COLLECTIVE BARGAINING AGREEMENT BETWEEN

SEIU LOCAL 503, OPEU

and

PINNACLE UMPQUA VALLEY NURSING & REHAB CENTER

525 W. Umpqua Street, Roseburg, OR

Effective: March 18, 2015 to September 30, 2017

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PREAMBLE & WITNESSETH

This Agreement is made and entered into on March 18, 2015 by and between Umpqua Valley Nursing & Rehabilitation Center, LLC, doing business as Umpqua Valley Nursing & Rehabilitation Center, (hereinafter called the "Employer") and the Service Employees International Union, Local 503 (hereinafter called the "Union") for the Bargaining Unit Employees at the Employer's facility at 525 W. Umpqua Street, Roseburg, OR.

WHEREAS, the purpose of this Agreement is to promote harmonious relations between the employer and its employees; to secure efficient operations and to establish standards of wages, hours and other working conditions for employees within the collective bargaining unit; and

WHEREAS, the employer recognizes the Union as the sole collective bargaining representative for the employees covered by this Agreement, as hereinafter provided;

NOW, THEREFORE, in consideration of the mutual promises and covenants herein contained, the parties hereunto agree as follows:

ARTICLE 1. RECOGNITION

1.1 Employees Covered By Agreement. Unit Employees covered by this Agreement shall be all full-time, regular part-time and per diem/ on-call employees, certified nursing assistants, nursing assistants, certified medication aides, restorative care assistants, rehabilitation aides, physical therapy aides, graduate nursing assistants, social service assistants, activity assistants, receptionists, central supply, transportation and medical records assistants, all dietary, housekeeping, laundry, and maintenance employees, employed by the Employer; excluding all employees jointly employed by the Employer and other Employers and/or staffing agencies, confidential employees, managers, licensed practical nurses, registered nurses, therapists, licensed physical therapy assistants, office manager, resident care managers, charge nurses, rehabilitation department manager, food service director, environmental services director, housekeeping supervisor, medical records director, social services director, activities director, all other professional employees, guards and supervisors as defined in the Act.

1.2 New Job Classifications. Any and all disputes between the parties hereto concerning the inclusion in or exclusion from the unit, including any new job classification(s) that perform similar or same work as those currently described above, shall be subject to the grievance procedure of this Agreement, but shall not, under any circumstances, be subject to arbitration under this Agreement. If the parties are unable to resolve such a dispute on a mutually satisfactory basis through the grievance procedure or otherwise, the dispute shall be submitted to the National Labor Relations Board ("NLRB") for final and binding resolution.

1.3 New Facilities. If the Employer herein, its parent company, subsidiaries, affiliates or contractual management and/or consultant company, individually, collectively or by virtue of a partnership, joint venture, contractual management or consulting agreement or by any other form of ownership or control, either acquires an

existing facility, or, builds a facility, such newly acquired or newly built facility shall not in any way, directly or indirectly, be covered by the provisions of this Agreement or be deemed to be encompassed by or accreted to the unit covered by this Agreement in the absence of mutual agreement or a NLRB determination to this effect. In this regard, the NLRB shall be the sole and exclusive agency to make such determination and the Grievance and Arbitration provisions of this Agreement shall not be applicable or be utilized to resolve any representation questions in connection with any such newly acquired or newly built facility.

ARTICLE 2. UNION SECURITY

Not later than the thirty-first (31st) day following the beginning of employment, or the effective date of this Agreement, whichever is later, every employee subject to the terms of this Agreement shall, as a condition of employment, become and remain a member of the Union, paying the periodic dues uniformly required, or in the alternative shall, as a condition of employment, pay a fee in the amount equal to the periodic dues uniformly required as a condition of acquiring or retaining membership.

The condition of employment specified above shall not apply during periods of formal separation from the bargaining unit by any such employee but shall reapply to such employee on the thirty-first (31st) day following his or her return to the bargaining unit. For purposes of this Paragraph, the term "formal separation" shall include transfers out of the bargaining unit, removal from the payroll of the Employer and leaves of absence of more than one (1) month duration.

Upon voluntary signed authorization by an employee, the Employer agrees to deduct the Union dues and remit same to the office of the Union not later than the twentieth (20th) day of the month following the month in which the dues were deducted.

On the twentieth (20th) of each month, the Employer will furnish the Union with a list of names, addresses, job classifications, full-time/ part-time/ on-call status, shifts (DAY, EVE, NOC) if available, phone numbers as provided and updated by employee to Employer, dates of hire, base pay rates, of all employees within the past month. The Employer will also furnish the Union each month with a list of employees identifying bargaining unit status changes for each employee since the last report (i.e. on leave of absence, new hire, transfer into bargaining unit, terminated, or transfer out of the bargaining unit). All information shall be furnished electronically in a mutually agreeable format. Along with the dues, the Employer will furnish the Union electronically in a mutually agreeable format, a list of employees for whom dues were deducted and the amount deducted from each employee, base pay and hours worked for the period dues were deducted, as well as a unique identification number assigned by the Employer. The Employer shall also periodically provide the name, address, phone number, job classification, base pay rate and hire date of all bargaining unit employees upon request from the Union.

The Employer will deduct voluntary political action dues each month from employees who submit voluntary political action dues check-off authorization forms

(also called C.A.P.E. check-off). Voluntary political action dues will be forwarded to the Union office not later than the twentieth (20th) day of the month following the month in which the dues were deducted, along with an electronic list of employees for whom political action dues were deducted and the amount of dues deducted from each employee.

The Union will indemnify and hold harmless the Employer with respect to any asserted claim or obligation or cost of defending against any such claim or obligation of any person arising out of the Employer's deducting and remitting of Union dues.

ARTICLE 3. NON-DISCRIMINATION

3.1 No Discrimination. No employee or applicant for employment covered by this Agreement shall be discriminated against because of membership in the Union or activities on behalf of the Union. Neither the Employer nor the Union shall unlawfully discriminate for or against any employee or applicant covered by this Agreement on account of race, color, religious creed, national origin, citizenship status, lawful political affiliation, veteran status, disability, medical condition, sexual orientation, sex, gender identity, gender expression, age, marital status or any other protected class.

3.2 Languages. In order to operate safely, efficiently and consistently with the rights of facility residents, English shall be used in resident care areas and common areas typically occupied by residents and family members, unless the resident or family members are conversant in a foreign language and wish to communicate with staff in that language. For instructional purposes in resident care areas, languages other than English may be used with consideration for facility residents and family members. The rule to communicate in English does not apply to employee break rooms, casually-exchanged greetings, or casual conversations between employees except when such conversations occur in resident care areas or other common areas where residents converge.

3.3 Gender. The use of the masculine or feminine gender or any titles which connote gender in this Agreement shall be construed as including both genders and not as sex limitations unless the Agreement clearly requires a different construction.

ARTICLE 4. MANAGEMENT RIGHTS

The Employer has and shall retain the full right of management and direction of the facility and operations. Such right of management includes, among other things, but is not limited to, the right to plan, direct, control, increase, decrease, or discontinue operations in whole or in part; to shift services, processes, or types of work, to change technology and/or equipment; to introduce new methods, techniques, and/or equipment; to change or discontinue any procedure used in connection with services provided at the facility; to subcontract; to hire, select and determine the number of its employees, including the number assigned to any particular work and the number of employees within classifications to any shift or work week; the determination of the number, size and location of its facility or facilities or any part thereof, and the extent to which and means and manner by which its facility or facilities or any part thereof, shall be operated, relocated, shut down or abandoned; the right to terminate, merge,

consolidate, sell or otherwise transfer its business or any part thereof; the right to transfer employees temporarily from one job to another and/or from one facility to another facility for a period not to exceed (30) calendar days (notification thereof shall be provided to the Union promptly); to impose discipline up to and including discharge upon employees for just cause as defined in the discipline and discharge Article of this Agreement; to add to or reduce the number of employees it shall employ at any time and the qualifications necessary to any of the jobs it shall have or may create in the future in the system; to, in its discretion, assign work duties both on regular and overtime work in accordance with its determination of the needs of the respective jobs and operations; to establish, change, combine or eliminate jobs, positions, job classifications, and descriptions; determine reasonable work pace, work performance levels and standards of performance of employees; to make and enforce safety and security rules and rules of conduct; to conduct periodic performance evaluations and to adopt, rescind, or change facility safety and work rules and regulations not inconsistent with the express terms of this Agreement and to enforce said rules.

It is the intention of the Employer and the Union that the rights, powers, authority, and functions referred to herein shall remain exclusively vested in the Employer, except as specifically surrendered or limited by the express provisions of this Agreement.

ARTICLE 5. UNION RIGHTS, REPRESENTATIVES AND STEWARDS

In the interest of promoting a positive approach to labor management relations and strengthening an ability to achieve joint goals of the Labor-Management Coalition for Quality Care, the parties agree to the following:

5.1 Professional Courtesy and Behavior. The Employer and the Union agree to encourage everyone, regardless of position or profession, to perform in an efficient, courteous and dignified manner when such individuals interact with fellow employees, facility residents, and visitors. The Employer and the Union agree that all facility employees, managers, and Union representatives will treat each other with dignity, respect and courtesy. The forgoing principles shall also apply in providing service to patients and visitors. Neither the Union nor the Employer shall use negative rhetoric in the form of written or verbal communication that concerns the mission, motivation, leadership, character, integrity or representatives of the other. No Party shall circulate, or cause to be circulated, any charge or report that is designed to bring another Party into public disrepute or otherwise adversely affecting the integrity, credibility or reputation of such Party, including all written material connected with any organizational campaign or collective bargaining negotiation. The foregoing two (2) sentences shall be waived for any successor contract bargaining thirty (30) days prior to the expiration of the agreement, unless the parties mutually agree to binding arbitration for any successor contract bargaining.

5.2 Facility Access of Union Representatives. Union staff representatives shall have access to the facility for the purposes of the conferring with the Employer, Union Stewards, and/or bargaining unit members, and for the purpose of administering this Agreement. With at least one (1) business day's prior notice to the Employer, or

less with mutual agreement with the Employer; a representative of the Union shall have reasonable access to the Employer's premises. If the facility visit is in relation to filing of an employee's grievance or the investigation of a potential grievance, the Union representative shall have immediate access to the Employer's premises. Prior notification may include notice by telephone or email. Upon entering the facility the Union representative shall notify the Administrator, or his/ her designees, of the representative's presence in the facility. Such Union representative shall confer with employees during the employee's non-working time in the employee break room and other non-work areas. The Union will furnish the name of the Union representative to the Employer.

5.3 Union Information. The Employer will:

1) Furnish and install at least one (1) bulletin board in each employee break room or each facility for posting of union notices with a copy being given to management at the time of the posting. This bulletin board shall be no smaller than three feet by four feet (3' x 4'). The Union and the Employer will confer upon the location of the bulletin board.

2) Allow the Union to furnish a binder to be kept in the break room for the purpose of storing materials such as membership forms, copies of the contract, Union contact information, and other union materials.

3) Additionally, as space permits, allow the Union to furnish a secure deposit box and/or a shelf, installed by the Employer on the wall of the break room for the purpose of keeping internal Union information including, but not limited to, Union election nomination forms and ballots, grievance forms, membership surveys, etc.

5.4 Union Stewards. The Union shall designate Union stewards and notify the Employer in writing as to who the stewards are. The Union Stewards' performance of union work shall not interfere with the operation of the facility nor the performance of employees' job duties. Union stewards shall receive her/ his base rate of pay for time spent processing grievances and representing Bargaining Unit Employees in meetings with the Employer during stewards' scheduled hours of employment. Union stewards shall also receive her/his base rate of pay for time spent representing Bargaining Unit employees in all meetings where the Employer requested that the Steward process a grievance or represent a Bargaining Unit Employee outside of the stewards' scheduled hours of employment. In no case shall the Employer be required to pay more than one (1) steward at a time for such work. A union steward may receive phone calls from union representatives while on work time, in private if requested, not to exceed ten (10) minutes per shift. Such calls shall not interfere with resident care. If Bargaining Unit Employees request time off to attend steward training, the Employer will make every effort to approve such requests in consideration of operational needs.

Bargaining Unit Employees requesting time off to attend steward training will make every effort to comply with Employer's policy for requesting time off.

5.5 Union New Employee Orientation. Each month, Employer will provide a designated Union Steward with the names of all employees newly hired into bargaining unit job classifications and the scheduled date for such employees general orientation. During general orientation of Bargaining Unit Employees covered by this Agreement, or within one (1) month of a Bargaining Unit Employee's hire date, whichever occurs first, a union steward (on the clock) will be given an opportunity at a mutually agreed upon time to speak with the Bargaining Unit Employees in private for up to fifteen (15) minutes. Part of this discussion will include an explanation and distribution of Union Membership/Dues Authorization cards to the new Bargaining Unit Employees. The purpose of this session shall be to explain to new Bargaining Unit Employees that they are covered by this Agreement and to answer any questions about this Agreement, SEIU Local 503, or the Oregon Labor-Management Coalition for Quality Care. Such Union Orientations will be mandatory for all Bargaining Unit Employees within her/ his first month of hire.

5.6 Union Activities. There shall be no reprisal, coercion, intimidation or discrimination against any Union steward or Union member for participation in union activities, as defined by applicable law.

5.7 Daily Stipend for Joint Lobby Days. The Employer will designate two (2) days per calendar year to grant leave time for employees participating in lobby days approved by the Labor-Management Coalition for Quality Care. The Union and the Employer may, upon mutual agreement, establish additional days. The Employer will make every reasonable effort to release employees, as designated by the Union for lobby days, considering operational needs. Additionally, the Employer agrees to pay up to two (2) bargaining unit employees per facility a fifty dollar ($50) daily stipend when such employee(s) incurs lost wages for time spent in conjunction with such approved lobby days. The stipend will be paid in the qualified employee's regular paycheck subject to all payroll rules. The Employer can alternatively select more than two (2) employees per facility if operational needs allow and the total number of employees participating company-wide doesn't exceed the overall total of up to two (2) employees per facility. The Union will identify and select the employees eligible for the stipend within the framework above and verify such employee's lobby day participation at the approved event.

5.8 Volunteer Union Activities. For employee activity under this Article, including collective bargaining with the Employer that does not fall under paid time, employees will be able to utilize earned paid time off. Under no circumstance will employees have a reduction of status or lose health care benefits for employee activity under this Article.

5.9 All Staff Meetings. When the Employer holds it's regularly scheduled All Staff Meetings at the facility, a Union Representative and/or Union Steward shall be given the opportunity to address the Bargaining Unit for five (5) minutes when possible.

ARTICLE 6. PROBATIONARY PERIOD

6.1 Probationary Period. All employees within the unit covered by this Agreement who are hired on or after the effective date hereof shall be subject to a probationary period of ninety (90) calendar days commencing with the first day of work for the Employer.

6.2 Probationary Period Seniority. Seniority shall not accrue during the probationary period. Upon the successful completion of the probationary period, employee's seniority shall relate back to and be calculated from his date of hire.

6.3 No Just Cause During Probationary Period. At any time during the probationary period, the Employer may layoff, discharge, or discipline probationary employees with or without cause. The Employer's action with respect thereto shall not be subject to the Grievance and Arbitration provisions of this Agreement.

ARTICLE 7. TEMPORARY TRANSFERS

When the Employer exercises its right to transfer employees temporarily intercompany, it shall select among employees qualified for the work by accepting volunteers on a seniority basis first, and if there are insufficient volunteers, assigning employees by inverse seniority. The employee's rate of pay will remain the same. The Employer will provide transportation to work outside the unit or pay mileage at the IRS rate for such transportation. For all transfers in excess of 30 miles from the Facility, the Employer will pay for travel time. Such transfers to outside facilities shall be for no more than 12 hours from facility to facility on any one day. During such transfers, employees shall remain fully covered by the collective bargaining agreement. Employees may travel for consecutive days only upon mutual agreement between the Employee and the Employer.

ARTICLE 8. SENIORITY, LAYOFF & RECALL

8.1 Definition of Seniority. Seniority shall be defined as the continuous length of service computed from the employee's most recent date of hire in the Bargaining Unit at the Facility.

8.2 Employee Address & Phone Number. It shall be the responsibility of the employee to keep the Employer informed of his/her current address and telephone number and to notify the Employer within two (2) weeks, in writing, of any change of address or telephone number.

8.3 Accrual of Seniority. Seniority shall continue to accrue during all contractual paid leaves of absence, during all unpaid leaves of absence for the first thirty (30) days of such leave of absence, for up to thirty (30) days each calendar year for Union leave purposes, and for up to six (6) months of compensated disability leave over the length of the Agreement.

8.4 Loss of Seniority—Termination of Employment. Anything herein to the contrary notwithstanding, an employee will lose his seniority in all respects for any of the following reasons:

1) Voluntary resignation.

2) Discharge for just cause.

3) Failure, refusal, or inability to report to work at the expiration of any leave of absence or vacation pursuant to this Agreement, or taking employment elsewhere during a leave of absence, without Employer permission, if Employee is medically able to work at the facility.

4) Layoff for twelve (12) or more consecutive months or for the length of the employee's continuous service with the Employer, whichever is less.

5) Acceptance of a non-unit or other supervisory or management position with the Employer which removes the employee from the bargaining unit and coverage of this Agreement except those employees who return to their unit position within sixty (60) days of their acceptance of the non-unit position. However, if an employee returns to his/her unit position within six months of acceptance of a non-unit or supervisory position, the employee shall regain his/her seniority upon completion of three (3) months back in the unit.

6) Failure of an employee to notify the Employer within three (3) work days from the date of receipt of notice of recall by personal delivery to the employee, certified mail (return receipt requested), or the last date of attempted delivery by certified mail, sent by the Employer to the employee at his/her last address of record requesting him/her to return to work to a job identical or equivalent to that held previously by the employee. Whenever the employee notifies the Administrator in writing regarding temporary phone numbers and/or addresses while out of town, the Employer shall contact the employee using this information in addition to the permanent address. The employee may then take up to ten (10) calendar days from the date of notification to the Employer to actually return to work.

8.5 No Bridging of Seniority. Except as specifically provided above, an employee whose seniority is lost for any of the foregoing reasons shall be considered a new employee if he/she is again hired by the Employer and such individual shall be subject to the probationary period provided in this Agreement. However, if an employee who has lost seniority by reason of section 8.4 above is rehired into the bargaining unit within eighteen (18) months of the date such seniority was lost, that employee shall regain his/her prior accumulated seniority upon the satisfactory completion of six (6) months of service from the date of rehire.

8.6 Layoffs & Reductions in Hours. Should it become necessary for the Employer to reduce its work force, or reduce the hours worked, layoffs and hours reductions shall be effectuated according to the following procedure:

1) Layoffs shall be implemented by classification at each facility. In each classification, temporary employees shall be laid off, or have hours reduced first, followed by probationary and on-call employees. Followed, if necessary, by part-time employees. Once all temporary, probationary, on-call and part-time employees are laid off, if additional layoffs or hours reductions are necessary, full time employees in the classification shall be laid off or be moved from Full-Time to Part-Time status. In choosing which employees to lay off or move from Full-Time to Part-Time status, the Employer shall lay off by inverse seniority, unless the Employer can demonstrate that the more senior employee has demonstrated markedly worse performance as evidenced by disciplinary actions, such as multiple written warnings or suspensions in the employee file. In this case, the senior employee will not be able to initiate "bumping rights" as described below. It is within the sole discretion of the Employer to determine whether to reduce the hours of a classification or to do layoffs, although when employees are reduced from Full-Time to Part-Time status, s/he will be given the option to be laid off and have recall rights in accordance with this article.

2) During temporary periods of low census, the Employer shall reduce hours in the following manner:

   a) The Employer shall first ask for volunteers who wish to reduce their hours. If there are multiple volunteers, then the Employer will accept volunteers in rotating seniority order, starting with the shift's most senior employee. Once all employees have had an opportunity to volunteer, the next volunteer will again be the most senior employee.

   b) If there are no volunteers, and the Employer is going to cancel a full shift or reduce hours, it will cancel shifts or reduce hours in rotating inverse seniority order, starting the rotation with the least senior employee working the shift and progressing to the most senior employee on that shift.

   c) Bargaining Unit Employees who volunteer to reduce their hours or who have had their hours reduced have the option of using Paid Time Off, if the Bargaining Unit Employee has earned Paid Time Off. If the Bargaining Unit Employee has not earned Paid Time Off then the Bargaining Unit Employee will not be paid for time not worked.

   d) Should a facility's census fall and the number of employees exceed required staffing levels for more than ninety (90) days, the Employer

agrees to meet and confer with the Union regarding the impact of continuing reduced hours or the possibility of layoff.

3) Where seniority is equal, priority shall be determined by the last four digits of the employee's Social Security number, with the lowest number being considered the more senior.

4) All employees who are scheduled to be laid off shall receive at least fourteen (14) calendar days advance written notification thereof from the Employer, by personal delivery or by certified or registered mail (return receipt requested). In the event no notice or less notice is provided, the Employer shall pay the difference, at straight-time rates of pay not to exceed eight (8) hours per day, between the day of actual notice provided and the fourteen (14) day notice required. The Employer shall notify the Union when layoff notices are being given, and shall bargain about the effects of the layoff decision. Any and all disagreements by and between the parties regarding such effects bargaining, however, shall not be subject to the Grievance and Arbitration articles and neither party may engage in conduct in violation of the No Strike/No Lockout article of this Agreement.

8.7 "Bumping Rights". All employees who are scheduled to be laid off shall have the right to displace the employee with the least seniority in the same classification on the same shift (DAY, EVE, NOC) or other classification on the same shift provided the employee has the required knowledge, skills and ability based on the job description. Any employee displaced by another employee may also exercise any other option available under this section including displacing a less senior employee from another shift in the same classification or other classification given the requirements above.

8.8 Health Insurance Benefits and Temporary Hours Reductions. No Bargaining Unit Employee will lose health insurance benefits because of temporary hours reductions that take place, voluntarily or involuntarily, due to low census. A temporary hours reduction is defined as a consecutive one hundred and eighty (180) day period. If the temporary hours reduction exceeds one hundred and eighty (180) days, the employee will only be moved from Full to Part Time Status in accordance with the process in this article. If an employee who is reduced from Full to Part Time status works Full Time hours for ninety (90) days, s/he will automatically regain Full Time status and health insurance benefits for a period of no less than one hundred and eighty (180) days.

8.9 Employees with Hours Reduction or Lay-Off Filing Vacant Positions. An employee whose hours are being cut or who is being laid off may fill any vacant position. The employee's selection of shift in the vacant position will be determined by the employee's seniority.

8.10 Recall.

1) Employees most recently laid off within the immediate past twelve (12) months shall be the first to be recalled by the Employer, if they are available and are still qualified to perform the work involved. Employees shall be notified of recall from layoff by certified or registered mail (return receipt requested) addressed to the employee's last reported address on file with the Employer. A copy of such notice shall be forwarded to the Union. The laid off employees must advise the Employer within three (3) work days after receipt of such notice whether or not he/she accepts reemployment. (Recall notices which are not delivered by the post office due to an incorrect address resulting from the employee's failure to advise the Employer of the correct address shall be deemed received as of the date initial delivery was attempted, as certified by the post office). Whenever the employee notifies the Administrator in writing regarding temporary phone numbers and/or addresses while out of town, the Employer shall contact the employee using this information in addition to the permanent address. In the event no reply is received by the Employer within the aforesaid period, the next employee on the seniority list is to be recalled instead.

2) Should the Employer be in urgent need of an employee to fill a position, any laid off employee available may be recalled by telephone at once, on a temporary basis, pending notification of recall to other laid off employees, as provided in this Article. To expedite notice to laid off employees, the Employer may notify more than one (1) such employee at the same time.

3) Any employee recalled shall report to work within ten (10) calendar days after notifying the Employer of his/her intent to return, or forfeit his seniority rights and recall privileges.

ARTICLE 9. ASSIGNMENT AND VACANCIES

9.1 Job Description. The Employer at its discretion may create job descriptions for the positions within the unit. The job descriptions are not intended to limit employees in the performance of work or to limit the Employer in its assignment of work; they are intended to describe general expected activities. Employees may be asked to perform any tasks for which the Employer deems them qualified. When it is necessary to ask Employees to work in different job classifications than which they are scheduled, unless there is an emergency, the Employer will exhaust all other means to call in like classified staff. When employees are asked or assigned to work in different job classifications, the Employer will communicate with employees to ensure there is clear understanding of job duties and expectations.

9.2 Performance of Unit Work by Supervisors or Management. This Agreement shall not limit supervisory and management personnel from the performance of any work.

9.3 Employees of other Facilities/Temporary Employees/ Agency Employees/Subcontractors. The Employer may choose, in its sole discretion, to have unit work performed by employees of other facilities operated by the Employer or entities with which the Employer is affiliated, temporary employees and/or agency employees and/or subcontractors, provided that it shall not result in the layoff of unit personnel or the reduction in regular work hours of unit employees.

9.4 Vacancies. A vacancy is defined to mean any permanent full-time or part-time job opening within the job classifications in this Agreement. The Employer reserves the exclusive right to determine if a vacancy exists. In the event a former job position is not determined a vacancy by the Employer, it shall be posted for a period of seven (7) calendar days that this former job position is not going to be considered a vacancy. All vacancies and new positions in the bargaining unit shall be posted for a period of seven (7) calendar days. Postings shall include job classification, shift, and rate of pay. If, in the sole judgment of the Employer, all qualifications of workers who apply for a vacant position are equal, the worker with the most seniority shall be offered the position. However, if an Employee currently working in the job classification for which the vacancy exists wants to transfer to the shift, schedule and days off of the vacant position, he or she may do so based upon seniority, prior to filling the vacancy.

ARTICLE 10. HOURS OF WORK, BREAK PERIODS & OVERTIME

10.1 Full-Time, Part-Time, On-Call Status. Full-Time is defined as employees who are routinely scheduled and work an average of thirty (30) or more hours per week. Part-Time is defined as employees who are scheduled for and work an average of less than thirty (30) hours per week. On-Call is defined as employees who are not scheduled. For Non-Nursing Services/ Ancillary Staff (including but not limited to Housekeeping, Laundry, Dietary and Maintenance staff), the Employer will make all reasonable efforts for Full-Time employees to not be reduced to less than six (6) hours per shift or 30 hours per week. Average work hours for the purposes of this Section will be determined based on all hours worked over a ninety (90) day rolling period. In the event that an employee is being reduced from Full-Time or Part-Time or On-Call Status, it will be done in accordance with Article 8- Seniority, Layoff & Recall, Section 8.6- Layoffs & Reduction in Hours and all other sections of this Agreement that may apply.

10.2 Hours of Work. The Employer in its discretion shall determine the number of regular work week and regular workday shifts needed, their starting and ending times, the number of employees within the classification required to staff each regular work week and regular workday shift which have been so scheduled, and the assignment of employees to said shifts. The regular work week and regular workday shifts set by Employer shall not be construed as a guarantee to an employee of any specified number of hours of work either per day or per week or as limiting the right of

the Employer to fix the number of hours (including overtime) either per day or per week for an employee.

10.3 Employer Right to Determine Staffing & Layoffs. Nothing contained in this Article shall be construed as a limit on the Employer's right to determine appropriate staffing levels or to layoff employees.

10.4 Notification for Schedule Changes. An employee's regular workday and/or work week schedule may be changed by the Employer on not less than fourteen (14) calendar days advance notification of such change unless an unforeseen emergency or unanticipated circumstance arises that necessitates a prompt summoning of staff and the change in schedule or the Employer and the employee mutually agree to a change in schedule on less notice. Solely avoiding overtime payment to employees or Employer convenience will not be considered an unforeseen emergency or unanticipated circumstance. The assignment of overtime hours before the regular starting time or after the regularly scheduled finishing time of the shift shall not constitute a change in shift.

10.5 Draws & Paychecks. All employees shall be paid on the pay schedule currently in practice. If the Employer modifies its pay schedule, employees shall not be without pay for a period of longer than seventeen (17) days and the Union shall receive at least thirty (30) days notice of such change. Employees shall be allowed to draw up to 75% of earnings based on hours scheduled during the first pay period. This draw is a transitional check between the employee's date of hire and his/her first scheduled pay day. Thereafter, employees may request up to two (2) draws per year based upon unusual or emergency circumstances, and such requests shall not be unreasonably denied. The Employer will provide the draw check in four (4) business days, excluding holidays and payroll processing days.

10.6 Work Week. The current work week is defined as Sunday from 12 am through Saturday at 11:59 pm. If the Employer changes the work week it shall provide the Union and employees with at least two (2) weeks advanced notice of the change. An employee who works in excess of forty (40) hours in any one (1) work week shall be paid at a rate of time and one-half (1 ½) the employee's regular rate of pay for all time worked in excess of forty (40) hours. All overtime work must be with the authority of the Employer. Unauthorized work may be cause for discipline.

10.7 Breaks. Employees working a shift of six (6) hours or more shall receive a thirty (30) minute unpaid meal break within the shift. In addition, employees shall be entitled to a fifteen (15) minute paid rest period for every four (4) hours worked or major fraction thereof. The rest and meal periods need to be scheduled and approved by the supervisor. Employer will use its best efforts to ensure that the meal and rest periods are uninterrupted. If an employee works through all or part of his or her meal period, he or she will be paid for that time.

10.8 Time Clock. The Employer may institute measures to or modify the manner in which it tracks and records employee's work time.

10.9 Shift or Schedule Transfer. Employer may transfer a Bargaining Unit Employee to another shift or schedule with the following considerations:

1) Employer will offer positions on a voluntary basis in seniority order beginning with the most senior employee first, until the list has been exhausted.

2) In the event that the Employer cannot find a volunteer, Employer may require employees to transfer shifts in reverse rotating seniority order beginning with the least senior employee first.

10.10 Open Shifts. When shifts are known in advance, the Employer shall post a list of open shifts as soon as they become available, but no later than seven (7) days in advance of the open shift with space for Bargaining Unit employees to sign up for those shifts. More than one employee may sign up for the same shift. Available shifts will then be distributed among Bargaining Unit Employees who have signed up in rotating seniority order.

10.11 Call-In Shift Bonus. The Employer shall fill shifts that become available with less than seventy-two (72) hours notice or that have not been filed in the Open Shifts process above, in the following manner:

1) The Employer will offer all Call-in shifts to Bargaining Unit Employees in rotating seniority order beginning with the most senior employee first. The Employer may establish a form, to allow employees to indicate willingness to work and shift preference that will then be used to build a rotating seniority based Call-in list. An Employee will be able to update her/his willingness to work and shift preference at any time.

2) When a unit employee accepts a Call-in shift the employee will be paid a half time bonus. For non-overtime this will be paid at a rate of time and one-half (1 ½) and for overtime this will be paid at a rate of double time (2) the employee's regular rate of pay for all time worked on each Call-in shift. To qualify for the Call-in shift bonus, employees must be full-time or part-time and must work their scheduled shifts before and after the extra shift unless the employees are called off by the Employer or asked to volunteer to be off by the Employer. The assignment of hours in excess of 2.5 hours before the regular starting time or after the regularly scheduled finishing time of the shift shall also be considered an a Call-in shift.

10.12 Overtime and Call-In Shifts Optional. All overtime and Call-in shifts shall be optional for the employee.

10.13 Work Hours for Student Employees. Bargaining Unit Employees who have signed an education loan agreement with Employer, and are in an accredited nursing program, will not be required to work more than sixteen (16) hours per week.

10.14 Reporting Pay. If a Bargaining Unit Employee reports to work when on the posted schedule and is not needed by the facility, he or she shall receive a minimum of three (3) hours pay and may be required to work all or part of the three (3) hours, unless the Employee asks and signs a form to be relieved of the shift without reporting pay. If a Bargaining Unit Employee reports to work for a mandatory meeting, he or she shall receive pay for only the period of time spent at the meeting.

10.15 Calling-Off Employees & "Standby". In the event the Employer needs to call off an Employee, the Employer will follow the process defined in Article 8-Seniority, Layoff and Recall and will give Employees at least one half (1/2) hour notice for day shift and at least one (1) hours' notice for evening and night shifts. If the Employer asks an employee to not report to work but be available in the event they need to be called in ("standby") and the employee agrees, the employee shall be on standby status for no more than two (2) hours and shall receive a twenty-five dollar ($25) stipend that will be included on her/ his regular paycheck.

10.16 Supervisor Approval to Switch Shifts. Provided that no overtime costs are incurred, employees may switch shifts as long as they give the Employer written notice, signed by both employees, and approved by the Supervisor. Such approval shall not be withheld unreasonably.

10.17 On-Call Employees. On-call employees shall not be scheduled, except in the absence of a regularly scheduled, full-time or part-time employee, or if current workload demands cannot be met.

10.18 Complimentary Meals for Double Shifts. Employees who are scheduled or asked to volunteer by the Employer to work back-to-back shifts (a "double shift") shall receive a complimentary meal or meal ticket.

10.19 Consecutive Day Overtime. All hours worked on the sixth (6th) and consecutive days of work shall be paid for at the rate of time and one half (1 1/2) until the employee has a day off. Schedule changes requested by the employee which set up a consecutive day stretch will not trigger the premium.

ARTICLE 11. WAGES

11.1 Central Table Economics. Employer shall apply the following specific hourly wage increases per the corresponding dates. Once Employer receives an updated net Medicaid rate change, all Cumulative Economic Package amounts available for wage-related increases will be implemented effective the first full pay period following the below enumerated dates.

11.2 Wage Increases. All Bargaining Unit Employees working at Umpqua Valley Nursing & Rehabilitation Center on the date of Agreement ratification will receive an additional 1.97% per hour increase.

Effective immediately, the Employer agrees to implement wage scales for the Umpqua Valley Nursing & Rehabilitation Center. The "Willamette Valley" wage scale shall be used for this facility for nursing staff, and the "All Oregon" wage scale shall be used for ancillary/non-nursing staff. Wage scales shall have at least thirty-five cent ($0.35) per hour increases between each step and shall be incorporated as Appendix A to this Agreement.

Effective 3/16/2015, all Bargaining Unit Employees working at Umpqua Valley Nursing & Rehabilitation Center on the date of Agreement ratification shall receive a thirty-five cent ($0.35) per hour increase. After the thirty-five cent ($0.35) increase, all Bargaining Unit Employees working at Umpqua Valley Nursing & Rehabilitation Center on the date of Agreement ratification who are below the appropriate step placement shall be placed on the corresponding step of the scale based on years of experience to be effective 4/1/2015.

Effective 4/1/2015 all Bargaining Unit Employees working at Umpqua Valley Nursing & Rehabilitation Center on the date of Agreement Ratification will have their hourly wage adjusted to reflect years of experience according to the Facility Hiring Matrix and shall be placed on the corresponding step of the Wage Scale.

The wage rates of all new employees hired after ratification of this agreement shall be in accordance with the Wage Scale based on years of experience less one year in the given job classification or other relevant experience up to a maximum credit of ten (10) years.

Effective July 1, 2015, all employees shall receive the remaining Cumulative Total Economic Package annual increase as defined in the Central Table Agreement. Additionally, all steps of the wage scale will be increased by the same per hour amount.

By or before July 15th, 2015, the Employer and the Union agree to meet and confer to re-evaluate the cost of longevity bonuses. Should the total cost of the longevity bonuses be less than the agreed upon funding allocated for the longevity bonuses and wage scales, the difference in funding shall be allocated towards an increase in Employee wages.

Effective October 1, 2015, all employees shall be increased to the next step on the wage scale equivalent to a thirty-five cents ($0.35) per hour increase. Employees at or above the top step of the wage scale shall also receive the thirty-five cents ($0.35) per hour increase referenced above.

Effective July 1, 2016, all employees shall receive the remaining Cumulative Total Economic Package annual increase as defined in the Central Table Agreement.

Additionally, all steps of the wage scale will be increased by the same per hour amount.

By or before July 15th, 2016, the Employer and the Union agree to meet and confer to re-evaluate the cost of longevity bonuses. Should the total cost of the longevity bonuses be less than the agreed upon funding allocated for the longevity bonuses and wage scales, the difference in funding shall be allocated towards an increase in Employee wages.

Effective October 1, 2016, all employees shall be increased to the next step on the wage scale equivalent to a thirty-five cents ($0.35) per hour increase. Employees at or above the top step of the wage scale shall also receive the thirty-five cents ($0.35) per hour increase referenced above.

Effective July 1, 2017, all employees shall receive the remaining Cumulative Total Economic Package annual increase as defined in the Central Table Agreement. Additionally, all steps of the wage scale will be increased by the same per hour amount.

By or before July 15th, 2017, the Employer and the Union agree to meet and confer to re-evaluate the cost of longevity bonuses. Should the total cost of the longevity bonuses be less than the agreed upon funding allocated for the longevity bonuses and wage scales, the difference in funding shall be allocated towards an increase in Employee wages.

By subsequent mutual written agreement, the parties may agree to increase the wage scales more than the amounts specified above during the term of the contract. In the event the Employer proposes to increase starting wage rates, it is understood all existing employees and all existing points of the wage scale will also be increased to ensure no existing employees will be paid less than newly hired employees with less or equal years of experience.

11.3 No Reductions. Nothing in this Agreement shall result in a reduction of hourly wage rates for employees with the exception of temporary administrative payroll errors.

11.4 Position Differentials. The position differential between job classifications shall remain consistent to the Wage Scales for each facility and shall be increased as specified above.

11.5 PTO Indicated on Paychecks. Bargaining Unit Employees' total accrued and total available PTO shall be provided to all Bargaining Unit Employees with their paycheck once per month. Bargaining Unit Employee's total eligible hours for the basis of PTO accrued hours shall be provided to all Bargaining Unit Employees with their paycheck once per month.

11.6 Paychecks. Paychecks will be available to Bargaining Unit Employees by 6:30am on payday without preconditions. A Bargaining Unit Employee will not be

required to attend meetings or perform any function for the Employer as a condition of receiving his or her paycheck. If a payday falls on a Saturday, checks will be available by 6:30am the preceding Friday. If a payday falls on a Sunday, checks will be available by 6:30am the succeeding Monday. If a payday falls on a bank holiday, checks will be available by 6:30am the proceeding business day.

11.7 Work in Multiple Job Classifications. When an employee works in two or more classifications, she/ he will be paid at the rate of the position for all time worked in each position. For work in different positions within a department, the Bargaining Unit Employee will be paid her/ his wage rate plus appropriate position differential for all hours worked in that position. In emergency situations, when the Employer asks an Employee to work in another department and job classification the Employee will not suffer a loss in wages and will be paid at her/ his regular wage rate. When an Employee transfers or requests to work in a different department and job classification, she/ he will be paid according to the Appendix A- Hiring Matrix.

11.8 Longevity Bonus. All eligible Bargaining Unit Employees working at Umpqua Valley Nursing & Rehabilitation Center on the date of Agreement ratification shall receive the one-time non-cumulative longevity bonuses to be paid on the first payday after the employee's anniversary date. Any Bargaining Unit Employee who has at least ten (10) or more years of employment at the effective date of the contract shall receive their longevity bonus within sixty (60) days of contract ratification.

Bargaining Unit Employees shall receive the following one-time longevity bonuses, to be paid on the first payday after the employee's anniversary date:

Years of Employment	Bonus
After three (3) years of employment	$125
After five (5) years of employment	$250

Upon anniversary date of employment, employees shall receive the following longevity bonuses:

Years of Employment	Bonus
After ten (10) years of employment	$1,000
After fifteen (15) years of employment	$1,500
After twenty (20) years of employment	$2,000

11.9 Shift Differentials. All bargaining unit employees shall receive the following shift differentials:

The evening (2nd) shift:	$0.35/hour
The NOC (3rd) shift:	$0.50/hour

11.10 Training Differential. Bargaining Unit Employees who are assigned to train/ mentor employees shall be paid fifteen dollars ($15) for each day spent training. Payment will be made to the trainer on the first pay period following the new employee completing a day of training. As long as the new employee is still employed ninety (90) days from the date of hire or transfer, an additional fifteen dollars ($15) for each day spent training will be paid to the trainer on the first pay period following ninety (90) days from the date of hire for the new employee. In order to allow for appropriate training time, the Employer shall make all reasonable efforts to ensure the number of residents assigned will be based on one position. Bargaining Unit Employees will have an opportunity to add input into the development of a train the trainers program through the Labor Management Committee or other mutually agreeable process.

ARTICLE 12. MEDICAL AND DENTAL INSURANCE/LIFE AND DISABILITY INSURANCE

12.1 Insurance Benefits. Bargaining Unit employees shall be eligible for the same medical, dental and life and disability benefits, under the same terms, criteria, and eligibility, as exists at the effective date of this Agreement. The Employer shall have the right to add to, delete, or modify such benefits and policies unilaterally and in its sole discretion, without any obligation to bargain, provided that such changes are proportionately applied to all Pinnacle employees (management and non-management).

12.2 Grand-Parenting of Spousal Coverage. The Employer agrees to use best efforts to add the below language to all Collective Bargaining Agreements unless legal concerns are presented in writing that would preclude the Employer from doing so. It is the intent of the Parties to Grand-Parent Spousal Coverage if found to be legal.

"Spousal Medical Coverage. Employees, who did not elect to take the employee plus spouse coverage on or before open enrollment 2014, shall not be eligible for such coverage by the Employer. Employees, who elected to take spousal coverage on or before open enrollment in 2014, will have the option to continue that coverage. An employee currently receiving spousal coverage who drops such coverage at 2014 open enrollment will no longer be eligible for spousal coverage in the future."

"It is expressly anticipated that otherwise eligible individuals will be eligible to enroll in Medicaid and CHIP, and that spouses who otherwise meet the requisite income tests will be eligible to receive individual subsidies under the Affordable Care Act. If, as the result of the requirements of this Article, such individuals are made ineligible for such program or credits, the Union shall have the ability to modify the Employer's obligation to provide health coverage at the next available open enrollment opportunity in a manner that will restore such eligibility for all eligible spouses,

provided the modification does not result in an increase in the cost to the Employer."

12.3 Insurance Premiums. The Employer agrees to maintain current employee premium contribution amounts for all plans and coverage levels without change for the remainder of the current health plan year ending August 31, 2014.

Premium Guarantee. Effective immediately, the Employer agrees to maintain net Employee Only Insurance Premiums at or below $60.00 per month for the duration of this agreement. The Net Employee Only Insurance Premium is the total Employee Only premium less a wellness program discount. The guarantee will be purchased using a $0.25/hour of the Cumulative Total Economic Package from October 1, 2013.

12.4 Employee Eligibility. The Employer shall not change hours for employees for the sole purpose of limiting eligibility to health benefits coverage.

12.5 Payroll Deductions. Employees shall authorize payroll deductions to pay for their portion of the coverage.

12.6 Flexible Spending Account ("FSA"). Employer shall continue the respective Flexible Spending Account ("FSA") benefit per terms and conditions of current Agreement.

12.7 Other Benefits. Any benefits and policies not described in this Agreement that are now in effect, or may in the future be put into effect, shall only be continued at the option of the Employer, and any discontinuance thereof shall not constitute a violation of the Agreement. The Employer shall have the right to add to, delete, or modify such benefits and policies unilaterally and in its sole discretion, without any obligation to bargain.

12.8 Joint Legislative Work. Parties agree to work jointly to resolve affordability concerns through Oregon-based legislative solutions, such as directly passing health insurance cost increases to the Medicaid program. To the extent parties establish a cost-reimbursed minimum benefit level of health insurance and/or direct pass-through of actual Employer costs that enables all Employers to provide 100% employer-paid health insurance, parties will reopen this Agreement and bargain as expected per the legislative results.

12.9 Health Care Joint Committee. The Employer and the Union shall establish a joint committee for the purposes of maintaining quality, affordable health care for bargaining unit employees. The committee shall have five (5) bargaining unit employees selected by the Union and five (5) Employer representatives. Meetings shall take place quarterly or as mutually agreed, and the bargaining unit employees shall be paid her/ his base hourly wage for all hours worked during committee meetings.

ARTICLE 13. Holidays

13.1 Holidays. The following are recognized holidays: New Year's Day, Easter, Memorial Day, Independence Day, Labor Day, Thanksgiving, and Christmas. If an employee who celebrates a holiday not mentioned above requests that day off, the Employer shall make all reasonable effort to grant that request.

13.2 Equitable Scheduling of Holidays Off. Holidays off shall be scheduled in an equitable manner.

13.3 Holiday Premium Pay. Bargaining unit employees will be paid time and one-half at their base hourly wage for all actual hours worked on the recognized holiday. Bargaining unit employees will be paid double time at their base hourly wage for all actual hours worked on Thanksgiving and Christmas. Employees must work their scheduled shift both before and after the holiday in order to receive the premium pay for holidays worked unless the employees are called off by the Employer or asked to volunteer to be off by the Employer. If the employee does not work their scheduled shift both before and after the holiday worked, the employee will be paid regular time for hours worked on the holiday unless the employees are called off by the Employer or asked to volunteer to be off by the Employer.

ARTICLE 14. PAID TIME OFF

Paid Time Off will be provided, as set forth in this Article, for the purpose of rest, relaxation, planned and unplanned interruptions from the workplace or to attend to personal matters. Any PTO shall be at the employee's base rate of pay.

14.1 Eligibility. A new employee is not eligible for Paid Time Off during their first six (6) months of service. However, such employees are accruing PTO during this period of time, and such time shall be considered to be earned and available to be utilized after the six (6) months of service is completed. Employees shall continue to accrue PTO on an on-going basis and the second batch of PTO shall be considered earned and available to use on the employee's anniversary date of hire. Thereafter, accrued time will become earned time on a monthly basis.

14.2 Availability. Employees may not take PTO before it is actually earned. Thereafter, PTO hours are available for use in the pay period following the date in which the PTO time becomes earned. An employee's PTO balance will not exceed the Maximum Earned PTO listed in the schedule below.

14.3 Accrual. An Employee accrues Paid Time Off hours based upon years of service, which will increase on her/his anniversary date of employment with Employer in accordance with the following schedule:

Years of Service	Accrual Rate	Annual Accrued PTO	Maximum Earned PTO
0-6 months	0.0385	40 hours	

Years of Service	Accrual Rate	Annual Accrued PTO	Maximum Earned PTO
7-12 months	0.0385	40 hours	
12- 60 months (2-5 years)	0.0654	136 hours	176 hours
60- 180 months (6-15 years)	0.0885	184 hours	224 hours
Over 15 years	0.1077	224 hours	264 hours

To receive the maximum amount of PTO, an employee will have worked up to 40 hours in a week with a maximum amount of productive hours at 2080. Multiply the 2080 times the accrual rate for an employee with two years of service (.0654) and the person will have earned 136 hours of PTO in that year.

A person who works less than 40 hours of time per week receives less earned PTO because the number of productive hours is reduced. As an example: A person who works 20 hours per week for 52 weeks has 1040 productive hours. The 1040 hours is then subject to the accrual rate of .0654 and the employee earns a maximum of 68 hours of PTO.

14.4 Incentive Provision. To prevent a loss and to reward those who utilize their PTO hours effectively, a Bargaining Unit Employee may cash out up to 40 hours of earned PTO per year. Such cash outs can occur at any time during the year at minimum increments of 8 hours. If the supervisor and employee are not able to schedule the employee's PTO, which could result in an employee losing PTO time, then the maximum earned PTO shall be waived until it can be scheduled.

14.5 Paid Time Off Request. Employees requesting a planned interruption of work must have this time requested off by the fifteenth (15th) of the month for the next month's schedule. The Employer shall respond to requests for time off within one (1) week with the exception of Holidays. Schedules will be posted seven (7) days prior to the beginning of the schedule/ beginning of the month. Unplanned interruptions of work require the employee to notify their supervisor at least one (1) hour for day shift and two (2) hours for evening and night shifts in advance of the start of their shift. Employees with unplanned interruptions of work may request to utilize their available PTO hours to cover this time off. PTO requests shall not be unreasonably denied.

14.6 Pay out on Termination of Employment. After completion of at least six (6) months of continuous employment, employees who are resigning and give at least two weeks notice or are otherwise being terminated will be given earned PTO hours in their final check. PTO will not be cashed out without the written authorization of

employees who are on leaves of absence or on leave due to Worker's Compensation or other such occurrences.

ARTICLE 15. PAID LEAVE

Employees, after their probationary period, shall be entitled to paid leave as follows:

15.1 Bereavement Leave. An employee shall be allowed a reasonable amount of time off work with pay at her/his regular rate of pay for up to three (3) scheduled working days absence in the event of the death of an immediate family member. For the purposes of this Article, "immediate family" is defined as the employee's parent, spouse, sibling, grandparent, child (by birth, legal adoption, including foster children), grandchild, corresponding "step" relations, parent-in-law, or domestic partner.

Employees are responsible for initiating the request and obtaining supervisory approval for the use of this time off. Employees may be required to submit verification for the need to take this time off.

15.2 Jury Duty Leave. A Bargaining Unit Employee who is called to serve as a juror shall be reimbursed fifty dollars ($50.00) per day for meeting this obligation. The employee may keep the payment made to them by the courts. Jury duty pay will be granted only for such service on Monday through Friday. If an employee is dismissed for jury duty and there are 4 hours or more left in the work day, they are expected to return to work. Employees are required to have the clerk of the court sign the jury duty notification form, which indicated the time the employee was dismissed from jury duty. This will be the employee's proof of payment for reimbursement. Employees receiving a jury duty summons must promptly advise the Administrator.

15.3 Witness Leave. Whenever a Bargaining Unit Employee is asked to be a witness by the Employer, he/she shall continue to receive his/her full pay.

ARTICLE 16. UNPAID LEAVE

16.1 Leaves of Absence. The Employer may implement, modify or eliminate unpaid leaves of absences as outlined in its policies and handbook and consistent with all state and federal leave requirements. The Employer reserves the right to modify its leave of absence policies. The Employer will inform the Union of any material and substantial changes in its leave of absence policies prior to any implementation. The Employer shall comply with all federal and state laws regarding Family and Medical leave, disability leave and military leave.

16.2 Union Leave. A leave of absence for a period not to exceed six (6) months shall be granted to one Bargaining Unit Employee per facility during the term of this Agreement in order to accept a full-time position with the Union, provided that such a leave will not interfere with the operation of the Employer. At the end of any such leave, the Bargaining Unit Employee shall be returned to a position that is comparable in terms of pay and job classification, but which may be on a different shift.

ARTICLE 17. RETIREMENT

Employees shall be eligible for the same 401(k) plan, or any other retirement plan, as the non-unit employees of the Employer, under the same terms, criteria, and eligibility. The Employer shall have the right to add to, delete, or modify such benefits and policies unilaterally and in its sole discretion, without any obligation to bargain, provided that such changes are uniformly applied to unit and non-unit employees.

ARTICLE 18. CONTINUING EDUCATION BENEFITS AND LOAN PROGRAM

18.1 Continuing Education. Employees shall be eligible for the same continuing education benefits and loan program as the non-unit employees of the Employer, under the same terms, criteria, and eligibility. The Employer shall have the right to add to, delete, or modify such benefits and policies unilaterally and in its sole discretion, without any obligation to bargain, provided that such changes are uniformly applied to unit and non-unit employees.

18.2 Language Classes. With pre-approval, employees shall be eligible to attend Employer-paid language classes. This may be for employees looking to strengthen English proficiency and also for employees looking to learn other languages.

ARTICLE 19. DISCIPLINE

19.1 Progressive Discipline and Just Cause. The Employer shall have the right to discharge, suspend, or discipline any non-probationary employee for just cause. The Union and Employer acknowledge the Employer's right to have disciplinary policies in their employee handbook so long as the Employer follows the principles of just cause. The Employer will apply the principles of progressive discipline, except the parties recognize that depending on the circumstances and seriousness of the offense, more serious disciplinary action and/or termination may be imposed. The discipline, suspension or discharge of a probationary employee is not subject to the grievance and arbitration provision of this Agreement.

19.2 Right to Union Representation. Discipline shall be imposed only in the presence of a Union Steward, except in those cases where the Steward may not be readily available, the employee chooses not to have Union representation and/or the infraction for which a suspension or termination is imposed constitutes a very "serious offense" warranting summary action (i.e., assault, attack or threat of physical violence on fellow employees or management representatives, etc.). When a Union Steward is not present in such instances, the Employer will administer discipline and not question the employee, and will notify the Steward as soon as possible of the action taken. The Employer will notify employees of the right to have Union representation. Employees may choose not to have representation by indicating this on a form with language mutually agreed upon by the Employer and Union.

19.3 Disciplinary Record. Copies of all discipline shall be given to the employee involved and the Union Steward. An employee has the right to attach her/his own views to any disciplinary record in her/his own file. The Employer shall notify the

Union in writing of any discharge or suspension within forty-eight (48) hours (excluding Saturdays, Sundays, and holidays) from the time of discharge or suspension.

19.4 Investigatory Interviews of Employees. The Employer will notify employees of the right to have Union representation. In the event an employee is required to attend an investigatory interview with a supervisor or other management official which he/she reasonably believes will result in disciplinary action, the official Steward may be present and participate at such investigatory interviews, if requested by the employee, under the following conditions:

1) Where requested, the Employer shall inform the Steward of the subject matter of the interview, i.e., the type of alleged misconduct for which discipline is being considered (theft, lateness, etc.).

2) The Steward may consult with the employee, assist him/her in presenting or clarifying facts and/or otherwise submit evidence or suggest further witnesses to interview.

3) The Steward, however, may not interfere with the Employer's interview of the employee. The Employer has no obligation to bargain with the Steward during such interview and the employee shall answer personally all relevant and material questions posed to him/her by the Employer. The Steward may make reasonable requests that the supervisor clarify a question so that the employee can understand what is being asked.

4) The absence of the official Steward shall not unreasonably delay the Employer from conducting the investigatory interview. In such circumstances, the affected employee may, at his/her option, proceed with the interview in the absence of the Steward or may proceed with an assistant Steward or any other employee identified by the Union as a Steward, or a Local Union representative. A delay shall be unreasonable if it exceeds the close of the next business day.

19.5 Retention of Record of Discipline. A record of disciplinary action shall be removed from an employee's personnel file two (2) years after it was issued, except that if an employee receives a related discipline during the two (2) year period, the original discipline will remain in his or her file until two (2) years have elapsed during which the employee received no related discipline. This provision shall not apply to disciplines issued for resident abuse, resident neglect, sexual or racial or discriminatory harassment, medication errors, or other behavior that violates state or federal law.

ARTICLE 20. PERSONNEL RECORDS

At the request of an employee, the Employer shall provide reasonable opportunity for the employee to inspect, at the Facility, those personnel records of the employee which

are used or have been used to determine the employee's qualification for employment, promotion, additional compensation or employment termination or other disciplinary action. At the request of the employee, the Employer shall furnish a copy of such records within five (5) calendar days.

ARTICLE 21. GRIEVANCE AND ARBITRATION PROCEDURE

It is the desire of the parties to this Agreement that grievances be resolved informally whenever possible and at the first level of supervision. The Open Door Concept is for an employee and an immediate supervisor to discuss the problems together. The Open Door Concept is an informal way of resolving problems early, preserving working relationships and promoting a productive work environment for all employees. To facilitate open communication between and promptly resolve problems, employees are encouraged to bring any work-related questions or concerns to the attention of the Employer. The Employer welcomes such discussions because it allows the Employer to maintain a productive and harmonious atmosphere. Employees will not be subject to any adverse employment actions for raising good-faith concerns in a professional manner. Although any member of management may be contacted to discuss a problem or concern, the Employer recommends that employees try to resolve the situation first with their immediate supervisor, as that person is generally in the best position to evaluate the situation and provide an appropriate solution. If an employee is not satisfied with the supervisor's decision, or the employee is uncomfortable discussing the issue with the immediate supervisor, the employee may go to the person his/her immediate supervisor reports to. Concerns may be voiced verbally or submitted in writing. Employees have a right to Union Representation for any dispute arising out of the application of this Agreement. Regardless of the Open Door Concept, the timeline of the grievance process will still be followed. A grievance shall be defined as a dispute or complaint arising between the parties about the interpretation, application, performance, termination, or any alleged breach of this Agreement and shall be processed in the following manner:

1) Step 1. Within fourteen (14) calendar days after the employee knew or reasonably should have known of the cause of any grievance, an employee having a grievance and her/his Union delegate(s) and/or other Union representative shall present it in writing to the administrator or her/his designee. A grievance hearing shall be promptly scheduled by the Union and the Employer. The Employer shall give its answer to the employee and her/his Union delegate or other representative within seven (7) calendar days after the grievance hearing. The written grievance shall specifically set forth the nature of the grievance, the facts upon which it is based, the provisions of the Agreement allegedly violated and the remedy sought.

2) Step 2. If the grievance is not settled in Step 1, the grievance may, within seven (7) calendar days after the answer in Step 1, be presented in writing in Step 2 to a representative of the Employer's

corporate office whom the Employer has designated to receive such grievances. Step 2 grievances will be handled as follows:

a. The Employer and the Union shall designate one day per month (e.g. the second Tuesday of each month) for Step 2 grievance discussions at all of the nursing homes operated by the same operator.
b. Prior to that day, the corporate representative and a representative designated by the Union will arrange a schedule for that day so that all grievances pending at Step 2 at all of the Employer's facilities are discussed.
c. The grievant(s), steward(s), immediate supervisor(s) and administrator(s) will meet at the facility. The corporate representative may choose to participate in person or by telephone. If the Union chooses to be represented by a Union organizer at this step, the organizer may choose between participating in person or by telephone.
d. Step 2 grievances may be heard on dates other than the designated day by mutual agreement of the parties. Agreement will not be unreasonably withheld provided that good cause is shown for requesting a different hearing date.
e. The designated day will be rescheduled if it falls on a holiday or if there is mutual agreement.
f. If a grievance is appealed to Step 2 less than a week before the designated day, either party shall have the option of postponing the hearing until the next month to ensure that there is sufficient time for preparation. If the Union has requested information relevant to the grievance from the Employer and the Employer has not provided this information at least seventy-two (72) hours prior to the designated day, the Union shall have the option of postponing the hearing until the next month.
g. If scheduling conflicts make it impossible for the necessary parties to attend a hearing on the designated day, the parties shall jointly decide between scheduling a hearing on a different day or waiting until the designated day in the following month.
h. The Employer shall respond to Step 2 grievances seven (7) calendar days from the Step 2 grievance meeting, but no later that fourteen (14) calendar days from when the grievance was filed at Step 2 in the event that no Step 2 grievance meeting occurred.

ARBITRATION

3) Arbitration Filing and Arbitrator Selection. If the grievance or complaint is not settled on the basis of the foregoing process, the Union may submit a written demand for arbitration of the issue

within twenty-one (21) calendar days after the Employer's denial notification in Step 2 is sent. If the Employer and the Union fail to agree on an arbitrator or a permanent panel of five (5) arbitrators has not been mutually established, upon the timely submission of a demand for arbitration, the Federal Mediation and Conciliation Service (hereinafter called the "FMCS") FMCS shall provide the parties with a list of nine (9) arbitrators, of which at least five (5) must have earned a Juris Doctor degree from the graduate program of a law school accredited by the American Bar Association. Within seven (7) calendar days after receiving the list, the parties shall select the arbitrator by alternately striking names from the list. The last remaining name shall be the arbitrator. The party proceeding first in the striking of names procedure shall be determined by coin toss.

Arbitration Timelines. Once an arbitrator has been properly selected, an arbitration date must be set within sixty (60) calendar days of such selection. The Union and the Employer may, with mutual agreement, make procedural changes to the following arbitration process given unique circumstances of individual cases. Prior to the arbitration hearing date, the employer and union will develop a stipulation of facts and use affidavits and other time saving methods whenever possible. The hearing will be completed within one (1) business day unless otherwise agreed upon by the parties. The arbitrator shall conduct the hearing in whatever manner will most expeditiously permit full presentation of the evidence and arguments of the parties. Any arbitrator accepting an assignment under this Article agrees to issue an award within thirty (30) calendar days of the close of the hearing or sixty (60) calendar days if post-hearing briefs are submitted.

Arbitrator Award and Cost. Any dispute as to arbitrability may be submitted and determined by the arbitrator. The Arbitrator's determination shall be final and binding. All decisions of the Arbitrator shall be limited 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. Unless otherwise provided in this Article, all costs, fees and expenses of the Arbitration, including the cost of the Arbitrator, court reporter, hearing transcript (if requested by either party or the arbitrator), and any hearing room, shall be borne by the party whose position is not sustained by the Arbitrator. If, in the opinion of the Arbitrator, neither party's position is clearly sustained by the Arbitrator, the Arbitrator shall assess the foregoing costs to each party on an equal basis. In all arbitrations, each party shall pay its own attorney's fees and the cost of the presentation of its respective case, including the cost of any expert witnesses.

Timelines. In order to be timely filed, the Union's demand for arbitration must be submitted within twenty-one (21) calendar days after receipt of the Employer's denial notification in Step 2. Except as otherwise indicated, the time periods and limits provided herein shall be calculated as of the date of actual receipt. All notifications

under this Article shall be sent via fax, e-mail or certified mail or be delivered by in-hand service. Such time periods may be extended only by mutual written agreement of the Employer and the Union. In the absence of such agreement, the time limits shall be mandatory.

The failure of the aggrieved employees or Union to properly present a grievance in writing initially, to process a grievance in any of the steps in the grievance procedure thereafter and/or to submit the grievance to arbitration in accordance with the express time limits provided herein, shall automatically constitute a waiver of the grievance and bar all further action thereon.

The failure of the Employer to submit a response in any of the steps of the grievance procedure or to meet with the Union Representative within such time periods, shall not constitute acquiescence thereto or result in the sustaining of the grievance. The failure to so respond or meet shall be deemed a denial of the grievance as of the expiration date of the applicable adjustment period. Should the Union desire to pursue the grievance further, it may, within seven (7) calendar days of such expiration date, submit the grievance to the next step of the Grievance and Arbitration Procedure.

ARTICLE 22. DIGNITY & RESPECT

In the interest of furthering partnership relations and maintaining the highest quality of care, the Employer agrees that all employees shall be treated with dignity and respect.

ARTICLE 23. NEW JOB TITLES AND JOB CLASSIFICATIONS

Whenever the Employer determines it appropriate to create a new job title or job classification in the bargaining unit, it shall provide advance notice of that action to the Union. Such notice shall include the job title, or classification, a job description of the duties for such job title or classification, and the wage rate for such job title or classification.

Within thirty (30) days from receipt of such notice, the Union may initiate negotiations concerning the wage rate which the Employer has established for the new job title or classification. Until there is an agreement, the wage rate adopted by the Employer shall prevail. The No-Strike provisions of this Agreement shall be in effect for any negotiations under this Article.

ARTICLE 24. SEPARABILITY

In the event that any part of this Agreement shall be declared invalid by final adjudication of a State or Federal court or by legislative enactment, neither such decision nor legislative enactment shall invalidate the entire Agreement. All other provisions not declared invalid shall remain in full force and effect. In the event that any Federal or State statute, enacted subsequent to the effective date of this Agreement, shall have the effect of invalidating or voiding any provision of this Agreement, the parties hereto shall meet solely for the purpose of negotiating with respect to the matters covered by this provision which may have been so declared invalid or void.

ARTICLE 25. SUBSTANCE ABUSE

Bargaining Unit personnel shall be subject to medical testing, involving urine and/or blood analysis or other similar related tests, to ascertain substance (i.e., drugs or alcohol) abuse pursuant to and in accordance with the Employer's Substance Abuse Policy and Procedure, as it exists as of the effective date of this Agreement or as thereafter modified by the Employer for non-unit employees of the system. The Employer shall not be allowed to do random drug testing.

ARTICLE 26. SAFETY AND TRAINING

26.1 Safe & Healthy Work Environment. The Employer and employee shall carry out their obligations as set forth in applicable federal, state and local laws and regulations to provide a safe and healthy work environment for its employees. The Employer shall be responsible for enforcement of such rules and regulations and of its own safety rules and regulations. The employee shall abide by all of the Employer's safety policies and procedures.

26.2 Vaccines & Health Tests. The Employer shall provide hepatitis B vaccines, flu vaccines, screening and subsequent treatment of lice and scabies during a diagnosed resident episode, TB tests, and chest x-rays (if an employee's TB test is positive) to employees at no cost to the employee.

ARTICLE 27. NO STRIKE/NO LOCKOUT

During the life of this Agreement or any extension thereof, the Union, on behalf of its officers, agents, stewards and members, and the employees covered by this Agreement agree that there shall be no strikes of whatsoever kind or nature (economic, sympathetic, unfair labor practice or otherwise), slowdowns, walkouts, sit-downs, picketing, boycotts or any activities which interfere, directly or indirectly, with the Employer's operations. Nor shall there be any lockouts by the Employer.

In the event any picket line is established by any labor organization at the Employer's premises, places of business, employees shall be required to pass through such picket line and perform their regular and customary duties for the Employer.

Neither the Union, its officers, employees, nor stewards shall directly or indirectly authorize, aid, encourage, direct, abet or participate in any activity prohibited by this Agreement. It is further agreed that in cases of an unauthorized strike, walkout or other cessation of work, the Union, its officers, employees and stewards shall make every reasonable effort to instruct the employees participating in any such unauthorized action to return to work.

The parties recognize the right of the Employer to take disciplinary action, including discharge, against any employee who participates in a work stoppage or otherwise interferes with the Employer's operations in violation of this Agreement, whether such action is taken against all of the participants or against only a selected participant or participants.

Any claim, action, or suit for damages or injunctive relief, which is commenced by the Employer as a result of the Union's violation of this Article, or commenced by the Union as a result of the Employer's violation of this Article, shall not be subject to the Grievance and Arbitration provisions of this Agreement. Any action taken by the Employer in accord with or pursuant to this Agreement (e.g., layoff) shall not be deemed to be a lock-out, nor argued or litigated as such, for purposes of engaging in self-help in any manner contrary to the provisions of this Article. In the event the Employer obtains any temporary or permanent injunctive relief or monetary compensation in a civil action against the Union or its members for violation of this Article, the Employer shall recover its reasonable attorneys' fees from the Union.

ARTICLE 28. SUCCESSORSHIP

In the event a facility is to be sold, assigned, leased or transferred, the Employer shall notify the Union in writing, at least sixty (60) calendar days prior to such transaction, subject to SEC and other applicable laws and regulations. Such notice shall include the name and address of the prospective new owner, assignee, lessee or transferee. The Employer shall meet with representatives of the Union to bargain over the effects of the transaction on bargaining unit employees, not later than forty-five (45) days prior to any transaction. No confidential business information shall be disclosed to Union at any time unless the Union agrees to suitable arrangements for protecting the confidentiality and use of such information.

When the Employer's notification to Union requirement is triggered above per a qualified transaction, the Employer shall also notify the prospective new owner, assignee, lessee or transferee Successor in writing of the existence of this Labor Agreement and provide a copy.

The Employer agrees that, in the event that it decides to sell any facility covered under this Agreement, which facility shall continue to be operated as a skilled nursing facility, the Employer shall require as a condition of any sale that the successor operator recognize the Union as the exclusive collective bargaining agent for currently-represented employees at the facility; and further as condition of sale, the buyer shall be obligated to continue the terms and conditions of the collective bargaining agreement for a period of one hundred and twenty (120) days, in which time the successor employer has the option to notify the Union it wishes to negotiate the terms and conditions of employment during that period. If the successor employer does not exercise that option then the Collective Bargaining Agreement shall remain intact through its full term.

a. Nothing in this provision shall require the successor employer to offer the same medical, dental or vision insurance plans, or the same retirement or 401k, or the same group life or disability plans. The successor employer may implement its own medical, dental or vision plans, retirement or 401k plan, disability plan, and group life insurance plan and may also implement its own time off plan.

b. With regard to the medical insurance benefits, the successor employer shall offer a plan that is similar on the whole to the Employer offered plan.

c. Nothing in this provision shall require the successor employer to continue in effect the contractual vacation and sick leave provisions provided that the successor employer offers a comparable amount of time off as the total time off amounts for vacation and sick leave contained in this Agreement.

d. In the event that the Employer is unable to find a purchaser that is willing to purchase the facility under the terms and conditions specified herein and the Employer is faced with closing the facility, the Employer shall notify the Union of its intent to close the facility. Upon notifying the Union, the parties shall meet within ten (10) business days to discuss the possible closure. The Employer shall provide evidence of its intent to close because the potential buyer will not purchase the facility if said buyer has to honor the "successorship" provision. Upon providing such evidence, the Employer shall be relieved of its obligation under the "successorship" provisions of the contract.

The Employer shall have no responsibility or liability for any breach of the provisions of this Section by the successor employer as long as the Employer performs the obligations set out in this Article.

ARTICLE 29. LABOR MANAGEMENT COMMITTEE

29.1 Committee Purpose. The Employer and the Union shall establish a Labor Management Committee for each facility. The purpose of the Committee shall be to consider matters affecting the relations between the two parties parities, and to recommend measures to improve client care in specific and the industry in general; provided, however, the Committee shall not engage in negotiations, nor shall the Committee consider matters properly the subject of a grievance. The merits of individual disciplines will not be discussed at Labor Management meetings but shall instead be referred to the grievance process.

29.2 Meeting Scheduling. Such meetings will occur quarterly or more frequently if the parties mutually agree to meet more frequently.

29.3 Meeting Agendas. Either party may submit items for discussion. A collaborative agenda will be developed in advance of the meeting by the Employer and Union.

29.4 Meeting Topics. Topics for discussion may include, but are not limited to: 1) Resident care; 2) Training needs; 3) Staffing levels (including acuity levels of certain residents); 4) Staff morale; 5) Facility policies; 6) Equipment; and 7) Political issues relating to nursing homes.

29.5 Committee Members. The Employer and the Union shall each designate their own committee members, and the committee membership may vary from month to month based on the agenda items or for other reasons. The committee will consist of one (1) Union committee representative for every ten (10) bargaining unit members per facility; being at least three (3), but not more than five (5) Union committee representatives per facility and an equal number of management representatives per facility. The committee members shall be paid for the time of the meeting. Other bargaining unit employees may attend not on paid time.

29.6 Minutes. Meeting minutes shall be signed by representatives of both the Union and Employer and then posted on the Union Bulletin Board no later than seven (7) days after the meeting.

ARTICLE 30. STAFFING

The Employer and Union agree to continue to discuss staffing in facility-based Labor Management Committees. In addition, each Employer agrees to summarize in writing its company wide policy related to the following issues to be presented for discussion at the Oregon Responsible Employers and SEIU Alliance Labor Management Committee before March 1, 2014:

CNA Staffing
The process for CNA's change of shift reporting
Certified Medication Aide Staffing

ARTICLE 31. DURATION

This Agreement shall be effective as of March 18, 2015 and shall remain in full force and effect through September 30, 2017, and from year to year thereafter, provided that either party may serve written notice on the other at least ninety (90) days prior to September 30, 2017, or any subsequent anniversary date the Agreement remains in effect, of its desire to amend or terminate any provision of the Agreement. Any change agreed upon by the parties shall be reduced to writing and executed by duly authorized officers or agents of the parties to this Agreement.

IN WITNESS WHEREOF, each party has caused this Agreement to be executed by their duly authorized officers and/or representatives on the date set forth immediately below their signature.

For the Union:

5-22-15

Heather Conroy — Date
SEIU Local 503 Executive Director

Victoria Brown
Chef

Samantha Clark
Certified Nursing Assistant

Courtney Graziano
Certified Nursing Assistant

James O'Brien
Certified Nursing Aide

Cathy Wells
Dietary Aide/Housekeeper

Sue Strait
SEIU Care Provider Division Field Coordinator

For the Employer:

8/26/15

Julie Carlson — Date
Pinnacle Healthcare President

8-26-15

Julie Tullock — Date
Pinnacle Healthcare Director of HR

Memorandum of Understanding

Preface. This Memorandum of Understanding (hereinafter referred to as "this Memorandum") has been entered into between the Service Employee International Union, Local 503 (hereinafter referred to as "the Union") and Umpqua Valley Nursing & Rehabilitation Center, dba Umpqua Valley Nursing & Rehabilitation Center, LLC (hereinafter referred to as "The Employer").

Recognition. The Union and separate employers, Garber Enterprises, Inc.; 3C2MD, Inc., MCH Enterprises, Inc., Umpqua Valley Nursing & Rehabilitation Center, and the Employer, which all parties agree are separate employers, each agree to associate with the other for the purpose of recognizing the Union as the exclusive bargaining representative of a single bargaining unit, as provided for under federal labor law regarding multi-employer bargaining for the classifications identifies in each employer's respective collective bargaining agreements.

IN WITNESS WHEREOF, the parties cause this Memorandum to be executed effective March 18, 2015.

For the Union:

5-22-15
Heather Conroy Date
SEIU Local 503 Executive Director

For the Employer:

8/26/15
Julie Carlson Date
Pinnacle Healthcare President

APPENDIX A: NURSING STAFF MATRIX

Pinnacle Healthcare Management, Inc. **Wage Matrix**

Collective Bargaining Unit: Place new employees on the matrix based upon experience minus one year.

Effective Date: April 1, 2015

Willamette Valley: Corvallis Manor, Green Valley, Hillside Heights, South Hills, Umpqua Valley

Nursing Support Staff	*Start*	*1 year*	*2 year*	*3 year*	*4 year*	*5 year*	*6 year*	*7 year*	*8 year*	*9 year*	*10 year*
CMA	$12.60	$12.95	$13.30	$13.65	$14.00	$14.35	$14.70	$15.05	$15.40	$15.75	$16.10
RA	$12.60	$12.95	$13.30	$13.65	$14.00	$14.35	$14.70	$15.05	$15.40	$15.75	$16.10
CNA	$12.10	$12.45	$12.80	$13.15	$13.50	$13.85	$14.20	$14.55	$14.90	$15.25	$15.60
GNA	$12.10										
PT Aide	$12.60	$12.95	$13.30	$13.65	$14.00	$14.35	$14.70	$15.05	$15.40	$15.75	$16.10

Shift Differential	Evening	Noc
Umpqua Valley	$0.35	$0.50
	2:00pm -10:00pm	10:00pm-6:00am

APPENDIX B: FACILITY SUPPORT STAFF MATRIX

Pinnacle Healthcare Management, Inc. **Wage Matrix**

Collective Bargaining Unit: Place new employees on matrix based upon experience minus one year.

Effective Date: April 1, 2015

All Oregon Facility Support Staff

Position/Experience	*Start*	*Year 1*	*Year 2*	*Year 3*	*Year 4*	*Year 5*	*Year 6*	*Year 7*	*Year 8*	*Year 9*	*Year 10*
Activities Assistant	$12.18	$12.53	$12.88	$13.23	$13.58	$13.93	$14.28	$14.63	$14.98	$15.33	$15.68
Central Supply	$12.18	$12.53	$12.88	$13.23	$13.58	$13.93	$14.28	$14.63	$14.98	$15.33	$15.68
Cook	$12.36	$12.71	$13.06	$13.41	$13.76	$14.11	$14.46	$14.81	$15.16	$15.51	$15.67
Asst. Cook	$11.57	$11.92	$12.27	$12.62	$12.97	$13.32	$13.67	$14.02	$14.37	$14.72	$15.07
Dietary Aide	$10.94	$11.29	$11.64	$11.99	$12.34	$12.69	$13.04	$13.39	$13.74	$14.09	$14.44
Housekeeper	$10.94	$11.29	$11.64	$11.99	$12.34	$12.69	$13.04	$13.39	$13.74	$14.09	$14.44
Laundry Aide	$10.94	$11.29	$11.64	$11.99	$12.34	$12.69	$13.04	$13.39	$13.74	$14.09	$14.44
Maintenance Worker	$12.18	$12.53	$12.88	$13.23	$13.58	$13.93	$14.28	$14.63	$14.98	$15.33	$15.68
Medical Records Assistant	$12.18	$12.53	$12.88	$13.23	$13.58	$13.93	$14.28	$14.63	$14.98	$15.33	$15.68
Secretary	$12.18	$12.53	$12.88	$13.23	$13.58	$13.93	$14.28	$14.63	$14.98	$15.33	$15.68
Social Services Assistant	$12.18	$12.53	$12.88	$13.23	$13.58	$13.93	$14.28	$14.63	$14.98	$15.33	$15.68
Van Driver	$12.18	$12.53	$12.88	$13.23	$13.58	$13.93	$14.28	$14.63	$14.98	$15.33	$15.68
Ward Assistant	$10.94	$11.29	$11.64	$11.99	$12.34	$12.69	$13.04	$13.39	$13.74	$14.09	$14.44

Shift Differential	Evening	Noc
Umpqua Valley	$0.35	$0.50
	2:00pm -10:00pm	10:00pm-6:00am

APPENDIX C: CENTRAL TABLE AGREEMENT

Central Table Memorandum of Agreement (the "CT-MOA")

Between

SEIU Local 503 (herein "Union")

And

Avamere Health Services LLC, EmpRes Oregon Healthcare LLC, Pinnacle Healthcare Inc., and Prestige Care Inc. on behalf of each company or as agent for certain entities pursuant to a Limited Agency Agreement (herein collectively "Employer" and individually as "Signatory Employers")

The issues addressed in this CT-MOA and attachments are resolved and not subject to additional bargaining, except as provided herein; and shall be included in the complete final CBAs for each Signatory Employer. Such final CBAs are subject to ratification by union members for each Signatory Employer. The Employer and the Union agree to be bound by and comply with the grievance and arbitration procedure set forth in the CBAs for any and all disputes that may arise with reference to the application or interpretation of this CT-MOA. The following summarizes the Agreement between the parties on all issues negotiated in coordinated bargaining:

The parties agree to maintain the mutually beneficial relationship established in the "Agreement Between SEIU Local 503 and Responsible Companies Creating a Labor-Management Coalition for Quality Care" that balances Employer's competitive needs and Union's goals for the Partnership (pg 1, PREAMBLE AND MISSION, "Whereas, SEIU and Responsible Companies operating nursing facilities share an interest in improving the quality of care that Oregonians receive, improving the economic ability of companies to sustain responsible operations, and improving nursing facility worker wages, benefits, and quality of working life).

ARTICLE- WAGES

Section 1: Cumulative Total Economic Package Updated Annually Per Changes in the Actual Cumulative Net Medicaid Rate Increase Over the Four Year Term of the Contract: Employers and Union agree to work together through the duration of the Contract on mutual concerns affecting nursing facility care and services, including any and all legislative matters pertaining to maintaining the current Medicaid nursing facility statutory reimbursement system and to assuring the necessary funding levels needed to deliver Medicaid rates paid according to the statutory requirements (63rd percentile of allowable costs). In order to protect the cumulative economic package increases projected below and to improve the quality of resident care, the parties will advocate legislatively to secure the following projected Net Medicaid Rates (i.e., the daily Medicaid Rate minus the long-term care assessment tax) over the next four (4) years: $236.38 for 7/1/13- 6/30/14; $245.90 for 7/1/14-6/30/15; $255.62 for 7/1/15-6/30/16; and $265.72 for 7/1/16-6/30/17. If the actual Net

Medicaid rates are different from the aforementioned projections, the cumulative total economic package annual increases shall be altered as follows:

1.1 Starting in rate year 7/1/14-6/30/15, as soon as a State Official posts actual Medicaid rates, Union and Employer shall meet and confer to calculate the actual cumulative net increase from the 7/1/12-6/30/13 Net Medicaid rate of $193.77.

1.2 By each September 1st during the term of the contract, the Union and Employer shall compare the actual cumulative Net Medicaid rate increase total to date from the applicable projected cumulative Net Medicaid rate increase to date as follows: 7/1/13-6/30/14 forty-two dollars and sixty-one cents ($42.61); 7/1/14-6/30/15 fifty-two dollars and thirteen cents ($52.13); 7/1/15-6/30/16 sixty-one dollars and eighty-five cents ($61.85); and 7/1/16-6/30/17 seventy-one dollars and ninety-five cents ($71.95).

1.3 The Cumulative Total Economic Package annual increases per this agreement shall be defined as follows: one dollar and fourteen cents ($1.14) on 10/1/13; seventy-five cents ($0.75) on 10/1/14; one dollar and thirteen cents ($1.13) on 10/1/15; and seventy-five cents ($0.75) on 10/1/16. If the actual cumulative Net Medicaid rate increase differs from the projected cumulative Net Medicaid rate increase by less than eight percent (8%), the parties shall implement the "total economic package" increase(s) per this agreement.

1.4 If, instead, the actual Net Medicaid rate increase differs from the projected cumulative Net Medicaid rate increase by eight percent (8%) or more, the parties shall adjust the remaining Cumulative Total Economic Package as follows:

1.4.1 First, Union and Employer shall subtract eight percent (8%) from the difference between the actual cumulative Net Medicaid rate increase and the projected cumulative Net Medicaid rate increase.

1.4.2 Second, Union and Employer shall multiply the remainder by $0.052 and round the product to the nearest $0.01.

1.4.3 If the foregoing product is positive, the next scheduled annual increase in the Cumulative Total Economic Package shall be adjusted upward by that dollar amount, unless mutually agreed otherwise, and subject to the Section 1.4.5 minimum/maximum adjustments to the economic package.

1.4.4 If, however, the foregoing product is negative, the next scheduled annual increase in the Cumulative Total Economic Package shall be adjusted downward by that dollar amount,

unless mutually agreed otherwise, and subject to the Section 1.4.5 minimum/maximum adjustments to the economic package.

1.4.5 Notwithstanding any adjustment per application of Sections 1.141 through 1.4.4, in no case shall the annual increase in the Cumulative Total Economic Package effective 10/1/14, 10/1/15 and 10/1/16 be less than thirty-five cents ($0.35), or greater than one dollar and twenty-five cents ($1.25).

1.5 Each September 1st, the parties shall enter the fiscal year's daily Medicaid Rate and the long-term care assessment effective the preceding July 1st into the corresponding cell of the Excel Spreadsheet titled "2013-2017 SEIU Responsible Employers Total Economic Package Formulas" (the "Spreadsheet") as shown in Attachment I and the electronic version, relayed by electronic mail between the parties on September 25, 2013, is incorporated herein by reference. The parties will use the Spreadsheet to determine the Cumulative Total Economic Package annual increase each year starting with September 1, 2014.

1.6 No wage and/or employee benefit change negotiated pursuant to this agreement shall be effective until the employer receives the Medicaid Rate issued by DHS for that year. If implementation is delayed, all wage and/or employee benefit changes due under the Cumulative Total Economic Package shall be retroactive to Oct. 1st upon Employer's receipt of the new annual Medicaid Rate.

Section 2. Amount of the Cumulative Total Economic Package Spent Annually: The Employers agree to spend the Cumulative Total Economic Package as follows. Each October 1st and subject to adjustment by application of Section 1, the Employer shall spend over the duration of the agreement a Cumulative Total Economic package of three dollars and seventy-seven cents ($3.77) implemented per the following specific annual percentages: October 1, 2013 thirty percent (30%); October 1, 2014 twenty percent (20%); October 1, 2015 thirty percent (30%); and October 2016 twenty percent (20%).

Section 3. Timing of Hourly Wage Increase: Employer shall apply the following specific hourly wage increases per the corresponding dates. Once Employer receives an updated net Medicaid rate change, all Cumulative Economic Package amounts available for wage-related increases will be implemented effective the first full pay period following the below enumerated dates. All increases specified below shall apply to all bargaining unit member wage rates, starting rates and wage scales, wage grids and/or wage matrix (where applicable).

3.1 Retroactively effective October 1, 2013, the Employer agrees to add a seventy cents ($0.70) per hour increase to each bargaining unit member's regular

hourly rate of pay. The Employer agrees to add an additional forty four cents ($0.44) per hour increase retroactively effective to October 1, 2013 to be bargained at Company Bargaining Tables, in accordance with the "Individual Company Bargaining" provision of this CT-MOA, for the purposes of improving wages, health benefits, holidays, paid time off, and/or any other economic benefit for the bargaining unit. Mutually agreed upon improvements shall be cost-estimated and then charged to the discretionary amount. In the event the Union and the Employer do not reach mutual agreement, the Union maintains the right to add the additional forty four cents ($0.44) per hour increase retroactively effective to October 1, 2013 outlined above to be applied as a per hour increase to each bargaining unit member's regularly hourly rate of pay, starting rates and wage scales, wage grids and/or wage matrix (where applicable).

3.2 Effective October 1, 2014, in accordance with the Cumulative Total Economic Package annual increases, the Employer agrees to add a minimum thirty-five cents ($0.35), a projected seventy five cents ($0.75), the calculated Cumulative Total Economic Package (amount determined by formula), or a maximum one dollar and twenty five cents ($1.25) per hour increase to each bargaining unit member's regular hourly rate of pay, starting rates and wage scales, wage grids and/or wage matrix (where applicable).

3.3 Effective October 1, 2015, in accordance with the Cumulative Total Economic Package annual increases, the Employer agrees to add a minimum thirty-five cents ($0.35), a projected one dollar and thirteen cents ($1.13), the calculated Cumulative Total Economic Package (amount determined by formula), or maximum one dollar and twenty five cents ($1.25) per hour increase to each bargaining unit member's regular hourly rate of pay, starting rates and wage scales, wage grids and/or wage matrix (where applicable).

3.4 Effective October 1, 2016, in accordance with the Cumulative Total Economic Package annual increases, the Employer agrees to add a minimum thirty-five cents ($0.35), a projected seventy five cents ($0.75), the Calculated Total Economic Package (amount determined by formula) per hour increase to each bargaining unit member's regular hourly rate of pay, starting rates and wage scales, wage grids and/or wage matrix (where applicable).

By subsequent mutual written agreement, the parties may agree to increase bargaining unit member's hourly wage rates, starting rates and wage scales, wage grids and/or wage matrix (where applicable) more than the amount(s) specified above during the term of the contract. The Employer will ensure that no current employee is paid less than a newly hired bargaining unit member who has an equal or lesser number of years of experience in the same job classification or other relevant experience.

Section 4. No Reductions. Nothing in this Agreement shall result in a reduction of base hourly wage rates for employees with the exception of temporary administrative payroll errors.

ARTICLE – HEALTH BENEFITS

Section 1: Joint Legislative Work: Parties agree to work jointly to resolve affordability concerns through Oregon-based legislative solutions, such as directly passing health insurance cost increases to the Medicaid program. To the extent parties establish a cost-reimbursed minimum benefit level of health insurance and/or direct pass-through of actual Employer costs that enables all Employers to provide 100% employer-paid health insurance, parties will reopen this Agreement and bargain as expected per the legislative results.

Section 2. Payroll Deductions: Employees shall authorize payroll deductions to pay for their portion of the coverage.

Section 3: Health Care Joint Committee. The Employer and the Union shall establish a joint committee for the purposes of maintaining quality, affordable health care for bargaining unit employees. The committee shall have five (5) bargaining unit employees selected by the Union and five (5) Employer representatives. Meetings shall take place quarterly, or as mutually agreed, and the bargaining unit employees shall be paid her/ his base hourly wage for all hours worked during committee meetings.

Section 4: Employee Contributions. The Employer agrees to maintain current employee premium contribution amounts for all plans and coverage levels without change for the remainder of the current health plan year.

Section 5: Employee Eligibility. The Employer shall not change hours for employees for the sole purpose of limiting eligibility to health benefits coverage.

Section 6: Grand-Parenting of Spousal Coverage. The Employer agrees to use best efforts to add the below language to all Collective Bargaining Agreements unless legal concerns are presented in writing that would preclude the Employer from doing so. It is the intent of the Parties to Grand-Parent Spousal Coverage if found to be legal.

"Spousal Medical Coverage. Employees, who did not elect to take the employee plus spouse coverage on or before open enrollment 2014, shall not be eligible for such coverage by the Employer. Employees, who elected to take spousal coverage on or before open enrollment in 2014, will have the option to continue that coverage. An employee currently receiving spousal coverage who drops such coverage at 2014 open enrollment will no longer be eligible for spousal coverage in the future."

"It is expressly anticipated that otherwise eligible individuals will be eligible to enroll in Medicaid and CHIP, and that spouses who otherwise meet the requisite income tests will be eligible to receive individual subsidies under the Affordable Care Act. If, as the result of the requirements of this Article, such individuals are made ineligible for such program or credits, the Union shall have the ability to modify the Employer's obligation to provide health coverage at the next available open enrollment opportunity in a manner that will restore such eligibility for all eligible spouses, provided the modification does not result in an increase in the cost to the Employer."

ARTICLE – SUBCONTRACTING

Section 1: Sub-Contracting: The Employer agrees that there shall be no sub-contracting of bargaining unit work, with the exception of Housekeeping and Laundry, for the duration of this Agreement unless the Parties mutually agree to sub-contract Dietary bargaining unit work upon Employer's demonstration of extraordinary circumstances. Employer shall give the Union thirty (30) days notice of any sub-contracting of bargaining unit work during the life of this Agreement. The Employer will meet with the Union during said thirty (30) day period to discuss the impact of the sub-contracting on bargaining unit employees. This Article does not apply to agency staff being utilized when necessary.

Section 2: Initial Sub-Contracting: In the event that the Employer enters into an initial contract with a Sub-Contractor to provide Housekeeping and/or Laundry services, the Sub-Contractor shall execute with Union the Memorandum of Agreement ("MOA") in Section 4 of this Article.

Section 3: Pre-existing Sub-Contracting: An Employer, with a pre-existing contract with a Sub-Contractor of Housekeeping and/or Laundry employees who are not represented by the Union, shall follow the organizing process for such workers as defined in the 2008 "Agreement Between SEIU Local 503 and Responsible Companies Creating a Labor-Management Coalition for Quality Care" which is incorporated herein by reference. The Employer shall condition the extension and/or renewal of any sub-contracting agreement with the Sub-Contractor on executing with Union the MOA in Section 4 of this Article.

Section 4: Memorandum of Agreement Between Union and Sub-Contractor:

"MEMORANDUM OF AGREEMENT

It is hereby agreed by and between [Subcontractor] (the "Employer"), and SEIU Local 503 OPEU (the "Union") as follows:

1. The Employer recognizes the Union as the exclusive collective bargaining agent for all full-time and regular part-time Housekeeping, and Laundry employees (if any) employed by the Employer at the following facility operated by [Operator's Legal Name]: [Facility dba Name & Address]. Excluding: All other employees, confidential employees, managers, guards, and supervisors as defined in the Act.

2. The Employer and the Union agree to be bound by the terms and conditions of the collective bargaining agreement (the "CBA") currently in effect (and any subsequent amendments) and expiring on midnight September, 30 2017 between the Union and [Operator's Legal Name and/or Facility Name] for the Employer's Housekeeping and Laundry employees (if any) employed at [Facility Name], except as expressly provided below.
    a. A copy of the CBA is attached hereto as Exhibit 1 and incorporated herein.

b. All bargaining unit eligible employees working for Employer at the facility in housekeeping and/or laundry will be hired by the Sub-Contractor.
c. Employer's health and dental benefits will be the equivalent or better.
d. The terms and conditions of employment set forth in the Employer's Employee Handbook, as modified from time to time, and the Employer's general Human Resources Policies and Procedures, as modified from time to time, shall govern the employment of employees covered by this Memorandum of Agreement (the "MOA") to the extent that any such term, condition, policy, or procedure is not inconsistent with this Agreement. If the Union believes that any such term, condition, policy, or procedure is in conflict with the MOA it shall have the right to file a grievance either when any such term, condition, policy, or procedure is initially implemented, or alternatively, when any such term, condition, policy, or procedure is applied to any employee such that the employee is either disciplined or terminated.
e. Affected employees hire dates, seniority, and hourly wage rates will be maintained and not reduced. [The applicable base hourly wage rates are attached hereto as Exhibit 2].
f. Employees shall wear uniforms as provided by Employer.
g. Employee payday will be on _____.

3. The Employer and the Union agree to be bound by and comply with the grievance and arbitration procedure set forth in the CBA for any and all disputes that may arise with reference to the application or interpretation of the provisions of this MOA.
4. This MOA shall be effective as of [Execution Date] and will remain in full force and effect through midnight September 30, 2017, and shall be renewed from year to year thereafter, provided that either party hereto may reopen the Agreement to modify, amend or terminate any of the provisions hereof by serving written notice on the other party at least ninety (90) days prior to midnight, September 30, 2017, or a subsequent September 30th of any contract year in which this Agreement remains in effect. The Employer further agrees that in addition to the Union's notice to [Operator Name] regarding modification, amendment, or termination of the CBA the Union shall provide notice to the Employer under this Agreement, and that the Employer shall be bound to any amendments or modifications to the current CBA that are negotiated and agreed to by the Union and [Employer Name] and that it shall sign an updated MOA and be bound by the terms of any successor CBA negotiated and agreed to by the Union [Employer Name], for Employer's Housekeeping and Laundry employees (if any) employed at [Facility Name].

[Subcontractor Name] SEIU Local 503 OPEU

_____ _____

Name Name

EXHIBIT 1

The "Collective Bargaining Agreement between SEIU Local 503 OPEU and [Operator Name and/or Facility Name]" for October 1, 2013 through September 30, 2017 is hereby incorporated by reference."

ARTICLE – STAFFING

The Employer and Union agree to continue to discuss staffing in facility-based Labor Management Committees. In addition, each Employer agrees to summarize in writing its company wide policy related to the following issues to be presented for discussion at the Oregon Responsible Employers and SEIU Alliance Labor Management Committee before March 1, 2014:

CNA Staffing

The process for CNA's change of shift reporting

Certified Medication Aide Staffing

ARTICLE – DURATION

This Agreement shall be effective as of October 1, 2013 and shall remain in full force and effect through September 30, 2017, and from year to year thereafter, provided that either party may serve written notice on the other at least ninety (90) days prior to September 30, 2017, or any subsequent anniversary date the Agreement remains in effect, of its desire to amend or terminate any provision of the Agreement. Any change agreed upon by the parties shall be reduced to writing and executed by duly authorized officers or agents of the parties to this Agreement.

Individual Company Bargaining:

Negotiations at individual company tables shall be completed no later than thirty (30) calendar days from the signing of the CT-MOA. There shall be no individual facility tables. If negotiations at individual company tables are not completed by thirty (30) calendar days from the signing of this tentative agreement, the parties agree to submit all remaining unresolved issues as a union-package and management-package "last, best offer" interest arbitration. The arbitrator decision shall be restricted to only choose either the complete union-package or management-package. The arbitrator shall be selected in accordance with the Parties' Collective Bargaining Agreements.

IN WITNESS WHEREOF, the parties have caused this CTA-MOA to be executed on their behalf by their duly authorized representatives, as of the 25th day of September in the year 2013.

[Remainder of page intentionally left blank]

Attachment I: [Attach face sheet of the "spreadsheet"]

2013-2017 SEIU Responsible Employers Total Economic Package Formulas 09/25/2103	Year 0	Year 1	Proj Year 2	Proj Year 3	Proj Year 4	Total	Daily Average
2007 Bargaining (2 yr rebase)		Fixed	Fixed	10% shared risk	10% shared risk		
Projected Medicaid Rate	$173.14	$187.06	$193.21	$216.65	$223.78		
Projected % Rate Increase		8.04%	3.29%	12.13%	3.29%	26.75%	6.69%
Projected $ Rate Increase		$13.92	$6.15	$23.44	$7.13	$50.64	$12.66
Projected Cumulative Rate Increase		$13.92	$20.07	$43.51	$50.64		
Projected Economic Package		$0.85	$0.50	$0.80	$0.50	$2.65	$0.66
Projected hourly rate increase		$0.70	$0.50	$0.60	$0.50	$2.30	
Projected envelop hourly increase (wages, health benefits, holidays, paid time off and/or any other economic benefits		$0.15	$0.00	$0.20	$0.00	$0.35	
% of Projected Economic Package		92.1%	18.9%	30.2%	18.9%	100%	
Every $1 increase in daily Medicaid rate equals $1.26 increase in BU Pay-benefits/Day ($.052/hr over 24 hrs)		Fixed	Fixed	—— Share 10% risk corridor ——		$0.052	$1.256
Actual Medicaid Rate	$173.14	$187.06	$196.17	$208.29	$212.12		Daily Average
Actual % Rate Increase		8.04%	5.84%	6.11%	1.84%	20.02%	5.29%
Actual $ Rate Increase		$13.92	$11.11	$10.12	$3.83	$38.98	$9.75
Actual Cumulative Rate Increase		$13.92	$25.03	$35.15	$38.98		
Major Risks:	*Rebase in second year biennium; Changes in Provider Tax rate either reducing or increasing net Medicaid Rate*						
Cumulative Difference between Projected $ Medicaid Rate Increase and Actual Increase		Fixed	Fixed	-19.21%	-23.03%		
Reduce Cumulative Rate difference by shared risk corridor	10.00%	NA	NA	-9.21%	-13.03%		
Remainder Difference Between Projected Cumulative Rate Increase and Actual Increase after eliminating 10% shared risk corridor				-$4.01	-$6.60		
Risk-adjust Remaining Difference by $0.04	$0.04	NA	NA	-$0.16	-$0.28		
Projected $ Rate Increase						$50.640	
Projected Economic Package		$0.85	$0.50	$0.80	$0.50	$2.650	
Risk-adjusted Economic Package		$0.85	$0.50	$0.64	$0.24	$2.23	
						$0.044	$1.055
Apply Allowed Min/Max Range to Risk-Adjusted Economic Package		$0.85	$0.5	From $.35-$1.25	From $.35-$.65		
Actual $ Rate Increase						$38.98	
Actual Economic Package		$0.85	$0.50	$0.64	0.35	$2.34	
Every $1 increase in daily Medicaid rate equals $1.44 increase in BU Pay-benefits/Day ($.06/hr over 24 hrs)						$0.060	$1.441
	TA on August 28, 2013 subject to material change						
	Projection is based on 4 Year Average Medicaid Cost Growth (FY 2008-2012) & 8 Year Average P-tax Growth						
2013 Bargaining (annual rebase)		Fixed	Projected	Projected	Projected		
Projected Medicaid Rate	$212.12	$257.00	$267.39	$278.18	$289.42		
Provider Tax Paid on Every Patient	$18.35	$20.62	$21.48	$22.56	$23.70		
Net Medicaid Rate	$193.77	$236.38	$245.90	$255.62	$265.72		
Projected % Rate Increase		21.99%	4.03%	3.95%	3.95%	33.92%	8.48%
Projected $ Rate Increase		$42.61	$9.52	$9.72	$10.10	$71.95	$17.99
Projected Cumulative Rate Increase		$42.61	$52.13	$61.85	$71.95		
Projected Economic Package		$1.14	$0.75	$1.13	$0.76	$3.77	$0.94
% of Projected Economic Package		30.0%	20.0%	30.0%	20.0%	100%	
Every $1 increase in daily Medicaid rate equals $1.26 increase in BU Pay-benefits/Day ($.052/hr over 24 hrs)		Fixed	———— Share a 8% risk corridor ————			$0.052	$1.256
Actual Net Medicaid Rate	$193.77	$236.38	$245.90	$255.62	$265.72		Daily Average
Actual % Rate Increase		21.99%	4.03%	3.95%	3.95%	33.92%	8.48%
Actual $ Rate Increase		$42.61	$9.52	$9.72	$10.10	$71.95	$17.99
Actual Cumulative Rate Increase		$42.61	$52.13	$61.85	$71.95		
Major Risks:	*Annual rebasing; Annual change in Provider tax rate either reducing or increasing net Medicaid; ACA implementation Cost; Lose Managed M*						
8% Trigger	8%		$4.17	$4.95	$5.76		
Risk Corridor-High			$58.30	$66.80	$77.71		
Risk Corridor-Low			$47.66	$56.90	$66.19		
Trigger?		no	no	no			
Over			$0.00	$0.00	$0.00		
Under			$0.00	$0.00	$0.00		
Risk Adjust Remaining Difference	5.23%		$0.00	$0.00	$0.00		
Ceiling		$1.14	$1.25	$1.25	$1.25	$4.89	
Projected Economic Package		$1.14	$0.75	$1.13	$0.75	$3.77	
Maximum Risk adjusted Economic Package		$1.14	$0.97	$1.25	$1.05		
Minimum Risk Adjusted Economic Package		$1.14	$0.63	$0.87	$0.45		
Floor		$1.14	$0.35	$0.35	$0.35	$2.19	
Revised Rate Increase		$1.14	$0.75	$1.13	$0.75	$3.77	
Apply Ceiling		$1.14	no	no	no		
Apply Floor		$1.14	no	no	no		
Actual Rate Increase with Ceiling/Floor, If applicable		$1.14	$0.75	$1.13	$0.75	$3.77	