the Association wants to convert a total unit or department from an eight (8) to a ten (10)-hour workday, the parties shall meet to discuss the feasibility of such a schedule and the parties must reach mutual agreement prior to any implementation.
- (b) Such employees shall receive overtime pay only after ten (10) hours of work per day.
- (c) Such employees shall receive holiday pay on the basis of eight (8) hours under the provisions of Section 14, Paid Time Off (PTO).
- (d) Such employees shall accumulate sick leave under the provisions of Section 14, Paid Time Off (PTO), except that they shall receive up to ten (10) hours of paid sick leave per absent workday up to a maximum of forty (40) hours per week.
- (e) Such employees shall earn vacation pay under the provisions of Section 14, Paid Time Off (PTO), except that they shall receive up to ten (10) hours of vacation pay per day of vacation up to a maximum of forty (40) hours per week.
- (f) Such employees shall receive paid funeral absence, paragraph 16.1, and jury duty pay, paragraph 16.2, for up to ten (10) hours per day.
- (g) Employees scheduled to work ten (10)-hour shifts shall receive shift differentials as follows:
 - (1) Any shift that begins on or after 12:00 noon but before 9:00 p.m.—“evening” shift differential pay for all hours worked within the shift.
 - (2) Any shift that begins on or after 9:00 p.m. but before 4:30 a.m.—“night” shift differential pay for all hours worked within the shift.
- (h) The Employer shall schedule an additional ten (10)-minute rest period with pay for all employees working such ten (10)-hour shift). Such rest period shall be in addition to the normal rest periods provided for under Section 11.2, Rest Periods.

Exhibit "E"

"12-HOUR" SCHEDULES

Notwithstanding the provisions of Section 10, Hours of Work, the Employer may establish work schedules of a combination of "twelve (12)-hour and eight (8)-hour" shifts within a workweek or "twelve (12)-hour and four (4)-hour" shifts within a workweek.

- (a) The Employer however agrees not to schedule employees who are on an "eight (8)-hour workday—forty (40)-hour workweek"—to a "twelve (12) eight (8)-hour" or a "twelve (12)-hour four (4)-hour schedule without the employees' agreement. If the Employer or the Association want to convert a total unit or department from an eight (8)-hour to a "12-8" hour schedule or a "12-4" hour schedule, the parties shall meet to discuss the feasibility of such a schedule and the parties must reach mutual agreement prior to any implementation.
- (b) Schedules
 - (1) The "12-8" schedule consists of a combination of "twelve (12)-hour and eight (8)-hour" shifts within a workweek. Full-time employees normally work two (2) twelve (12)-hour shifts and two (2) eight (8)-hour shifts per workweek.
 - (2) The "12-4" schedule consists of a combination of "twelve (12)-hour and four (4)-hour" shifts within a workweek. Full-time employees normally work three (3) twelve (12)-hour shifts and one (1) four (4)-hour shift per workweek.
- (c) Such employees shall receive overtime pay after eight (8) hours when they are on eight (8)-hour workdays. Employees on twelve (12)-hour workdays shall receive straight time pay for all hours worked over eight (8) and double time (2x) for all hours worked over twelve (12) in a workday.
- (d) Such employees shall receive holiday pay on the basis of eight (8) hours under the provisions of Section 14, Paid Time Off (PTO).
- (e) Such employees shall accumulate extended sick time under the provisions of Section 14, Paid Time Off (PTO), except that they shall be paid for those hours the employee had been scheduled to work on that workday, but not to exceed twelve (12) hours per workday or forty (40) hours per workweek.
- (f) Such employees shall earn paid time off pay under the provisions of Section 14, Paid Time Off (PTO), and may charge up to twelve (12) hours per day of vacation (not to exceed forty (40) hours per workweek) when scheduled to work twelve (12)-hour shifts.
- (g) Such employees shall receive paid funeral absence, paragraph 16.1, and jury duty pay, paragraph 16.2, for up to twelve (12) hours per day depending on the hours they were scheduled to work on the workday.
- (h) Employees scheduled to work twelve (12)-hour shifts shall have one rest period during each four (4) hours of the shift in accordance with Section 11.2, Rest Periods, (i.e., three rest periods per twelve-hour shift), subject to the requirements of complete patient care.

(i) Shift Differentials

- (1) Such employees shall receive shift differential in accordance with Section 12, Compensation, when they are on eight (8)-hour shifts.
- (2) Employees scheduled to work twelve (12)-hour shifts shall receive shift differential as follows:
 - i. Any shift that begins on or after 10:00 a.m. but before 7:00 p.m.—“evening” shift differential pay for all hours worked within the shift.
 - ii. Any shift that begins on or after 7:00 p.m. but before 4:30 a.m.—“night” shift differential pay for all hours worked within the shift.

ADDENDUM I - AGENCY NURSES

- A. The parties agree that to provide the most desirable level of nursing care, a stable working staff is the mutual goal. Additionally, this should facilitate providing care to patients at an economical cost and provide the necessary balance in assignment of shifts.
- B. The Employer's policy shall be not to use agency nurses except in situations where no other reasonable means of providing necessary staffing are available.
- C. Agency nurses shall be used only as a supplement to and not in lieu of hospital registered nursing staff. Prior to utilizing an agency nurse, the hospital shall attempt to cover a shift or partial shift with its own nursing staff even if such staffing creates an overtime requirement. It is understood, however, that the Employer may choose not to assign overtime work to a covered employee when that overtime work will result in double time premiums or when in the opinion of the Employer it will result in excessive work hours for a particular employee.
- D. Subsection 4.2, Membership, of the collective bargaining Agreement shall be applicable to all agency nurses after thirty (30) days of employment with the hospital.
- E. Voluntary sign-up lists for overtime will be posted with each work schedule posting. The Employer will initiate and maintain a current list of covered employees, and their specialties, who request overtime work. Before assigning overtime, the Employer shall offer overtime work first to employees who are on such sign-up list.
- F. An agency nurse shall be required to be qualified and have adequate advance orientation to the unit assigned.
- G. The Employer shall make every attempt to insure that there will not be increased assignment of any of its nursing staff to night, evening, holiday or weekend duty as a result of the use of agency nursing personnel.
- H. The Employer agrees not to float covered employees (except for regular float personnel) out of their regularly assigned unit while an agency nurse is scheduled to work on the covered employee's regularly assigned unit.
- I. The Employer agrees that to the extent that the operations permit, and in accordance with the provisions of Section 23.4, Promotions and Transfers, covered employees shall have first preference to fill any permanent vacancies prior to those vacancies being filled by agency personnel.
- J. The hospital upon request of the Association will furnish information with respect to the number of day, relief, night, evening, holiday and weekend shifts worked by agency nurses but not more often than once per calendar quarter.
- K. In the event the Employer does not utilize agency nurses in accordance with the terms of this Letter of Agreement, the Association may grieve under the provisions of Section 29, Grievance Procedure, of the collective bargaining agreement.
- L. The Employer will not hire RNs that are independent contractors.

ADDENDUM II
CLINICAL LEVEL III RN

Basic Requirements for Level III:

Clinical Level III:

Regular full-time and regular part-time predetermined employees are eligible to apply for Clinical Level III RN classification provided they maintain at least 32 hours per week as a Level III and meet the following criteria:

1. Minimal Education and Experience:
 - a. BSN, ADN or Diploma with two (2) years experience*
 - OR
 - b. MSN with one (1) year experience*
*experience as defined in Exhibit A: (Start Rates)
2. Basic Qualifications In Addition to RN License:
 - (a) National Beginning Certification in specialty;
OR
 - (b) 40 contact hours in specialty in the past two (2)years.
3. Demonstrates the ability to care competently for all patient populations within the unit setting.
4. Demonstrates expertise in the use of nursing process for three (3) patients requiring comprehensive care for whom the applicant has been primarily involved with the clinical care. Must reflect care given within the last quarter and include:
 - a. Assessment and identification of comprehensive patient and/or family physical and/or psycho-social problems.
 - b. Plan of care to deal with above identified problems, reflected in an updated and individualized Integrated Care Record (ICR) and/or other appropriate documentation forms.
 - c. Evaluation of the effectiveness of patient and/or family's response to nursing care given.
5. Orients or precepts at least one new employee within the previous six months. Includes:
 - a. Identification of learning needs and individualization of teaching content based upon those needs.
 - b. Participation in the evaluation of orientee or preceptee.
 - c. Evaluation of the effectiveness of orientation/precepting process.

OR

ADDENDUM II
CLINICAL LEVEL III RN
PAGE 2

6. Presents one unit inservice within the last six months.
 - a. Develops objectives.
 - b. Presents clear, concise, practical content within stated time limits.
 - c. Evaluates effectiveness of presentation through the use of an evaluation tool, post test or return demonstration.
7. Actively participates and evaluates participation in one unit-based or organizational PI activity within the last year.
8. Current performance evaluation that meets or exceeds standards in all applicable criteria, including all competency requirements.

Clinical Level III: Role Expectations and Annual Activity to Maintain Status:

A Clinical Level III RN must meet or exceed the following criteria on an annual basis to maintain the Level III position.

1. Clinical Practice:
 - a. Functions with minimal supervision and works with greater independence as a RN clinical care-giver.
 - b. Able to care competently for all patient populations within the unit setting.
2. Education:
 - a. Plans and implements at least one unit-based learning activity per quarter.
 - Assesses learning needs and utilizes adult learning principles to develop and implement educational activities for other members of unit-based staff.
 - Develops objectives.
 - Presents material.
 - Evaluates effectiveness utilizing evaluation tool, post test or return demonstration.
 - b. Maintains a minimum of twenty (20) contact hours per year of continuing education in area of concentration.
3. Leadership:
 - a. Actively participates and evaluates participation in one unit-based or organizational PI activity at least annually.

ADDENDUM II
CLINICAL LEVEL III RN
PAGE 3

- b. Reviews, revises current policy/procedure or drafts new policy/procedure at least one per quarter.

Guidelines:

- A. A Clinical Level III nurse is considered a separate classification from a staff nurse and shall be stated on their identification badges as RN III.
- B. Clinical Level III nurses shall be afforded adequate time to prepare for their assigned in-service presentations or quality assurance activity.
- C. Clinical Level III nurses may be assigned charge responsibilities at which time they will be paid the charge differential in addition to their Level III wage rate for all hours worked as a charge nurse.
- D. Clinical Level III nurses will be expected to continue to meet the requirements of the classification. If that does not occur, the employee shall be returned to a staff RN classification at the appropriate staff RN rate of pay.
- E. An informal committee composed of Clinical Level III and IV RNs and management representative(s) shall meet on a periodic basis to review and discuss the program.

ADDENDUM III
CLINICAL LEVEL IV RN

Basic Requirements for Clinical Level IV

Regular full-time and regular part-time predetermined employees are eligible to apply for Clinical Level IV RN classification provided they maintain at least 32 hours per week as a Level IV and meet the following criteria:

1. Minimal Education and Experience:

- a. BSN, ADN or Diploma with two years experience*

OR

- b. MSN with one year experience*
*experience as defined in Exhibit "A" (Start Rate)

2. Basic Qualifications in Addition to RN License:

- a. National beginning certification (with supporting documentation)

OR

- b. 40 contact hours in specialty/related field within the past year.

3. Meets all criteria for Level III and below in the Staff Nurse Clinical Performance Appraisal Tool including all competency requirements.

4. Position available.

Functions:

1. Demonstrates expertise in the use of nursing process for three (3) patients requiring complex care for whom the applicant has been primarily involved with the care. Must reflect care given within the last quarter and include:

- a. Assessment and identification of complex patient and family care needs including physical and/or psychosocial problems,
- b. Identification of nursing interventions, which are reflected in an updated and individualized Integrated Care Record and other appropriate documentation forms to deal with above identified problems,
- c. Evaluation of the effectiveness of patient and/or family's response to nursing care given and implementation of changes to the plan of care based on the evaluation.

2. Completes two (2) or more projects/activities that may include but are not limited to the following:

- a. Comprehensive assessment of the unit-based orientation, preceptor or competency program that includes:

ADDENDUM III
CLINICAL LEVEL IV RN
PAGE 2

- Identification of program objectives,
 - Data to support achievement of objectives,
 - Evaluation of the effectiveness of orientation or preceptor or competency program,
 - Recommendations to improve or sustain the specific program.
- b. Development and implementation of an educational program that meets the specialty needs of unit staff or meets the general needs of multiple units or departments within the last year. Includes:
- Continuing education credits per requirements,
 - Development of all materials; program coordination and scheduling
 - Evaluation of effectiveness of program with recommended changes and/or follow-up as needed.
- c. Assessment of unit-based patient and family education program:
- Develops material and makes recommendations to appropriate committees based on findings.
- d. Comprehensive assessment of collaborative practice (physician/nurse) issues:
- Identifies issues,
 - Includes both nursing and physician participation in planning process,
 - Develops, implements and evaluates plan to address issues.
- e. Development of patient care protocols/procedures or other activities as agreed upon by the nurse manager.
3. Demonstrates a leadership role in at least one unit-based or organizational PI activity within the last year.

ADDENDUM III
CLINICAL LEVEL IV RN
PAGE 3

Clinical Level IV: Role Expectations and Annual Activity to Maintain Status:

A Clinical Level IV RN must meet or exceed the following criteria on an annual basis to maintain the Level IV position.

1. Clinical:

Prepares and conducts an interdisciplinary patient care conference or conducts interdisciplinary rounds at least once each quarter.

2. Education:

a. On an annual basis, designs, implements and evaluates a comprehensive unit education program that meets the specialty needs of unit staff or meets the general needs of multiple units or departments. May be chosen from, but not limited to one of the following:

- Clinical practice
- Care delivery system
- Patient outcomes
- Competency program
- Patient/family education
- Healthcare trends

The education program must include at a minimum:

- Continuing education credits per requirements,
- Development of all materials; program coordination and scheduling,
- Evaluation of effectiveness of program with recommended changes and/or follow-up as needed.

b. Actively participates in the unit competency program and helps assess team members abilities to meet competencies.

c. Maintains a minimum of 20 contact hours per year of continuing education in area of concentration.

ADDENDUM III
CLINICAL LEVEL IV RN
PAGE 4

3. Leadership:
 - a. Demonstrates a leadership role in at least one unit-based or organizational PI activity annually.
 - PI activity must be multidisciplinary in nature.
 - Presents results of PI activity at appropriate Service Line and other designated committees,
4. Reviews, revises current policy/procedure or drafts new policy/procedure at least one per quarter.

Guidelines:

- A. A Clinical Level IV nurse is considered a separate classification from a staff nurse and shall be stated on their identification badges as RN IV.
- B. Clinical Level IV nurses shall be afforded adequate time to prepare for their assigned workload.
- C. Clinical Level IV nurses may be assigned charge responsibilities at which time they will be paid the charge differential in addition to their Level IV wage rate for all hours worked as charge nurse.
- D. Clinical Level IV nurses will be expected to continue to meet the requirements of the classification. If that does not occur, the employee shall be returned to a staff RN classification where performance appraisal criteria are met and paid at that staff nurse rate.
- E. A Clinical Ladder Committee composed of Clinical Level III and IV RNs and Care Manager Level III and IV and management representatives shall meet on a periodic basis to review and discuss the program.

ADDENDUM IV

PRORATED BENEFITS AND COVERAGE UNDER THE AGREEMENT

A. Prorated Benefits

1. Part-Time Employees

Part-time employees as defined in Section 3.5 of the Agreement shall receive one-half of the Employer's contribution to the Medical Plan under Section 17.1 and Dental Plan under Section 17.2. They shall receive prorated holiday pay or an additional day off with pay (prorated) only if they actually work on a holiday. They shall receive educational days in accordance with Section 20 of the Agreement. They shall not receive PTO, EST, pension, group life insurance and guarantee of weekends off (except that they will be granted one out of four (4) weekends off if they so request).

2. Regular Part-Time Employees (Predetermined and Quarterly)--Medical and Dental Plans

Regular part-time employees as defined in Sections 3.3 and 3.4 of the Agreement shall receive the Employer's contribution to the Medical Plan under Section 17.1 and Dental Plan under Section 17.2 on the same basis as full-time employees. They shall receive educational days in accordance with Section 20 of the Agreement, group life insurance in accordance with Section 18, and shall receive all other benefits on a prorated basis.

3. Regular Part-Time (Predetermined) Employees — Paid Time Off Benefits

- (a) Regular part-time (predetermined) employees shall, upon hire, be given a "prorated benefit formula" based on their scheduled hours and shall earn prorated paid time off benefits based on such formula in accordance with the provisions of the Agreement. This proration formula shall continue for as long as they continue to work the same number of predetermined hours. If, during the course of employment, the number of predetermined hours is changed, the prorated benefit formula shall be adjusted at that time. However, when such employees complete a full calendar quarter, the number of hours paid shall be computed and in the event the number of hours paid exceeds the "prorated benefit formula," the employee shall be given credit for those additional hours to be used for calculating the paid time off accrual in the succeeding calendar quarter.
- (b) In other words, if a regular part-time (predetermined) employee is hired for three (3) eight (8)-hour shifts per week, the employee's "prorated benefit formula" shall be .6. In the event the employee completes a calendar quarter in which the employee is paid for more than an average of three (3) days per week, the "prorated benefit formula" for the following calendar quarter shall be adjusted accordingly. In the event the employee is paid for less than an average of three (3) eight (8)-hour shifts per week, but is still classified as a regular part-time predetermined employee at three (3) eight (8)-hour shifts per week, the employee will continue to earn paid time off benefits as a minimum based on .6 prorated benefit formula. If the employee does not fulfill the requirements of a regular part-time (predetermined) employee, the Employer shall change the employee's status to the appropriate level. It is clear that when such employees are on a leave of absence or other non-work status, they shall not earn any benefits for the duration of such leave. (This is the same as regular full-time employees.) However,

ADDENDUM IV - PRORATED BENEFITS AND COVERAGE UNDER THE AGREEMENT

Page 2

upon return to work, they shall begin to earn paid time off benefits based on their "prorated benefit formula" (which in this case shall be .6) if such employees return and continue to work a predetermined three (3) eight (8)-hour shifts per week schedule. Employees who are on ten (10)-hour and twelve (12)-hour shifts shall also be given a prorated benefit formula as long as they meet the regular part-time (predetermined) definition.

4. Regular Part-Time (Quarterly) Employees

Regular part-time (quarterly) employees shall, upon completion of a calendar quarter in which they are paid at least 260 hours, have their prorated benefit formula computed and shall earn paid time off benefits based on that formula during the next calendar quarter. Employees must continue to be paid for at least two hundred sixty (260) hours in each succeeding calendar quarter in order to maintain regular part-time (quarterly) status.

B. Coverage Under This Agreement

1. Regular Part-Time (Predetermined) and Part-Time Employees

Employees shall be covered under this Agreement immediately upon being hired and shall commence their probationary period.

2. Regular Part-Time (Quarterly) Employees

- (a) Regular part-time (quarterly) employees shall be covered under this Agreement at the beginning of the calendar quarter following the calendar quarter in which they were paid for at least two hundred sixty (260) hours. At the same time as coverage begins, they shall commence their probationary period and shall have their experience credited in accordance with Item 5 in Addendum VII (Letter of Agreement) and Exhibit "A." In any event, such employees must complete at least three (3) months in the 19-23 months start rate after they are covered by this Agreement before moving to the job rate. Regular part-time (quarterly) employees shall remain covered by this Agreement (and continue to receive prorated benefits) as long as they continue to be paid for at least two hundred sixty (260) hours in each calendar quarter. Failure to be paid for two hundred sixty (260) hours will result in a change in employment status as outlined below. In the event a regular part-time (quarterly) employee transfers into a temporary position, the employee will continue to receive prorated benefits as long as the employee retains regular part-time (quarterly) status and is paid for at least two hundred sixty (260) hours in a calendar quarter.
- (b) The term "paid" for the purposes of Section 3.4 shall mean payment actually received during a calendar quarter for hours worked, PTO, EST, jury duty, funeral leave and paid educational leave but shall not include payment under TDI or Workers' Compensation.

ADDENDUM IV - PRORATED BENEFITS AND COVERAGE UNDER THE AGREEMENT

Page 3

C. Change In Status

1. Covered Status To Uncovered Status

The employee shall cease earning all benefits under the Agreement, PTO pay (if any) will be paid off, seniority is lost and continuous service is terminated. The employee will lose all continuous service and will have to start earning continuous service as a new employee if the employee achieves covered status again. All employees, who lose coverage under this Agreement but do not have a break in employment with the Employer from the time they lose coverage to the time they are once again covered by this Agreement, shall not be required to complete a new probationary period but their seniority shall commence on the date of their most current coverage begins except as provided for in Section 23.5.

2. Regular Full-Time or Regular Part-Time Status to Part-Time Status

(a) The employee shall cease earning all benefits under the Agreement except those covered in Section A.1. of this Addendum; PTO pay (if any) will be paid off; seniority shall continue but continuous service is terminated. The employee will lose all continuous service and will have to start earning continuous service as a new employee if the employee achieves regular full-time or regular part-time status again.

(b) Exception. If a regular full-time or regular part-time (predetermined) employee changes status to part-time and the employee continues to be paid for at least two hundred sixty (260) hours in the succeeding calendar quarter (to qualify as a part-time [quarterly]), the employee shall be considered to have worked continuously, and there shall be no break in continuous service and seniority.

3. Regular Part-Time (Quarterly) Employees Who Fail To Be Paid For Two Hundred Sixty Hours In A Calendar Quarter

Failure to be paid for two hundred sixty (260) hours will result in an employee no longer being covered by this Agreement, and the provision of C.1. Covered Status To Uncovered Status will apply. Such employees shall once again become covered and eligible for prorated benefits by again being paid for at least two hundred sixty (260) hours in a calendar quarter.

ADDENDUM V
LETTER OF AGREEMENT

January 29, 2007

Hawaii Nurses' Association
677 Ala Moana Blvd., Suite 301
Honolulu, Hawaii 96813

In conjunction with the collective bargaining agreement being executed simultaneously with this letter, the following is understood and agreed.

1. The Employer agrees to continue to identify RNs as RNs regardless of any new concept in terminology in the delivery of care.
2. The Employer agrees that there is at present no intent to modify or terminate the existing policies pertaining to health benefits for covered employees. It is understood, however, that such health benefits may be reviewed in the future and that the Employer retains the right to modify or terminate the existing policies pertaining to health benefits for justifiable reasons. The Employer agrees to meet and discuss changes with the Association at least sixty (60) days prior to modifying or terminating the existing policies pertaining to health benefits.
3. Orientation. The Employer shall provide the following orientation:
 - a. New Hires
 - (1) New graduate - a minimum of six (6) weeks.
 - (2) Experienced - a minimum of three (3) weeks.
 - (3) Employees shall not be counted as staff during orientation.
 - (4) Orientation may be extended or reduced by mutual agreement between the RN orientee and the Unit Supervisor on an individual basis when needed. However, the RN orientee may request the full length of time for orientation.
 - b. Float
 - (1) It is the intent of the hospital to insure that each staff member prior to floating in and acceptance of patient care assignment will receive orientation to include necessary criteria to provide minimal care, such as: (a) emergency procedures, (b) physical layout, (c) charting, and (d) completion of the basic skills checklist.
 - (2) Conditions

Each nursing unit shall decide by a majority vote as to whether floating will be done by seniority or rotation. Such a vote may not be held more often than once per year, and the Employer shall notify the Association of the decision. Determination of which nurse(s) will float for the shift, will be made by the charge nurse according to the specific policy agreed upon by the nursing unit. (This provision does not apply to floating in order to provide work opportunity.)

ADDENDUM V - LETTER OF AGREEMENT

Page 2

- (3) When an employee is floated to a unit or area where the employee receives an assignment that she/he believes that she/he cannot safely perform independently, the employee may notify the supervisor and request a modified assignment which reflects the employee's level of competence. The supervisor, in consultation with the charge nurse, will review such request and make a determination based on an assessment of the employee's skill level.

c. Charge

- (1) Charge nurse duty means the assignment of specific responsibilities for the coordination of patient care activities of a specific nursing unit on a single shift. Prior to placement in a charge position, the individual must know (a) the broad function of the unit, (b) hospital policies and procedures, and (c) expectation of the charge nurse function.
 - (2) When the facility manager is away for the full day at any satellite facility, a staff RN shall be assigned as a Charge Nurse.
 - (3) A charge nurse shall not "normally" be required to take patient care assignments. It is understood that this may not be the case in outpatient units such as ER, ACS, PACU, renal dialysis units of 8 stations or less. The Employer shall not assign duties to the charge nurse that would, under the criteria of the Act, classify the position as supervisory.
4. Notwithstanding the provisions of Exhibit "A," employees who are hired from Kapiolani Medical Center for Women and Children, Kuakini Medical Center, The Queen's Medical Center and Kaiser Foundation Hospital and Kaiser Foundation Health Plan, Inc. or change their status from non-covered to covered, shall be placed in the appropriate start rate as follows:

An employee shall be given credit for any quarter for which an employee is paid for 260 hours or more. Therefore, for all service after January 1, 1981, all quarters for which the employee is paid 260 hours or more shall be added and shall count toward the level of experience. Such quarters need not be consecutive to be counted but only quarters credited within the immediately preceding five (5) years shall be counted.
 5. It is understood that the Employer shall compensate employees under the provisions of Section 12.20, In-Service Training or Work Related Meeting for attendance at in-service programs on new equipment, new charting techniques and new procedures. It is also understood that an employee's evaluation will not be penalized by the Employer for non-attendance of non-mandatory staff meetings.
 6. Utilization of Personal Automobiles for Employer Business
 - (a) If an employee is required by the Employer to utilize his/her automobile in the performance of his/her duties, the employee will be reimbursed in a timely manner for all miles traveled for work business in accordance with the allowances established by the I.R.S. for such business travel.

ADDENDUM V - LETTER OF AGREEMENT

Page 3

- (b) On days the employee is required to use his/her automobile, the employee shall be provided with free parking at the Employer's expense.
 - (c) The Employer shall also pay the employee a monthly fee to help compensate the employee for carrying Public Liability and Property Damage insurance and shall pay for the insurance deductible and connected towing charges in the event the employee is involved in an accident which is not caused by the employee's negligence while driving on Employer business. The details of the monthly fee and the compensation for the deductible shall be covered in the Employer's administrative policies.
7. In the event employees on any unit consistently request to take a break and the supervisor or designee is consistently unable to grant such request, the Employer agrees to meet with the Association to discuss the situation.
 8. Successorships. In the event the Medical Center is sold, the terms and conditions of this agreement shall apply to the purchaser to the extent required by the rules and doctrine for successor employers under the National Labor Relations Act.
 9. In the event the Employer creates a new job or substantially alters the contents of an existing job within the bargaining unit, the Employer shall notify the Union within thirty (30) days and attach a copy of the new or altered job description.

Very truly yours,

ST. FRANCIS MEDICAL CENTER

By /s/ Sister Agnelle Ching

Agreed:

HAWAII NURSES' ASSOCIATION

By /s/ Jon Carroll

ADDENDUM VI

CONDITIONS FOR THE WEEKEND DIFFERENTIAL

1. Every Weekend Position Posting. Employees desiring to fill positions with work on every weekend shall have to bid for such positions which shall be posted in accordance with the provisions of the agreement in the same manner as any other position. Employees desiring to quit such position may bid out to other vacant positions.
2. Employees Who Do Not Meet Requirements. If the requirements of Section 10.5(b)(2)[d] are not met, the employee may be moved out of the every weekend positions with as little disruption as possible.
3. Elimination of Weekend Positions Weekend positions were established by the Hospital to facilitate weekend scheduling. Like any position, the Hospital maintains the right to eliminate such positions if it feels they are no longer necessary. Whenever possible, the Hospital will eliminate such positions whenever they become vacant. If that is not practical, the Hospital will meet with HNA and an attempt will be made to place the employee in a position with as near a schedule as occupied by the employee prior to the employee taking a weekend position. If the employee has changed status upon acquiring a weekend position or thereafter, the employee will be placed in a position within the employee's current status if the employee so desires. It is understood that the parties may mutually agree to waive certain posting and bidding provisions under Section 23.4(b) in order to accomplish the placement of the affected employee. If alternate placement cannot be accomplished, the affected employee would be able to exercise layoff rights under the provisions of the Agreement. In the event of temporary layoffs, employees working every weekend will be treated in the same manner as any other employee.
4. Christmas and New Year's Holiday. Employees who are working the every weekend position shall be given the same consideration (included in the same pool as other employees) to express their preference per Section 14.15(d) of the Agreement. If, in order to accomplish the holiday rotation per Section 14.15(d) such employee are assigned work during the workweek in place of their normally assigned weekends, such employees will not suffer any reduction in the weekend differential they would have received had the Employer not reassigned them.
5. Employee Desiring Weekend Positions For Their Own Convenience. If the Employer has not posted a weekend position but is willing to accommodate such an employee, the employee will be required to waive in writing all weekend payments under Section 10.5 (b) (2)[a] and the weekend differential.

LETTER OF AGREEMENT

January 29, 2007

Hawaii Nurses' Association
677 Ala Moana Blvd., Suite 301
Honolulu, Hawaii 96813

In conjunction with the collective bargaining agreement being executed simultaneously with this letter, the following is understood and agreed.

In the event of implementation of federal or state price or premium controls which results in a diminishment of revenues that creates a financial hardship for the Employer which impacts its ability to pay wages and benefits to all personnel employed by the Employer, all wage and/or benefit increases shall be immediately frozen and this Agreement shall be subject to re-opening by either party solely on the subject of wages and/or benefits. Upon request by the Employer to re-negotiate wages and/or benefits, the Employer shall provide the Association all pertinent data, financial and otherwise. In the event of such re-opening and failure to agree, the parties shall be free to strike or lockout but solely on the question of wages and/or benefits. Otherwise, all provisions of Subsection 29.1 No Strike, Lockouts, Work Stoppages, shall remain in full force and effect.

Very truly yours,

ST. FRANCIS MEDICAL CENTER

By /s/ Sister Agnelle Ching

Agreed:

HAWAII NURSES' ASSOCIATION

By /s/ Jon Carroll

LETTER OF AGREEMENT – RETIREE MEDICAL PLAN

January 29, 2007

Hawaii Nurses' Association
677 Ala Moana Blvd., Suite 301
Honolulu, Hawaii 96813

In conjunction with the collective bargaining agreement being executed simultaneously with this letter, the following is understood and agreed.

1. A separate medical plan providing the same benefits as active employee will be established for retired employees covered under this contract as soon as administratively feasible no later than six (6) months after date of ratification. Employees retiring between January 19, 2003 and implementation of the plan will be eligible to participate.
2. Plan is paid entirely by retiree.
3. Retiree must be eligible and elect to receive benefits under the Defined Benefit Plan upon termination of employment.
4. Retiree must enroll in the Retiree Medical Plan at the time of retirement. Retiree may not enroll at a later date.
5. Retiree may continue coverage until age 65 or Medicare eligible, whichever is earlier. Thereafter, the retiree will have access to HMSA 65C Plus plan and Drug Plan 248 with a \$2,500 maximum.

Very truly yours,

ST. FRANCIS MEDICAL CENTER

By /s/ Sister Agnelle Ching

Agreed:

HAWAII NURSES' ASSOCIATION

By /s/ Jon Carroll

CONTENTS

<u>Section Number and Title</u>	<u>Page</u>
1 RECOGNITION	1
2 COVERAGE	1
3 EMPLOYMENT STATUS DEFINED	1
Employment Status Defined	1
Regular Full-Time Employees	1
Regular Full-Time (36-Hour Per Week) Employees	1
Regular Part-Time Employees (Predetermined)	1
Regular Part-Time Employees (Quarterly)	1
Part-Time Employees	2
Temporary Employees	2
4 ASSOCIATION SECURITY	2
Definition of Member in Good Standing	2
Membership	2
Employee Notices	2
Bargaining Unit and Staffing Information	3
New Positions	3
5 MONTHLY DUES DEDUCTION	3
Deduction of Dues	3
Indemnity	3
6 NON-DISCRIMINATION	3
7 ACCESS TO EMPLOYER'S PROPERTY	4
8 BULLETIN BOARDS	4
9 MANAGEMENT OF FACILITIES	4
10 HOURS OF WORK	4
Definition	4
Regular Hours of Work	5
Work Shift	5
Posting of Work Schedules	5
Work Schedules	5
Scheduling of Work	7
Exceptions	7
11 MEAL PERIODS AND REST PERIODS	7
Meal Period	7
Rest Periods	8
12 COMPENSATION	8
Wages	8
Shift Differentials	8
Payment of Shift Differential	8
Reporting Pay	9
On-Call Pay	9
Call Back	10
Overtime	11
Relief in Higher or Lower Classification	12
Promotion and Demotion	12
In-Service Training or Work Related Meeting	12
Deductions and Itemized Paycheck Stub	13

<u>Section Number and Title</u>	<u>Page</u>
13 CONTINUOUS SERVICE DEFINED.....	13
14 PAID TIME OFF	14
Purpose	14
Eligibility	14
Accrual	14
Accrual Rates	14
Payment	15
Scheduling and Approval	15
Temporary Disabilities.....	16
Workers' Compensation	16
Emergency Leave	16
Maximum PTO Accumulation and PTO.....	16
Recall to Work During PTO	17
Termination of Employment	17
Extended Sick Time (EST)	17
Overtime Computation	18
Hospital Recognized Holidays.....	18
15 LEAVES OF ABSENCE WITHOUT PAY	19
Family and Medical Leave & Medical Disability Leave.....	19
Personal, Educational, Emergency, and Association Business Leaves.....	20
Reinstatement From Leave	20
Benefits During Leave	21
Leave Requests	21
Purpose of Leave	21
16 LEAVES OF ABSENCE WITH PAY	21
Funeral Absence With Pay.....	21
Jury Duty	21
17 HEALTH PLAN COVERAGE	22
Medical Plan.....	22
Dental Plan.....	22
Right to Change Medical and Dental Plans.....	23
Eligibility	23
Employee Health Requirements.....	23
Flexible Spending Program	23
18 GROUP LIFE INSURANCE	23
19 LONG-TERM DISABILITY INSURANCE	23
20 EDUCATIONAL AND PROFESSIONAL IMPROVEMENT	24
Eligibility	24
Procedure.....	24
21 TUITION REIMBURSEMENT	25
Eligibility	25
Procedure.....	26
22 RETIREMENT PLAN	26
23 SENIORITY	27
Probationary Period.....	27
Seniority	27

CONTENTS - (continued)

Page 3

<u>Section Number and Title</u>	<u>Page</u>
Low-Need Days, Layoff and Recall from Layoff	27
Promotions, Transfers and New Positions	32
Transfer Out of the Bargaining Unit.....	33
Seniority List.....	33
24 RESIGNATION NOTICE	33
25 DISCIPLINE AND DISCHARGE	34
26 PERSONNEL INFORMATION	34
Personnel File	34
27 UNIT REPRESENTATIVES	35
Handling Grievances	35
Time for Negotiations	35
28 HEALTH AND SAFETY	35
Biological Hazards/Agents	35
29 GRIEVANCE PROCEDURE	36
No Strikes, Lockouts, Work Stoppages	36
Procedure	36
Mutually Agreed Upon Mediation	37
30 NURSING PRACTICE	38
Supervision and Professional Responsibility.....	38
31 LABOR/MANAGEMENT COMMITTEE	38
Purpose	38
Membership.....	38
Recommendations	38
Meeting Schedule.....	39
Procedure for Reviewing Concern for Safe Staffing Forms	39
32 REGISTERED NURSE STAFFING.....	39
Staffing	39
Ratio of Patient to Care Manager.....	40
33 DOCUMENT CONTAINS ENTIRE AGREEMENT	40
34 SAVING CLAUSE	40
35 MODIFICATION OF AGREEMENT	40
36 DURATION OF AGREEMENT	41
Exhibit "A-1" - Wages	
Exhibit "A-2" -	
Exhibit "A-3" -	
Exhibit "B" - Assignment of Wages to Cover Association Dues	
Exhibit "B-1" - Assignment of Wages for Association's Negotiation and Administration of Contract	
Exhibit "C" - Contribution to Charitable Fund	
Exhibit "D" - Ten-Hour Shifts	
Exhibit "E" - "12-Hour" Schedules	
Addendum I - Agency Nurses	
Addendum II - Clinical Level III RN	
Addendum III - Clinical Level IV RN	
Addendum IV - Prorated Benefits and Coverage Under the Agreement	

CONTENTS - (continued)
Page 4

- Addendum V - Letter of Agreement
- Addendum VI - Conditions for the Weekend Differential
- Letter of Agreement - Reopener
- Letter of Agreement - Retiree Medical Plan

A G R E E M E N T

between

ST. FRANCIS MEDICAL CENTER

and

HAWAII NURSES' ASSOCIATION

December 1, 2006 to November 30, 2008