2021-2024

Avalon &

SEIU Local 503

Collective Bargaining Agreement

Expires September 30th, 2024

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MEMORANDUM OF UNDERSTANDING

Preface. This Memorandum of Understanding (hereinafter referred to as "the Memorandum") has been entered into between the Service Employees International Union, Local 503 (hereinafter referred to as "the Union") and

1. Avalon Health Care – South Hills, LLC, for the Bargaining Unit Employees at the Employer's facility at 1166 E 28th Avenue, Eugene, Oregon
2. Avalon Health Care – Royale Gardens, LLC, for the Bargaining Unit Employees at the Employer's facility at 2075 NW Highland Avenue, Grants Pass, Oregon
3. Avalon Health Care – Corvallis Manor, LLC, for the Bargaining Unit Employees at the Employer's facility at 160 NE Conifer Boulevard, Corvallis, Oregon
4. Avalon Health Care – French Prairie, LLC, for the Bargaining Unit Employees at the Employer's facility at 601 Evergreen Road, Woodburn, Oregon
5. Avalon Health Care – Hearthstone, LLC, for the Bargaining Unit Employees at the Employer's facility at 2901 E. Barnett Street, Medford, Oregon
6. Avalon Health Care – Highland House, LLC, for the Bargaining Unit Employees at the Employer's facility at 2201 NW Highland Avenue, Grants Pass, Oregon
7. Avalon Health Care – Hillside Heights, LLC, for the Bargaining Unit Employees at the Employer's facility at 1201 McLean Boulevard, Eugene, Oregon
8. Avalon Health Care – Green Valley, LLC, for the Bargaining Unit Employees at the Employer's facility at 1735 Adkins Street, Eugene, Oregon
9. Avalon Health Care – Umpqua Valley, LLC, for the Bargaining Unit Employees at the Employer's facility at 525 W. Umpqua Street, Roseburg, Oregon
10. Avalon Health Care – Rose Haven, LLC, for the Bargaining Unit Employees at the Employer's facility at 740 NW Hill Place, Roseburg, Oregon

(hereinafter and in the Collective Bargaining Agreement executed herewith, collectively referred to as "the Employer").

Recognition. The Union and the above-named separate employers, 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 identified in Article 1.1 of the Collective Bargaining Agreement.
IN WITNESS WHEREOF, the parties cause this Memorandum to be executed effective October 1, 2021.

Signatories

DocuSigned by:
24F64146737A445...
SEIU Local 503

Nicole Babnick
Nicole Babnick (Nov 22, 2021 08:44 PST)
Avalon Health Care

PREAMBLE & WITNESSETH

WHEREAS, the purpose of this Agreement is to promote harmonious relations between the Employers and their 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:

PROACTIVE LABOR RELATIONS

Both parties recognize that it is to their mutual advantage and for the protection of the patients to have an efficient and uninterrupted operation of the facility. Accordingly, this Agreement establishes such harmonious and constructive relationships between the parties that such results will be possible.

On behalf of the bargaining unit employees, the Union agrees to cooperate with the Employer to attain and maintain full efficiency and optimal patient care.

The Employer and the Union agree that all facility employees, managers, and Union Representatives will treat each other with dignity, respect, and courtesy. The preceding principles shall also apply while providing service to patients and visitors.

Notwithstanding any other provision of this Agreement, the Union and the Employer shall designate a top-level representative to discuss complaints about alleged violations of this Agreement or the Alliance Agreement. If one Party believes that the other Party has violated these standards, the affected Party should contact the other Party's representative by phone or electronic mail. The Parties should have a direct conversation within forty-eight (48) hours to discuss the issue.

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, employed as: certified nursing assistants, graduate nursing assistants, certified medication aides, restorative aides, social service assistants, recreation assistants, central supply clerks, drivers and health information assistants, cooks, cook assistants, dietary aides, housekeepers, laundry assistants, and maintenance assistants, 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, resident care managers, charge nurses, staffing coordinator, therapists, licensed physical therapy assistants, physical therapy aides, office manager, business office manager, business office assistants, rehabilitation department manager, food service director, executive chef, maintenance director, environmental services director, housekeeping supervisor, health information director, social services director, recreation director, and 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 and fees 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.

The Union shall provide the Employer with a list of bargaining unit employees who have provided a written, electronic or recorded oral request to have monthly Union dues and/or agency fees, plus any additional voluntary Union deductions, deducted from the employee’s pay and remitted to the Union (“Union Member List”). Such Union Member List shall similarly identify any membership cancellations or other changes in employee dues, fees or other deductions. If the Union Member List is submitted to the Employer electronically at least fifteen (15) calendar days before Employer’s next pay date, the Employer shall process such deductions or changes no later than such pay date; otherwise Employer shall process such deductions or changes no later than the next following pay date. Any written applications for Union membership, authorizations for Union dues, authorizations for payment of agency fees and/or other Union-related deductions or dues cancellations which the Employer receives shall be forwarded to the

Union. The Union will maintain the written, electronic and recorded oral authorization records and will provide copies to the Employer upon request.

The ability of a bargaining unit employee to revoke his or her written, electronic or recorded oral dues deduction authorization shall be determined by the terms and conditions of such specific dues deduction authorization. Union shall notify Employer thirty (30) days prior to implementing any material change in such deduction authorization(s) and provide Employer with new blank written deduction authorizations as necessary.

The deductions collected from all employees for any pay dates in a calendar month, shall be remitted to the Union's Salem headquarters no later than the tenth (10^{th}) of the following month. An itemized statement in electronic format shall be sent to the Union no later than ten (10) calendar days following each pay date. This statement shall include the following information for every bargaining unit employee if readily available:

1. Name of employee
2. Job classification
3. Employee Identification Number
4. Date of Birth
5. Gross pay for the pay period
6. Regular/ Base pay for the pay period
7. Hire date
8. Work phone number and email address
9. Work location
10. Home phone number and home address
11. Full-time, part-time, or on-call status
12. Regular shift (DAY, EVE, NOC)
13. Amount of dues deducted from regular/ base pay
14. Amount of other union-related deductions from regular/ base pay
15. Regular Hours worked

The above statement will include any bargaining unit employee for whom no amounts were deducted and the reason for the lack of deduction (i.e., termination, transfer out of bargaining unit, leave of absence, deceased, new hire, etc.).

Upon written notice to the Employer from the Union that an employee has failed to maintain Union membership in good standing (which shall mean payment of dues and fees uniformly required of all members) and has failed to pay appropriate agency-fees as described above, the Employer and the Union shall meet with the employee to determine a reasonable resolution. If no resolution is reached, the Employer will, not later than fifteen (15) days from receipt of notice from the Union, terminate said 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 deducting and remitting Union dues, fees, or any other contributions to Union, or for Employer taking any action for the purpose of complying with any of the provisions of this Article. The Union will have no monetary claim against the Employer by reason of failure to perform under this Article.

ARTICLE 3 - NO DISCRIMINATION/NON-DISCRIMINATION. PRIVACY RIGHTS: DEPARTMENT OF HOMELAND SECURITY, IMMIGRATION, AND CUSTOMS ENFORCEMENT ("I.C.E.")

3.1 No Discrimination. 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, union membership status or activities, 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 Union Participation. 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. As defined by applicable law, employees have the right to participate in or decline to participate in union activities. Neither the Union nor

the Employer will coerce, intimidate, discriminate, or retaliate against an employee for participation or declination in union activities.

3.3 Immigration. The Union and the Employer have a mutual interest in retaining qualified and trained employees. Accordingly, to the extent permitted by law, either Party may request that the other meet and discuss subject matter related to the Immigration Reform and Control Act or any other current or future legislation, government rules, or policies related to immigration law.

A. The Union is obligated to represent all employees without discrimination based upon national or ethnic origin. Therefore, the Union is bound to protect employees against violations of their legal rights occurring in the workplace, including unreasonable search and seizure. The Employer is obligated to comply with all applicable federal, state, and local regulations in addition to operating within all parameters and specific conditions set in their private compliance agreement with federal, state, and local regulatory officials.

3.4 Non-discrimination. To the extent permitted by law, no employee covered by this Agreement shall suffer any loss of seniority, compensation, or benefits solely due to any changes in the employee's name or social security number, provided that the new social security number is valid and the employee is authorized to work in the United States. Employees who have falsified any records concerning their identity or social security number will be terminated. Nothing in this section shall restrict the Employer's right to terminate an employee who falsifies other types of records or documents. To the extent permitted by law, the Employer shall not act against an employee solely because the employee is subject to an immigration proceeding where the employee is otherwise entitled to work.

3.5 Workplace Immigration Enforcement. To the extent permitted by law, the Employer shall notify a Union representative promptly if the Employer receives a "no-match" letter from the Social Security Administration ("SSA"), if it is contacted by the Department of Homeland Security ("DHS"), regarding the immigration status of an employee covered by this Agreement, or if a search or arrest warrant, administrative

warrant, subpoena, or another request for documentation is presented. The Union will keep confidential any information it obtains per this provision. It will use any such information solely to represent or assist the affected employee(s) about the DHS matter. Recognizing the Article's intent, the Employer will comply with legal authorities, including agents of the DHS, only as it deems necessary and appropriate.

To the extent permitted by law, the Employer shall permit inspection of I-9 forms by DHS or DOL only after a minimum of (3) three days written notice, or another such period as provided by law or where such inspection is otherwise following the provisions of this Section. The Employer also shall permit review of I-9 forms where a DHS search or arrest warrant, administrative warrant, subpoena, or other legal process signed by a federal judge or magistrate names employees or requires the production of I-9 forms. To the extent permitted by law, the Employer shall not provide documents other than the I-9 forms to DHS for inspection or reveal to the DHS the names, addresses, or immigration status of any employees in the absence of a valid DHS administrative subpoena, a search warrant, or subpoena signed by a federal judge or magistrate, or where otherwise required by law, or it is otherwise deemed by the employer to be appropriate under the circumstances. In addition, to the extent permitted by law, the Employer shall offer a private setting for questioning of employees by DHS.

3.6 Reverification of Status. To the extent permitted by law, no employee employed continuously on or before November 6, 1986, shall be required to document immigration status. To the extent permitted by law, the Employer shall not require or demand proof of immigration status, except as required by 8 USC 1324a (1)(B) and listed on the back of the I-9 form or as otherwise required by law.

Suppose the Employer sells the business or its assets. In that case, to the extent permitted by law, the Employer shall offer to transfer the I-9 forms of its employees to the new employer or, at the employer’s option, to jointly maintain the I-9 records of its employees with the successor employer for three (3) years, after which the successor employee shall maintain said forms. To the extent permitted by law, the Employer shall not take adverse employment action against an employee based solely on the results of a computer verification of immigration or work authorization status.

3.7 Social Security Discrepancies. Suppose the employer receives notice from the SSA that one or more of the employee names and Social Security numbers ("SSN") that the employer reported on the Wage and Tax Statements (Forms W-2) for the previous tax year do not agree with the SSA's records. In that case, to the extent permitted by law, the Employer will provide a copy of the notice to the employee and the Union upon receipt.

To the extent permitted by law, the employee will be provided with an opportunity to address and correct the issue within 60 days or as otherwise allowed by applicable laws and regulations. To the extent permitted by law, the Employer agrees that within the 60-day timeline, the Employer:

a) will not take any adverse action against any employee listed on the notice, including firing, laying off, suspending, retaliating, or discriminating against any such employee, solely because of the receipt of a no-match letter or another discrepancy;
b) will not require employees listed on the notice to bring in a copy of their Social Security card for the employer's review, complete a new I-9 form, or provide new or additional proof of work authorization or immigration status solely because of the receipt of a no-match letter; and
c) will not contact the SSA or any other government agency solely due to a no-match from the SSA.

Suppose the discrepancy is not resolved within 60 days. In that case, to the extent permitted by law, the Employer may take any necessary action, including termination of employment, to correct the issue and avoid risk or liability to the employer.

3.8 Seniority and Leave of Absences for Immigration-Related Issues. Upon request, the Employer will release an employee for up to five (5) unpaid working days per year to attend a DHS proceeding or address any other immigration-related matters of the employee or immediate family. The Employer may request verification of such leave.

To the extent permitted by law, the Employer shall not discipline, discharge, or discriminate against any employee because of national origin or immigration status or because the employee is subject to immigration or deportation proceedings. To the extent permitted by law, an employee subject to immigration or deportation proceedings shall not be discharged solely because of pending immigration or deportation proceedings, so long as the employee is authorized to work in the United States.

Suppose an employee has a problem with their right to work in the United States after completing their introductory or probationary period. In that case, to the extent permitted by law, the Employer shall notify the Union in writing and meet to discuss the nature of the problem before taking any Corrective Action.

Suppose an employee does not provide adequate proof of authorization to work following their probationary or introductory period and the Employer terminates their employment, for solely that reason. In that case, to the extent permitted by law, the Employer will use its best efforts to reinstate the employee to their former position, if available, upon the employee providing proper work authorization within twelve (12) months from termination. If such employee needs more than one (1) year to provide such authorization to work, to the extent permitted by law, the Employer will rehire the employee into the next available opening in their former classification, as a new hire without seniority, upon the employee providing the authorization within twenty-four (24) months from termination. Such rehired employees will be subject to a further ninety (90) day probationary period.

3.9 Language in the Workplace. The Employer promotes a diverse workforce and recognizes that employees may be more comfortable conversing in a language other than English. The Employer respects the right of employees to do so. The Employer strives to balance this interest with its obligation to operate safely, efficiently, and in accordance with applicable law. Employees must have sufficient communication and language skills to enable them to perform their duties and communicate with residents, other staff, family members, and health care professionals, as required to perform the essential functions of their position.

Except when it is necessary to ensure the safe, efficient, and patient-centered care of residents, employees may speak the language of their choice. For example, English is not required when an employee is on a rest break, during a meal break, or at other non-work times. Additionally, English is not required when employees are not directly performing their job duties such as talking with coworkers while moving from one assignment to the next or while engaged in personal matters. These communications, however, must occur outside the presence of residents or family members of a residents who do not understand the language being spoken.

To operate safely, efficiently, and in accordance with applicable law there are times when the Employer requires employees to communicate or take direction and guidance in English. For example, employees must communicate in English when:

- Interacting with residents, their families, or anyone acting on a resident's behalf, unless the resident's care plan unequivocally expresses a preference for communication in another language. Residents are entitled to be communicated with by staff in a language that they understand.
- Promoting the safety of residents or ensuring efficient and effective operations. For example, English is required when communicating with co-workers during emergencies, when discussing patient care, or when discussing or performing teamwork assignments unless all employees involved in the discussion effectively speak and understand the same common language.
- Communicating with supervisors to receive direction and instruction or when supervisors are evaluating an employee's performance monitoring and evaluating the performance of employees whose job duties require communication with coworkers or residents or their families unless all employees involved in the discussion effectively speak and understand the same common language.

To operate safely, efficiently, and in accordance with applicable law the Employer will communicate safety, facility, and security related materials to employees in English. Additionally, all team or department meetings that relate to business operations, safety, and resident care will be conducted in English.

Employees who believe a violation of this policy has occurred should notify their Department Manager, Administrator, or the Human Resources Business Partner assigned to their facility or region. The Employer prohibits retaliation against any employee or witness who makes a good faith complaint about a potential violation of this policy.

ARTICLE 4 - MANAGEMENT RIGHTS

The Union recognizes that the Employer must serve its residents with the highest quality of care, efficiently and economically, and address medical emergencies. Therefore, except to the extent abridged, delegated, granted, or modified by a provision of this Agreement, the Employer reserves and retains the responsibility and authority that the Employer had before signing this Agreement, and these responsibilities and control shall remain with management. It is agreed that the Employer has the sole and exclusive right and authority to determine and direct the policies and methods of operating the business, subject to this Agreement. It is agreed that the Employer has the sole and exclusive right and authority to determine and direct the policies and methods of operating the business, subject to this Agreement.

The parties intend the following Management Rights language to satisfy all legal criteria established by the NLRB to allow Employer to unilaterally make changes to specifically identified terms and conditions of employment. The parties agree that they discussed, to each party's satisfaction, the subjects in this Section during collective bargaining negotiations and that Union clearly and unmistakably expressly waived its right to bargain before Employer unilaterally changes the following enumerated subjects. Accordingly, during the term of the Agreement, except when such rights are specifically abridged or modified by this Agreement, Union with this grants Employer the right and authority to make changes unilaterally (i.e., without giving Union notice and an opportunity to bargain concerning the decision or impact of the decision) within the following subjects or terms and conditions of employment:

1. To manage, direct and control its property and workforce;
2. To conduct its business and manage its business affairs;
3. To direct its employees;
4. To hire;

5. To assign work;
6. To transfer;
7. To promote;
8. To layoff;
9. To recall;
10. To evaluate performance;
11. To determine qualifications;
12. To discipline;
13. To discharge;
14. To adopt and enforce reasonable rules and regulations;
15. To establish and to effectuate existing policies and procedures including but not limited to a drug\alcohol testing policy and an attendance/tardiness control policy;
16. To establish and enforce dress codes;
17. To set standards of performance;
18. To determine the number of employees, the duties to be performed, and the hours and locations of work, including overtime;
19. To determine, establish, promulgate, amend and enforce personal conduct rules, safety rules, and work rules;
20. To determine if and when positions will be filled;
21. To establish positions;
22. To discontinue any function;
23. To create any new service or process;
24. To discontinue or reorganize or combine any department or branch of operations;
25. To evaluate or make changes in technology and equipment. In the event employees request clarification on the application of new technology or use of new or different equipment, the Employer will meet and discuss the issues with the affected employees;
26. To establish shift lengths;
27. To either temporarily or permanently close all or any portion of its facility or to relocate such facility or operation;
28. To determine and schedule when overtime shall be worked;
29. To determine the number of employees required to staff the facility, including increasing or decreasing that number;

30. To determine the appropriate staffing levels required for the facility, including increasing or decreasing that number; and,
31. To determine the appropriate mix of employees, by job title, to operate the facility.

The parties recognize that the above statement of management responsibilities is for illustrative purposes only and should not be construed as restrictive or interpreted to exclude those prerogatives not mentioned inherent in the management function. All matters not covered by the language of this Agreement may be administered by the Employer on a unilateral basis, following such policies and procedures as it from time to time shall determine.

4.1 No Waiver. The Employers' failure to exercise any function or responsibility now reserved to it, or its exercising any function or right in a particular way, shall not be deemed a waiver of its ability to exercise such function or responsibility, nor preclude the Employer from exercising the same in some way not in conflict with this Agreement.

4.2 Employer Handbook. As outlined in the Employee Handbook, the Employer's Rules and Regulations shall apply to all Union employees to the extent that such term, condition, policy, or procedure is not inconsistent with this Agreement. The Parties understand that the CBA's provisions govern in the event of a conflict. The Employer shall continue to update the Union with changes to the Employee Handbook within fourteen (14) calendar days of any effective change(s). Said change in a term or condition of employment in the Employee Handbook shall not be unlawful nor in conflict with the provisions of this Agreement. The Union reserves the right to grieve any new policies in the Employee Handbook, which conflict with the CBA in the Union's view. The Union must file a grievance within 30 days of the Union receiving written or electronic notice of the changes.

4.3 Supervision and Work Assignments. Employees shall work as directed by supervisory personnel. Under all circumstances, the Employer reserves the right to lawfully establish the number of employees and the work methods necessary to perform any activity per this CBA.

ARTICLE 5 - UNION RIGHTS, REPRESENTATIVES, AND STEWARDS

In the interest of promoting a positive approach to labor-management relations and achieving joint public policy goals, the parties agree to the following:

5.1 Professional Courtesy and Behavior. The Parties encourage everyone to perform efficiently, courteously, and dignifiedly when interacting with employees, facility residents, and visitors. The Parties agree that all facility employees, managers, and Union representatives will treat each other with dignity, respect, and courtesy. The Parties agree that behavior such as bullying is not professional or courteous behavior and is not permissible. Further details with examples of specific behavior that is not tolerated is included in the Employer's Handbook. Neither the Employer's rights nor the Union's rights in this CBA or under law shall be abridged by this contract provision. The preceding principles shall also apply in providing service to patients and visitors. During typical labor relations (e.g., disciplines, the grievance process, LMC meetings, etc.), neither the Union nor the Employer shall use hostile rhetoric in written or verbal communication concerning the mission, motivation, leadership, character, integrity, or representatives of the other. Section 5.1 does not require the Union or the Employer to monitor others' social media.

5.2 Facility Access of Union Representatives. The Union will provide the Union representative's name to the Employer. Union representatives shall have access to the facility to confer with the Employer, Union Stewards, or members and administer this Agreement. The Union shall provide twenty-four (24) hours advance notice, via email to the facility Administrator, for facility access before entry. The Administrator may deny facility access by an emailed response when the Union representatives did not provide sufficient notice before entry or under extraordinary circumstances such as state survey or a contagious illness in the facility. If the Administrator does not respond to the advance email, the Union representative may access the facility per the notification. If the facility visit is about filing an employee's grievance or investigating a potential grievance, the Union representative shall immediately access the Employer's premises. Upon entering the facility, the Union representative shall notify the Administrator, or their designee, of the representative's presence. Union representatives shall confer with

employees during the employee's non-working time in the employee break room and other non-work areas.

5.3 Union Information. The Employer will:

1) Furnish and install at least one (1) bulletin board in each employee break room or facility for posting 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 to store 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 a shelf, installed by the Employer on the wall of the break room to keep 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 who the stewards are and any new stewards or any change in status of existing stewards. The Union Stewards' performance of union work shall not interfere with the facility's operation nor the performance of employees' job duties. Union stewards shall receive their 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 their 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 considering operational needs. Bargaining Unit Employees requesting time off to attend steward training will make every effort to comply with the Employer's policy for requesting time off.

5.5 Union New Employee Orientation. Each month, the Employer will provide the Union Stewards in each facility with the names of all employees newly hired into bargaining unit job classifications. In addition, the Employer shall provide thirty (30) minutes of paid time for both a Union Steward and the new employees to conduct a New Union Employee Orientation (NUEO). The NUEO shall occur in an Employer-provided room. If Union access is restricted during the scheduled orientation, the Employer will use its best efforts to facilitate the Union Steward and new employees meeting virtually. The Union will establish the virtual meeting capability, such as a conference line or Zoom videoconference. Such Union Orientations will be mandatory for all Bargaining Unit Employees within their first month of hire.

5.6 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 the time spent in conjunction with such approved lobby days. The compensation 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.

5.7 Volunteer Union Activities. Employees may utilize earned paid time off for employee activity under this Article, including collective bargaining with the Employer, which does not fall under paid time. Under no circumstance will employees experience a reduction of status or lose health care benefits for employee activity under this Article.

5.8 All Staff Meetings. When the Employer holds its regularly scheduled All Staff Meetings at the facility, a Union Representative or Union Steward shall be allowed to address the Bargaining Unit for up to ten (10) minutes when possible. The Employer may limit this time for extraordinary circumstances such as viral outbreaks or state inspections.

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 - COLLECTIVE BARGAINING AGREEMENT TRAINING

The Parties will schedule an in-person or virtual joint CBA Training, at each facility, within one hundred and twenty (120) days of this Agreement's ratification date. The Parties will use best efforts to include representatives from the Employer, SEIU Local 503, and each facility-based union steward. Also, the Parties will invite a Health Care Services Group representative to participate, when contracted by the Employer. The one-time training session will be completed in one (1) hour. The Employer will compensate up to four (4) union members for the scheduled training. The purpose of this training shall be to review language within this Agreement that reflects the following:

- Changes to the former CBA's language, policy, or procedure in this successor CBA.
- New language, policies, or procedures in this successor CBA or the Alliance Agreement.
- Review of the Parties' plan to establish and operate FLMCs and SLMCs.

Also, the Parties will discuss any shared goals and next steps to advocate jointly for additional Nursing Home Funding or promote the facility as the employer and provider of choice in the local market.

ARTICLE 8 - SENIORITY, LAYOFF & RECALL

8.1 Definition of Seniority. An employee's seniority shall be defined as the length of time the employee has been employed without a break in employment, except as provided for in Section 8.4 and that periods during which an employee is on layoff, subject to the recall provisions of the Agreement shall not be deemed a break in service, in any bargaining unit classification at any Avalon-managed skilled facility at which SEIU-Local 503 represents employees. Accrual of seniority begins upon an employee's successful completion of the probationary period, and is retroactive to the employee's date of hire.

8.2 Employee Address & Phone Number. It shall be the responsibility of the employee to keep the Employer informed of their 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 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 their unit position within six months of acceptance of a non-unit or supervisory position, the employee shall regain their 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 their 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.

8.4 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 8.3 above is rehired into the bargaining unit within eighteen (18) months of the date such seniority was lost, that employee shall regain their prior accumulated seniority upon the satisfactory completion of six (6) months of service from the date of rehire.

8.5 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 sixty (60) 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.

8.6 "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.

8.7 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.

8.8 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.

8.9 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 their 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 regularly scheduled, but for an average of twenty (20) to thirty (30) hours per week. On-Call is defined as employees who do not have a routine schedule, but who are scheduled on an as-needed basis and less than twenty (20) hours per week, generally to cover for Full-Time and Part-Time employees using PTO or on other leave or when there are insufficient Full-Time and Part-Time employees available to meet the facility's staffing needs. 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 thirty (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. Except in cases where an employee's status is being reduced due to persistent absenteeism issues, in the event that an employee is being mandatorily reduced from Full-Time or Part-Time or On-Call status, it will be done in accordance with Article 8 – Seniority, Layoff & Recall, Section 8.5 – Layoffs & Reduction in Hours and the Oregon State Sick Leave Law (ORS 653.601 through 653.661)and all other sections of this Agreement that may apply. Employees may not unilaterally reduce their status from Full-Time to Part-Time or Part-Time to On-Call without the written authorization of the Administrator. Employees wanting to reduce their status shall make the request in writing no later than the 15th of the month prior to the change taking effect so that such change may be reflected on the next month's schedule. The Employer will approve or deny the request in writing within seven (7) days and will make every effort to accommodate a requested change in status when the requested change is for educational, child/family care or medical reasons. Requests shall not be unreasonably denied.

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. Notwithstanding any language in the Agreement to the contrary, it is understood and agreed that, when creating work schedules or filling open shifts, the Employer may always seek to schedule employees who will receive only their base pay rather than statutory Overtime or 1.5x premium under this Agreement.

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 lay off employees.

10.4 Work Schedule Posting & Changes. Employee work schedules shall be posted at least seven (7) calendar days prior to the beginning of the schedule/beginning of the month. Once posted, an employee's schedule may only be changed: 1) with the employee's consent, 2) in the event of an emergency that necessitates a prompt summoning of staff and the change in schedule, or 3) the employee is on an approved modified/light duty or other assignment designed to accommodate the employee's work restrictions.

At the request of the Union, the Employer will provide a copy (electronic or otherwise) of the current schedule at an individual facility.

Rotating, pattern work schedules provide predictability for employees and the Employer. In the event the Employer deems it necessary to change an employee's pattern work schedule for an indefinite period, it will make a good faith effort to provide the employee with as much advance notice as possible. Where feasible, the Employer will first seek volunteers for such changes and will otherwise change the shift rotation of the least senior employee in the job class that will meet the operational need giving rise to the need to change employee shift rotations. It is understood that temporary, limited changes to an employee's pattern shift rotation may occur from time-to-time to ensure equitable holiday scheduling or during peak vacation request periods. If the Employee

represents in writing to the Employer that the Employee will not be able to meet the Employee's child or family care* arrangements with the proposed indefinite change to the employee's normal shift rotation, then the change will not become effective until a total of thirty (30) days from the date notice of the schedule change was given to the Employee. Solely avoiding overtime payment to employees or Employer convenience will not be considered an unforeseen emergency or unanticipated circumstance.
* The phrase "family care" shall mean care of a child, parent, grandparent, or sibling, or the step relations of any of these persons, or care of a Domestic Partner.

10.5 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.

10.6 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.

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

10.8 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.

10.9 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, first to employees who would not receive Overtime, then to employees for whom the additional shift will not trigger Consecutive Shift Premium, then to any qualified Bargaining Unit employee.

10.10 Call-In Shift Bonus. The Employer shall fill shifts that become available with less than forty-eight (48) hours notice or that have not been filed in the Open Shifts process above, in the following manner:

1) If the Employer is unable to fill the shift with an employee receiving straight-time pay, the Employer will offer all Call-in shifts to Bargaining Unit Employees in rotating seniority order beginning with the most senior employee, first to On-Call employees for whom the additional shift will not trigger Overtime/ Consecutive Shift Premium, then to any qualified Bargaining Unit employee. 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 be considered a Call-in shift for Full-Time and Part-Time employees.

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

10.12 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.

10.13 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.

10.14 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 (1) hours' notice . 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.

10.15 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.

10.16 On-Call Employees. Subject to the scheduling priorities described in Section 10.2 above, 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. On-Call employees do not qualify for the Call-In Shift Bonus.

10.17 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

10.18 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 is offered a day off,* provided, the five (5) shifts preceding the sixth (6^{th}) consecutive day worked were each at least five (5) hours, excluding any unpaid meal periods (unless the employee's regular shift length is less than five (5) hours, in which case the preceding shifts would need to be at least two (2) hours). Schedule changes requested by the employee, or which are caused when employees are permitted to "trade" shifts, or by employee attendance at meetings, in-services, continuing education or other trainings on a scheduled day off, which set up a consecutive day stretch will not trigger the premium.

*If the employee is offered the option of taking off a regularly scheduled work day, the employee may elect to work their regularly scheduled shift but such shift will not be considered towards the employee's consecutive shift count and will be at the employee's straight-time rate of pay unless a higher rate is required by law.

If the employee chooses or volunteers to work a schedule that results in six or more consecutive days of work, the employee will be paid at straight-time rate of pay, unless a higher rate is required by law.

ARTICLE 11 - COMPENSATION

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.

11.12 Section 1: Cumulative Total Economic Package Updated Annually Per Changes in the Actual Cumulative Net Medicaid Rate Increase Over the Three 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 all legislative matters about maintaining the current Medicaid nursing facility statutory reimbursement system to assure the necessary funding levels needed to deliver Medicaid rates paid according to the statutory requirements (62nd percentile of allowable costs). 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 three (3) years: $331.84 for 7/1/21-6/30/22; $373.92 for 7/1/22-6/30/23; and $397.12 for 7/1/23-6/30/24. If the actual Net Medicaid rate is different from the previous projections, the Parties will alter the cumulative total economic package annual increases as follows:

1.1 Starting in rate year 7/1/22-6/30/23, as soon as a State Official posts actual Medicaid rates, Union and Employer shall use the Exhibit “A” spreadsheet to calculate the actual cumulative net increase from the 7/1/21-6/30/22 Net Medicaid rate of $331.84.

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: 7/1/22-6/30/23 forty-two dollars and eight cents ($42.08); and 7/1/23-6/30/24 sixty dollars and twenty-eight cents ($60.28).

1.3 The Cumulative Total Economic Package ("CTEP") annual increases per this Agreement shall be defined as follows: per Company Table agreement on 10/1/21; two dollar and twenty cents ($2.20) on 10/1/22; and ninety-five cents ($0.95) on 10/1/23.

1.3.1 Suppose the **actual** cumulative Net Medicaid rate increase differs by less than eight percent (8%) from the **projected** cumulative Net Medicaid rate increase. In that case, the parties shall implement the "total economic package" increase(s) per this agreement.

1.3.2 Suppose, instead, the **actual** cumulative Net Medicaid rate increase differs by eight percent (8%) or more from the **projected** cumulative Net Medicaid rate increase. In that case, the parties shall adjust the remaining Cumulative Total Economic Package as follows:

1.3.2.1 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.

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

1.3.2.3 If the preceding product is positive, the subsequent 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 1.3.3 minimum/maximum adjustments to the economic package.

1.3.2.4 If, however, the preceding product is negative, the subsequent 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 1.3.3 minimum/maximum adjustments to the economic package.

1.3.3 Notwithstanding any adjustment per application of Sections 1.3.2.1 through 1.3.2.4, in no case shall the annual increase in the Cumulative Total Economic Package effective 10/1/22, and 10/1/23, be less than thirty-five cents ($0.35), or greater than two dollars and eleven cents ($2.11).

1.4 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 "2021-2024 SEIU Responsible Employers Total Economic Package Formulas" (the "Spreadsheet") as shown in Attachment "A" and the electronic version, relayed by electronic mail to each signatory on September 30, 2021, 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, 2022.

1.5 No wage or employee benefits change negotiated according to this Agreement shall be effective until the employer receives the Medicaid Rate issued by DHS for that year. If the implementation is delayed, all wage and 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.

11.13 Section 2. Amount of the Cumulative Total Economic Package Spent Annually. The Employers agree to spend the CTEP as follows. Each October 1st from 2022 and subject to adjustment by application of Section 1, the Employer shall annually spend one percent (100%) of the calculated Cumulative Total Economic package (i.e., projected to be two dollars and twenty cents ($2.20)) on wage scale increases, other compensation-related pay programs (e.g., shift differentials, recruitment incentives, sign-on bonuses, etc.), or additional negotiated economic costs (e.g., benefit improvements such as contributing more toward each member's total health insurance cost)).

11.14 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 CTEP amounts allocated by the parties for wage-related gains will be implemented effective the first whole pay period following the below-enumerated dates. All wage-related increases allocated by the parties shall apply to all SEIU member wage rates, starting rates and wage scales, wage grids, or wage matrix (where applicable), except when the Parties mutually agreed otherwise at the Company Table Bargaining.

3.1 Effective October 1, 2021, the Parties agree to allocate all remaining revenue from Medicaid Special Reimbursement Rate Programs (i.e., the 4/1/20 COVID 19 rate increases, the 1/1/21 Emergency Board 5% rate increase, the 7/1/21 Temporary Rate Increase, the 10/1/21 through 12/31/21 Enhanced daily rate for SNFs starting CNAs at $17/hr or more) and all of the 10/1/21 Economic Package funds to pay for the bargaining unit labor cost increase due to prior off-schedule compensation enhancements and all other Company-specific economic issues mutually agreed to by the Parties at the 2021 Company Table Bargaining. Effective October 1, 2021, all bargaining unit employees shall be increased to the next step on the wage scale, Appendix A *(Clarification: each Employer has a separate wage table, negotiated at the Employer side tables)*. Employees at or above the top step of the wage scale shall receive a raise equal to the value of the step increase between the last two highest steps. Under no circumstances will any section of this Article or Agreement result in an Employee to suffer any loss in hourly wage rates.

- 3.2 Effective October 1, 2022, per the CTEP annual increases, the Employer agrees to add a minimum of thirty-five cents ($0.35), a projected two dollars and twenty cents ($2.20), the calculated CTEP, or a maximum two dollars and eleven cents ($2.11) per hour increase to bargaining unit wage and benefits. The specific allocations shall be as bargained at Company Bargaining Tables. Amounts bargained to be allocated to wage increases shall be applied to each member's regular hourly rate of pay, starting rates and wage scales, wage grids, or wage matrix (where applicable), except as the parties may otherwise agree at the Company Bargaining Tables. Effective October 1, 2022, all employees shall be increased to the next step on the wage scale. Additionally, effective October

1, 2022, all employees and all steps of the wage scale shall receive the remaining CTEP annual increases as defined in the Central Table Agreement minus the value of step increases negotiated in each employer's individual wage table. For example, if the CTEP annual increase effective October 1, 2022, is one dollar ($1.00) per hour and the difference between wage steps on the Employer's wage table is fifty cents ($0.50), then all employees and all steps of the wage scale shall receive an additional fifty cents ($0.50) per hour increase. Employees at or above the top step of the wage scale shall receive the full amount of the CTEP annual increase (in this example, a topped-out employee's wage would be increased by $1.00 per hour). Under no circumstances will any section of this Article or Agreement result in an Employee to suffer any loss in hourly wage rates.

- 3.3 Effective October 1, 2023, per the CTEP annual increases, the Employer agrees to add a minimum of thirty-five cents ($0.35), a projected ninety-five cents ($0.95), the calculated Cumulative Total Economic Package, or a maximum two dollars and eleven cents ($2.11) per hour increase to bargaining unit wages or benefits. The specific allocations shall be as bargained at Company Bargaining Tables. Amounts bargained to be allocated to wage increases shall be applied to each bargaining unit member's regular hourly pay rate, starting rates and wage scales, wage grids, or wage matrix (where applicable), except as the parties may otherwise agree at the Company Bargaining Tables. Effective October 1, 2023, all employees shall be increased to the next step on the wage scale. Additionally, effective October 1, 2023, all employees and all steps of the wage scale shall receive the remaining CTEP annual increases as defined in the Central Table Agreement minus the value of step increases negotiated in each employer's individual wage table. For example, if the CTEP annual increase effective October 1, 2023, is one dollar ($1.00) per hour and the difference between wage steps on the Employer's wage table is fifty cents ($0.50), then all employees and all steps of the wage scale shall receive an additional fifty cents ($0.50) per hour increase. Employees at or above the top step of the wage scale shall receive the full amount of the CTEP annual increase. Under no circumstances will any

section of this Article or Agreement result in an Employee to suffer any loss in hourly wage rates.

11.15 3.4 Off-Schedule Hourly Wage Increase. Notwithstanding anything else in this Agreement to the contrary, the Employer has a privilege to immediately increase union member hourly pay rates across the board by classification as necessary to retain workers recruited by other employers offering higher compensation in the facility's labor market ("Off Schedule Wage Increase" or "OSWI"). Any such OSWI constitutes the Employer's early implementation of later scheduled Section 3 Annual Hourly Wage Increases that would otherwise occur on the first following October 1st. As such, any OSWI(s) will be offset from the Employer's subsequent Sections 3.1 through 3.2 annual increases to the same classification's hourly wage scale pay rates, with any remaining balance carrying forward until fully credited (e.g., if the Employer implements a $0.75/hr OSWI to every wage scale step for the C.N.A. classification on June 1st, the subsequent October 1st's entire $0.45 and $0.30 of the following October 1st's $0.45 will be credited to offset the OSWI that constituted an advance on such later scheduled increases).

When implementing an OSWI, the Employer is not required to bargain with the Union when the Facility Administrator believes they must immediately announce pay rate increases to neutralize the competitive advantage of another employer offering the Facility's union members higher pay. If the other employer's competitive advantage is instead a future threat, the Employer will contact the Union and bargain OSWI pay increases for up to seventy-two (72) hours, after which the Employer may unilaterally implement their final OSWI proposal to the Union.

Whenever exercising this Section's ability to announce and implement a pay increase immediately, the Employer will notify the Union as soon as possible. In no case shall such notice to the Union be more than seventy-two (72) hours after the Employer's announcement. The Employer and Union will then use their best efforts to expeditiously enter into a Letter of Agreement that details the classification's enhanced wage scale pay rates and distribute it to all affected union members. When implementing an OSWI to target the immediate competitive threat of a local competitor, the Employer will solely apply the OSWI at the nursing home subject to the immediate competitive threat.

11.15 3.5. Incentive Programs. The Employer shall be privileged to offer employment bonuses at its discretion, such as sign-on, refer-a-friend, extra shift, or pick up a shift. The Facility shall provide any such bonuses fairly and equitably and not engage in scheduling favoritism. The Employer may, without acting in a manner resulting in individual favoritism within a job class, implement, modify, or eliminate incentives to hire new employees, motivate employees to work as needed, encourage safe working practices, or for any other business reason, as long as the incentive programs were not explicitly bargained for in this Agreement.

By subsequent mutual written agreement, the parties may agree to increase bargaining unit members' hourly wage rates, starting rates and wage scales more than the amount(s) specified above during the term of the contract. In the event the Employer proposes to increase starting wage rates, it is understood that, unless otherwise specifically agreed in writing, the thirty-five cents ($0.35) per hour difference between steps on any applicable wage scale must be maintained and all employee pay rates shall be adjusted to reflect the rate corresponding with their step placement on the wage scale. No existing employee will be paid less than newly hired employees with less or equal years of experience.

11.2 Hiring Rates. All bargaining unit employees hired shall be placed on the applicable wage scale. No employee shall be placed in-between steps., to a maximum of the 10 Year step, based on *completed* years of experience in the given job classification or other *completed years of* relevant experience. For example, a new CNA who has been a CNA for one and one-half (1 ½) years will be deemed to have one (1) *completed* year of experience and would be placed at step 1 of the applicable CNA wage scale, whereas a newly hired CNA with two (2) full years of experience would be placed at the step 2 of the applicable CNA wage scale. A CNA with fifteen (15) full years of experience and a CNA with twelve (12) full years of experience would both be placed on the10 Year step of the applicable CNA wage scale. Upon execution of the new collective bargaining agreement, the parties shall have 45 calendar days to mutually assure that every bargaining unit employee is placed on their correct step of the wage scales.

Effective October 1, 2021, per the central table bargaining economic agreement, each bargaining unit employee shall be increased to the next step of the Employer's revised wage scale, or the applicable wage scale step based on completed years of experience (defined for licensed care employees such as CNAs and CMAs as licensure date) in the given job classification or other completed years of relevant experience, whichever is greater.

Transfers to a Job Class with a Lower Starting Rate: Bargaining unit employees who transfer from a job class with a wage/hiring scale with a higher starting rate to a job class with a lower starting rate shall be placed on the same step of the scale applicable to the employee's new job class. For example, if a CMA at the 5 Year Step of the CMA scale transferred into a CNA position, he/she would be placed at the 5 Year Step of the applicable CNA wage/hiring scale.

Transfers to a Job Class with a Higher Starting Rate: Bargaining unit employees who transfer from a job class with a wage/hiring scale with a lower starting rate to a job class with a higher starting rate shall be placed on the step of the scale applicable to the employee's new job class that is closest to the employee's current rate, but provides an increase. For example, if a Dietary Aide at the 5 Year Step of the Dietary Aide scale earning $14.27/hour, transferred into a CNA position, he/she would be placed at the step closest to, but more than $14.27 of the applicable CNA wage/hiring scale.

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 Paychecks/Pay Cards and Paystubs. Employees have three (3) payroll options. They can complete a Direct Deposit Form and have their wages deposited directly into a bank/credit union account of their choice; or they can use a pay card that will be provided during their first week of employment; or they can submit a written

request to receive a traditional paper check. New hires will receive their first paycheck at the facility, as will employees electing to receive a paper paycheck. After the first paycheck, employees will either receive their pay via a pay card, direct deposit or paper check, depending on their stated preference.

After receiving their first paycheck, employee's check stubs can be accessed online. The facility has a computer terminal available for employees to access their pay stubs online and print a hard copy if they choose. Should an Employee need assistance in accessing their pay stubs , they may request assistance from someone in the facility's business office.
Employee check stubs will include the following information:

- Pay rate
- Overtime and/or premium pay and hours
- Voluntary deductions
- Gross pay (for the period and year-to-date)
- Statutory Deductions
- PTO/Sick time accruals

Paychecks will be available to Bargaining Unit Employees by 6:30 am on payday without preconditions. A Bargaining Unit Employee will not be required to attend meetings or perform any function for the Employer, other than signing an acknowledgement of receipt of the paycheck, as a condition of receiving his or her paycheck. If a payday falls on a bank holiday, checks will be available by 6:30 am the preceding business day.

11.6 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.

11.7 Shift Differentials. All bargaining unit employees shall receive shift differentials for all hours worked on that shift as described below in the Shift Differential table. These shift differentials shall serve as the minimum payments at all facilities represented by SEIU Local 503.

Shift Differential

Evening 2:00PM-10:00PM	NOC 10:00PM-6:00AM
$0.50/hour	$0.75/hour

11.8 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 Avalon employees in Oregon (management and non-management).

12.2 Coverage for Spouses and Dependents. Employer will offer health insurance coverage to employees, their spouse, and dependents in accordance with state and federal law regarding eligibility."

12.3 Insurance Premiums. The Employer agrees to continue to cover all health insurance premium costs at not less than the percentages listed below for the remainder of the 2021 plan year for any plans offered that are equivalent or less costly than the 2018 Ameriben $1,500 Plan:

Plan	Employer percentage	Employee percentage
Employee Only	91%	9%
Employee and Child(ren)	82%	18%
Employee and Spouse	76%	24%
Employee and Family	77%	23%

The Employer agrees to continue to cover all health insurance premium costs at no less than the percentages listed below for the duration of the 2022,2023, and 2024 plan

years for any plans offered that are equivalent or less costly than the 2021 AmeriBen $1,750 Plan.

Plan	Employer Percentage	Employee Percentage
Employee Only	90%	10%
Employee and Child(ren)	80%	20%
Employee and Spouse	75%	25%
Employee and Family	75%	25%

12.4 Healthcare Re-opener. SEIU and Avalon will engage in a healthcare re-opener to bargain on healthcare benefits for a period of 90 calendar days. The Healthcare reopener will occur 120 calendar days after a healthcare plan is available via the Oregon Long Term Care Healthcare Trust (Healthcare Trust). The Healthcare Trust benefit is projected to be available between July to September, 2022. The No Strike/No Lockout provision of the contract shall remain in effect during healthcare re-opener negotiations. The only subject of healthcare reopener negotiations are healthcare plans offer by the Employer and the Employer's participation in the Oregon Long Term Care Health Insurance Trust.

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

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

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

12.8 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.

12.9 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.

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.

13.4 Naturalization Ceremony Holiday. An employee can take a full day off work (on paid time status) to attend their own citizenship ceremony. An employee must give the Employer

notice as soon as is reasonable and practicable in the circumstances. The Employer may request verification from the employee to support the time off request.

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 including Oregon Sick Leave. 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 ninety (90) days of service. However, such employees are accruing PTO during this period, and such time shall be considered to be earned and available to be utilized after the ninety (90) days of service is completed. Thereafter, accrued time will become earned time the next pay period following its accrual. On-Call employees are not eligible for PTO but they will accrue Oregon Sick Leave hours at the rate of one (1) hour per every thirty (30) hours worked, and will utilize sick leave according to the Mandatory Oregon State Paid Sick Leave Regulations and subject to limitations permitted by such regulations.

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 is accrued. 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 on all paid hours (up to eighty (80) hours per pay period) 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**
0-12 months	0.0385	80 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 at least eighty (80) paid hours in each pay period with a maximum of 2080 paid hours per year (twenty-six (26) pay periods). 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 has less than eighty (80) paid hours per pay period receives less earned PTO because the number of paid hours is reduced. As an example: A person who has twenty (20) paid hours per week for fifty-two (52) weeks has 1040 paid hours. The 1040 paid 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 forty (40) hours of earned PTO per year. Such cash outs can occur at any time during the year at minimum increments of eight (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. On-Call employees cannot cash out their Oregon Sick Leave hours.

14.5 Paid Time Off Request. Employees requesting a planned interruption of work must have this time requested off in writing by the fifteenth (15th) of the month for the next month's schedule. The Employer will approve or deny the request in writing within one (1) week with the exception of Holidays. Paid time off requests made more than two (2) months in advance shall not be unreasonably denied. Written requests for PTO may be made up to six (6) months in advance of the requested time off. Inability to anticipate census and staffing needs shall not be grounds for denial of such requests. Written requests will be considered on a first come, first serve basis. If two or more written requests for the same time off are received within a twenty-four (24) hour period, and if the Employer is inclined to honor the request, then the request shall be honored on a Seniority basis, as Seniority is defined elsewhere in the Agreement.

14.6 Calling Out Sick. Unplanned interruptions of work require the employee to notify their supervisor (or other designated individual) at least two (2) hours in advance of the start of their shift. When circumstances prevent an employee from providing proper notice, employees will provide notice as soon as practicable. In all cases, whether and when an employee can practicably provide notice depends upon the individual facts and circumstances of the situation. Requests to use PTO to cover absences due to health-related reasons defined in ORS 653.616 will not be denied. Requests to use PTO for other purposes shall not be unreasonably denied. Inability to anticipate census and staffing needs shall not be grounds for denial of such requests, but known staffing shortfalls may be taken into consideration. Bargaining Unit Employees shall not be required to find their own replacements when they call out sick. If an Employee Leave Request Form was not completed before an employee's leave, then it must be completed within three (3) days of returning to work.

14.7 Pay out on Termination of Employment. An employee who resigns with at least fourteen (14) calendar days written notice will be paid out their earned PTO hours in their final check.

Employees who resign with proper notice must work all scheduled shifts during the notice period to be eligible for payment of unused PTO hours, unless absence is for reasons of approved schedule change, or legally protected leave such as but not limited

to OFLA, FMLA. Approved usage of approved leave time, or approved schedule modifications (such as calling off a scheduled shift with proper notice) shall not count against the employee for the purpose of PTO payout.

Employees terminated for cause are not eligible for PTO payout.

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. If a bargaining unit employee is called to jury duty, they must tell their supervisor within forty-eight (48) hours of receiving the summons.

The Employer will accommodate time off for jury duty. The Employer will pay the bargaining unit employee their regular pay for no more than eight (8) hours per day, for up to ten (10) business days in any twelve (12) month period. As payment for jury duty that goes beyond ten (10) working days, the employee shall receive a fifty dollar ($50) stipend per day.

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 from jury duty and there are four (4) hours or more left in the work day, they are expected to return to work. To receive jury duty pay, employees are required to have

the clerk of the court sign the jury duty notification form, which indicates the time the employee was dismissed from jury duty. The employee will give this document to the facility's Payroll Coordinator. Time spent on jury duty will not be charged against the employee's accrued PTO.

If the employee is a night shift worker, they may ask their Administrator for jury duty leave for the day before they need to report to court if the time between the shift and the court proceedings does not allow them reasonable time to rest. The Administrator may choose to excuse an employee from a partial shift, if this will allow reasonable time for rest before reporting to jury duty.

15.3 Witness Leave. Whenever a Bargaining Unit Employee is asked to be a witness by the Employer, he/she shall continue to receive their 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 - EMPLOYEE RIGHTS AND JUST CAUSE CORRECTIVE ACTION

19.1 Just Cause Corrective Action

A. The Employer shall have the right to discipline, suspend, or discharge any employee for just cause per the Employer's Policies. Following the Management Rights Article, the Employer shall publish an Employee Handbook and Human Resources Policy and Procedures. Probationary employees can be disciplined or discharged for any reason and shall not have recourse to the grievance and arbitration procedure set forth in this Agreement. All disciplinary documents will identify the specific Employer policy(s) supporting the Corrective Action.

Corrective Action Steps

Step 1	Written Verbal Warning
Step 2	Written Warning #2
Step 3	Final Written Warning (may include unpaid suspension)
Step 4	Termination of Employment

Based on the nature and severity of the incident, the Employer may skip any steps or use none at all and move to termination for a first offense without notice or warning.

B. No “verbal counseling” discussion between an employee and a supervisor shall be deemed to constitute discipline under this Section. Accordingly, no such verbal counseling shall be considered a matter subject to the grievance and arbitration procedures. In contrast, a “verbal warning” shall be accompanied by a written notification placed in the employee’s personnel file. The verbal warning shall be considered part of the progressive disciplinary procedure.

C. The Employer recognizes the concept of progressive discipline and will endeavor to utilize a progressive discipline response in cases of inadequate work performance or violation of Employers' workplace rules. However, the nature and severity of an

offense will permit imposition of disciplinary action at any level of discipline up to and including discharge. In the event of a conflict, this Agreement will take precedence over Employer's work rules. An employee may be represented by a Union Steward, staff representative, or other facility Union member of their choice if they choose to be represented in meetings called by the Employer that could reasonably result in disciplinary action, provided a Union Steward is available.

D. Whenever the Employer takes disciplinary actions against an employee, a copy of such actions will be given to the employee and the Union if requested. The Employers' policy is that employees sign the disciplinary action copy, which shall constitute only an acknowledgment of receipt and not an admission of guilt. Failure to provide such copies shall not be subject to the grievance and arbitration procedures of this Agreement.

E. The Union, acting on behalf of any employee whom the Union believes to have been disciplined without just cause, shall have the right to appeal such discipline per the grievance and arbitration procedure set forth herein.

19.2 Progressive Discipline and Just Cause. The Employer shall have the right to maintain discipline and efficiency of its operations, including the right to discharge, suspend or discipline an employee for just cause while applying progressive discipline. The Employer's Policies outline grounds for discipline or discharge, including immediate dismissal, provided such policies are not inconsistent with this Agreement. Any probationary employee may be discharged or disciplined by the Employer in its sole discretion. No question concerning the disciplining or discharge of probationary employees shall be the subject of the grievance or arbitration procedure.

19.3 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, 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 notify the Steward as soon as possible of the action taken. The Employer will inform 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.

19.4 Corrective Action Process. Suppose a supervisor has reason to issue Corrective Action to a Bargaining Unit Employee. In that case, the supervisor shall make a reasonable effort to promptly implement the Corrective Action in private. All facility employees should treat each other with respect and dignity. Suppose any communication between a supervisor and a union member may lead to Corrective Action. In that case, the supervisor will notify the member and allow a reasonable opportunity for a Union representative of the member's choice to join the subsequent discussion. During the discussion, the supervisor will inform the member why they are being investigated or issued Corrective Action while also identifying the specific Employer policy(s) supporting the Corrective Action. The supervisor may also have a witness join the conversation. In a situation involving the suspension of a member, the supervisor will also explain why the suspension will occur before the completion of the Employer's due diligence regarding the determination of the Corrective Action. Suppose a supervisor suspends a member before completing an investigation that does not substantiate the initial allegation(s). In that case, the Employer will compensate the member for scheduled workdays missed due to the suspension, per the Employer's pay practices.

19.5 Discharge and Suspension Notification. The Employer shall notify the Union in writing, via email correspondence, of any discharge or suspension within forty-eight (48) hours (excluding Saturdays, Sundays, and holidays) from the time of discharge or suspension.

19.6 Disciplinary Record. Copies of all discipline shall be given to the employee involved and the Union Steward. An employee has the right to attach their opinions to any disciplinary record in their file.

ARTICLE 20 - PERSONNEL RECORDS

20.1 Personnel Files. Personnel files are the Employer's property. A Bargaining Unit Employee shall be permitted to examine all materials in their personnel file within three (3) working days of making such a request. The records may be reviewed in the presence of an Employer representative. The Bargaining Unit Employee may request in writing and will receive a copy of the personnel files within five (5) working days upon written request. "Working days" shall mean non-weekend/holiday days.

20.2 Disciplinary Materials and Evaluations. No Corrective Action, disciplinary material, or evaluations shall be placed in a Bargaining Unit Employee's personnel file unless the employee has had an opportunity to review, sign and receive a copy. Signing a Corrective Action form constitutes acknowledgment of the document but does not necessarily represent agreement with the Corrective Action. Refusal to sign a Corrective Action does not invalidate the Corrective Action. An Employee has the right to attach a written statement to the Corrective Action expressing the employee's views. Such a statement will be included with the Corrective Action in the employee's personnel file.

20.3 Employee Forms. Employee corrective or disciplinary action written communication ("Forms") shall not be removed from an Employee's personnel file. Yet, such Forms that are more than eighteen (18) months old will not be considered by the Employer when contemplating further disciplinary action or when evaluating the job performance of the Employee under the principles of just cause and progressive discipline, unless such Forms relate to an Employee's allegations of abuse, violence, theft, harassment, discrimination, or breaches of ethical conduct, which shall remain in effect indefinitely.

ARTICLE 21 - GRIEVANCE AND ARBITRATION PROCEDURE

21.1 Intent. The parties desire to resolve issues and conflicts informally and at the lowest level whenever possible. Employees have a right to Union Representation for any dispute arising out of this Agreement's application. The employee is responsible for obtaining a Union representation to attend any investigatory, disciplinary, or grievance meetings. To the extent possible in a timely manner, the Employer shall honor the employee's choice of representative unless such representative is involved in the dispute.

21.2 Grievance Defined. A grievance shall be defined as a claimed violation of a specific provision or provisions of this Agreement that is not expressly excluded from the grievance and arbitration procedure. Under this procedure, both the Union and the Employer can present a grievance to the other. However, the below procedure is written from the perspective of the Union submitting a grievance to the Employer. The settlement of a grievance by either party shall not constitute a precedent, unless mutually agreed to in writing. An employee may be assisted or represented by a representative of the Union at any step in the grievance procedure.

21.3 Grievance Time Limits. Time limits set forth in the following may only be extended by mutual written agreement between the Employer and the Union. A grievance must be filed in writing within thirty (30) calendar days of the event giving rise to the concern or the date the event became known or should have become known to the employee. Grievances regarding employee compensation shall be deemed to have occurred at the time payment is made or at the time when the payment was due but not made if that is the contention. Grievances over an employee's eligibility for a benefit shall be deemed to have occurred when the Employer made such an employee benefit eligibility decision. Failure of the Employer to comply with the time limits set forth in the grievance procedure shall allow the employee or Union to advance the grievance to the next step of the grievance procedure within the time frames specified herein. Time limits are important. Failure of an employee or the Union to file a grievance as defined in this Section, in a timely basis, or to timely advance such a grievance, per the time limits

outlined in the grievance procedure, will constitute their formal withdrawal of the grievance.

21.4 Optional Informal Discussion. An employee is encouraged to discuss a workplace concern with their supervisor. The Open-Door Concept is for an employee and a supervisor to discuss workplace concerns 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 and promptly resolve issues, employees are encouraged to bring any work-related questions or concerns to the Employer's attention. 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. Although an employee may contact any supervisor to discuss a problem or concern, the Employer recommends that employees resolve the situation first with their immediate supervisor. That person is generally in the best position to evaluate the situation and provide an appropriate solution. Suppose an employee is not satisfied with their supervisor's decision, or the employee is uncomfortable discussing the issue with their immediate supervisor. In that case, the employee may go to the person that the immediate supervisor reports to. The employee may voice all such concerns verbally. The Employer will have fifteen (15) calendar days to respond to any issue raised through the Open-Door policy.

21.5 Step 1 Grievance Presented in Writing to Administrator. A grievance regarding an employee's termination must be filed at step 1 within (10) calendar days of the discharge. Within thirty (30) calendar days after the employee knew or reasonably should have known of the cause of any grievance, an employee having a grievance, with the optional assistance of a Union representative, shall present it in writing to the Facility Administrator or authorized designee. The written grievance shall contain all of the following pertinent information:

1. the specific Article(s) of this Agreement alleged to have been violated;
2. a brief factual description of how the specific language of the identified Section(s) has been violated;
3. the date of each alleged violation of the identified Section(s);

4. the specific remedy requested for each alleged violation (i.e., if possible, describe how the grievant will be "made whole in every way");
5. the reason the response in the previous step is not satisfactory when appealing a grievance to the next step; and
6. the names of the grievant(s) and union representatives presenting the grievance.
Violations of other contract Sections cannot be alleged after the written grievance has been submitted and accepted by the other party.

The Union representative and the administrator shall arrange a mutually agreeable date to meet within fifteen (15) calendar days from the Administrator's receipt of the grievance to review and, where possible, attempt to settle the matter. The Administrator shall provide a written response to the written grievance within fifteen (15) calendar days following the grievance meeting. The Step 1 response will settle the matter unless appealed to Step 2. The written response will be provided to the employee and the union representative.

Suppose the Union has requested information from the Employer to which it is legally entitled and the Employer has not responded to the information request at least seventy-two (72) hours before the scheduled Step 1 grievance meeting. In that case, the Union shall have the option of postponing the hearing to a mutually agreeable date.

21.6 Step 2 Grievance Appeal. Suppose the Parties are unable to resolve the dispute at Step 1. In that case, the Union may appeal the grievance to Step 2. The Union has fifteen (15) calendar days from receipt of the Step 1 response or lack of response to notify the Employer's designee (e.g., Administrator's Supervisor, HR Consultant, Labor Attorney, etc.) in writing (e.g., an email) of the Union's appeal of the grievance to a step 2.

Upon receipt of the written Step 2 grievance appeal, the Employer's Designee and the Union's Designee (e.g., Steward or Union Organizer, etc.) shall coordinate a Step 2 grievance meeting. The Employer's Designated Leadership representative and the Union shall meet within fifteen (15) calendar days to conduct the Step 2 grievance meeting. The Designated Leader will provide a written response to the Union representative within fifteen (15) calendar days following the

date of such meeting. The Employer's Designees' Step 2 response will resolve the matter unless the matter progresses to mediation or arbitration, as provided after this.

Suppose the Union has requested information from the Employer and the Employer has not responded to the request at least seventy-two (72) hours before the scheduled Step 2 grievance meeting. In that case, the Union shall have the option of postponing the hearing to a mutually agreeable date.

21.7 Optional Mediation. If a grievance is not resolved at Step 2, either party may request, in writing, within fifteen (15) calendar days of the Step 2 response or lack of response that the matter proceeds to mediation. The mediation process shall not interfere with the scheduling of an arbitration. Suppose the non-requesting party agrees to engage in optional mediation. In that case, the requesting party shall request a panel from the Federal Mediation and Conciliation Service ("FMCS") or another mediation group agreed to by the parties. The mediator shall be selected by alternate striking from the list until one name remains. The mediator shall have no authority to bind either party to an agreement.

21.8 Arbitration. If a grievance is not resolved at step 2 and the Parties have not entered into Mediation, the Union may appeal the issue to arbitration by providing written notice to the Employer's Designee within fifteen (15) calendar days from the date of receipt of the Employer's response, or lack thereof, to the step 2 grievance. No Party's allegation of Agreement breach or claim for relief shall be eligible for arbitration unless the Party initially presented it timely per the procedure identified in the preceding sections. After the union has notified the Employer of an appeal to arbitration, the Union will initiate the Arbitrator Selection Process.

1. **Arbitrator Selection Process.** Suppose the Employer and the Union have not mutually established a permanent panel of arbitrators. In that case, upon a timely demand for arbitration, the moving party must request a list within thirty (30) calendar days from the FMCS and notify the other party of having done so. The FMCS shall provide the parties with a list of nine (9) arbitrators. 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 a coin toss.

2. **Arbitration Timelines**. Once the Parties have appropriately selected an Arbitrator, they will schedule an arbitration date within sixty (60) calendar days or the earliest date that all parties are available. The Union and the Employer may, with mutual agreement, make procedural changes to the arbitration process given unique circumstances of individual cases. Before 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 arbitrator shall conduct the hearing in whatever manner will most expeditiously permit full presentation of the parties' evidence and arguments. 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.

3. **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 Arbitrator decisions shall be limited to this Agreement’s terms and provisions. The Arbitrator shall have no authority to alter, amend, or modify the current Agreement. 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 the Arbitrator sustains neither party’s position in the Arbitrator's sole opinion, the Arbitrator shall assess the preceding costs to each party on an equal basis. In addition, in all arbitrations, each party shall pay its own attorney’s fees and the cost of presenting its case, including any expert witnesses.

4. **Grievance/Arbitration Timelines**. Except as otherwise indicated, the periods and limits provided herein shall be calculated as of the date of actual receipt. All notifications under this Article shall be sent by e-mail or certified mail or delivered by in-hand service. Such periods may be extended only by mutual written agreement of the Employer and the Union. In the absence of such an agreement, the time limits shall be mandatory.

   The failure of the aggrieved employee(s) or Union to properly present a grievance in writing initially, to process a grievance in any of the steps in the grievance procedure after that, or to submit the grievance to arbitration under 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 periods shall not constitute acquiescence to it 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, within fifteen (15) calendar days of such expiration date, it may submit the grievance to the next step of the Grievance and Arbitration Procedure.

5. Email communications shall be deemed to satisfy requirements that items be “in writing.” Email communications shall be considered “submitted” or “delivered” as the date-stamp on the recipient’s email. Parties are responsible for verifying the accuracy of email addresses when using email for communications required to be in writing.

6 The parties agree that the arbitrator shall accept a written statement signed by a resident or patient in place of their sworn testimony. Both parties shall have equal access to such written statements. Such documents shall carry the same force and effect as if the resident, patient,

or family member appeared to provide live testimony. The parties agree that neither shall call a resident or patient as a witness, and the arbitrator shall not consider the failure of the resident to appear as prejudicial.

21.9 Grievance Procedure Summary Chart

The Parties established the below chart to summarize this Article's provisions. However, the Parties understand that the Article's provisions govern in the event of a conflict with any chart content.

Process	**Submission Timeline**	**Submission Process**	**Grievance Meeting Schedule**	**Employer Response Timeline**
Optional Informal Discussion	As soon as possible.	Verbal or written discussion with immediate supervisor or another Employer representative.	As soon as possible.	Verbal response to the grievant or Union representative within 15 calendar days of the informal discussion.
Step 1	Within 30 calendar days of when the issue occurred/within 10 calendar days of discharge.	Written (often via email) grievance issued to the facility administrator.	Step 1 grievance meeting must occur with the administrator within 15 calendar days of the Employer's receipt of the written grievance.	Written response to the Union and grievant within 15 calendar days of the Step 1 grievance meeting.
Step 2	Within 15 calendar days of receiving the Employer's response (or lack of response) to move a grievance from Step 1 to Step 2.	Written (often via email) notice of Step 2 escalation to HR Director.	A step 2 grievance meeting must occur with HR Director within 15 calendar days of the Employer's receipt of the Step 2 notification.	Written response to the Union and grievant within 15 calendar days of the informal discussion.
Optional Mediation	The Union has 15 calendar days file for optional mediation.	Union notifies FMCS and the HR Director in writing	As soon as possible. Does not interfere with arbitration filing or scheduling dates.	
Arbitration	The Union has 15 calendar days to file a step 2 grievance from the Employer's response (or lack thereof) to move a step 2 grievance to arbitration.	Union notifies Employer's HR Director in writing and notifies FMCS	Within 60 days of the arbitrator's selection, or as soon as the arbitrator's schedule allows.	

ARTICLE 22 - DIGNITY & RESPECT

In the interest of furthering partnership relations and maintaining the highest quality of care, the Employer and the Union agree that all supervisors and employees shall be treated with dignity and respect. All formal disciplines shall be issued to employees in private. Where possible, supervisors are also expected to communicate with employees in private regarding any criticisms or coaching directed at the employee.

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.

26.3 Hands On Training. All new Bargaining Unit Employees performing direct care on residents, and existing Bargaining Unit Employees promoted to any position performing direct care on residents shall receive up to five (5) days paid "hands on" training as appropriate upon hire (i.e., based on experience and extent of subject matter expertise). This training shall be completed prior to the Employee being officially placed on the schedule.

26.4 Additional Training Programs. The Union and the Employer will work cooperatively to establish additional training program(s) on the subject matter of more effectively caring for residents with behavioral and/or dementia concerns, through either the Oregon Care Partners or any other potential source of training funds. Such training held at the facility will be made available to appropriate employees, as determined by the Employer, and such employee(s) shall be paid for all Employer-authorized time spent in such training.

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 COMMITTEES

29.1 Statewide Labor Management Committee. The Parties will establish a Statewide Labor Management Committee ("SLMC") within sixty (60) days of this Agreement's effective date.

- The Employer, its employees, and the Union understand and agree that each aspires to provide high-quality healthcare. The Employer and employees must be committed to serving the facility's residents by delivering the highest quality of care possible. The Parties agree and understand that high-quality resident care can be achieved if they discuss and address patient care, safety, and workplace issues together.
- The purpose of the SLMC is to evaluate the quality of services provided to residents, the quality of the working environment to retain staff by reducing turnover, staffing, and workload issues, and make recommendations for such topics.
- The Parties will primarily task the SLMC with the following: Scheduling quarterly statewide meetings to improve communication; Monitoring the proper application of facility policies, facility procedures; and this Agreement; Problem-solving strategies to improve resident care; and Addressing public policy concerns that affect nursing home operations.
- The Employer or the Union may schedule the SLMC. The Employer will pay the employees for participating in the meeting, but no more than two (2) hours quarterly.
- The SLMC will have an equal number of supervisors and employees who are bargaining-unit members.
- SLMC meeting discussion topics will include but are not limited to the following criteria and ideas identified by union members as critical to addressing the facility's performance regarding staffing, turnover, retention, and resident care:
    - Turnover.
    - Attendance.
    - Scheduling.
    - Staffing ratios for CNAs, housekeeping, CMAs, and other represented positions.
    - Acuity-based staffing.
    - Process improvement and technology.
    - Policies and procedures that affect the job duties performed by this Agreement's job classifications.

- Opportunity for the Parties to cooperate to improve the Company's CMS "5 Star" Quality Rating.
- Opportunity for the Parties to cooperate to improve the Company's ability to be the provider of choice in each community.
- Opportunities for employees to promote high-quality customer service while working for the Company.

- The SLMC shall not engage in negotiations, nor shall the SLMC consider matters properly the subject of a grievance. The merits of individual disciplines will not be discussed at SLMC meetings but shall instead be referred to the grievance process.
- If the SLMC cannot resolve an issue, the parties may mutually agree to move to Mediation of the grievance and arbitration procedure. Mediation will be the final step.

29.2 Facility Labor Management Committee. The Employer recognizes the value of communication and input from its employees. Therefore, to nurture and encourage this communication, a Facility-specific Labor-Management Committee "FLMC") shall be formed to discuss issues of concern and importance. Each Party may submit items for discussion at a FLMC. The Employer and the Union shall each designate their FLMC members, and the FLMC membership may vary from meeting to meeting based on the agenda items or other reasons. The FLMC will not exceed three (3) bargaining unit members and three (3) management representatives. The FLMC members shall be paid for the time of the meeting. Other bargaining unit employees may voluntarily attend on unpaid time.

Purpose: The FLMC aims to identify, discuss, and address issues surrounding the quality of resident care and employee safety constructively. The FLMC shall monitor the quality of resident services and make recommendations to improve such services in staffing and workload issues, resident care indices (e.g., falls, bedsores, wound care), and other matters directly bearing on the quality of care received by the residents. The Parties intend that the FLMC has been established to receive the employees' input only and is not intended to mean or imply that these employees have any management rights about patient care issues. The Employer maintains complete control in this

regard. The Employer shall implement those FLMC recommendations that are unanimously agreed upon by the FLMC members when any such advice is consistent with the terms of this Agreement and the Employer's policies.

Meeting: The FLMC shall meet quarterly, or more frequently as desired by the Parties, on a date mutually agreed to by the Facility's Administrator and the designated Union representative unless mutually agreed otherwise. The FLMC can meet regardless of whether a Union representative is present. It is strongly encouraged for a Union steward to be in attendance at every FLMC Meeting. No less than five (5) calendar days before the scheduled meeting, the Employer and the Union representative shall provide each other with their proposed agenda items to be discussed at the meeting. Meetings shall be held at the facility and scheduled to last one (1) hour, but in no event shall they last for more than two (2) hours unless the parties mutually extend the meeting. Employee committee members shall be paid for their attendance at their straight-time hourly rate. Topics for discussion at the FLMC may include, but are not limited to:

- Resident care
- Training needs
- Staffing levels
- Staff recognition
- Staff morale
- Facility policies
- Scheduling
- The Facility's CMS "5 Star" Quality Rating and strategies to improve the rating
- The Facility's regulatory compliance results and strategies to improve such results
- The Facility's CMS Quality Measures trend for the past four quarters (e.g., ADL Decline, Long Stay High-Risk Pressure Ulcer, Weight loss, Restraints, Injurious Falls, etc.)
- Opportunity for the Parties to cooperate to improve the quality of resident care for patients being discharged from an acute hospital and joint outreach to local acute hospitals to educate and inform them of how this nursing home can become their provider of choice

- Opportunities for employees to promote high-quality customer service while working in the facility.

29.3 No Authority to Change CBA. The SLMC and the FLMC will not have any authority to bargain, modify, or reach an agreement over any terms or conditions of employment. The SLMCE and the FLMC will not have any ability to change any term of this Agreement. Yet, the SLMC may recommend that the Parties mutually amend this Agreement as unanimously agreed by each SLMC member and as allowed by this CBA. It is understood and agreed that the SLMC and FLMC deliberations and discussions shall remain confidential among the parties. Nothing said during or as part of the FLMC related to patient care shall be disclosed to any outside party. The parties agree to comply with HIPAA as amended. Under no circumstances shall the SLMC or FLMC members be required to testify concerning the operation of the SLMC or FLMC, topics discussed, positions advocated, or recommendations made.

29.4 Enforcement. This Article shall not be subject to the grievance and arbitration procedure of the Agreement except that either party may grieve or arbitrate any failure by the other party to fulfill any procedural obligation that arises under this Article.

ARTICLE 30 - SUBCONTRACTING

30.1 Sub-Contracting. The Employer agrees that there shall be no sub-contracting of bargaining unit work, except for 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. The 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 the Employer contracting with caregiver agency staff as necessary. The Parties agree that the use of registry personnel, as a supplement to the workforce, or use of employees of another facility—that contracts with the Employer for the provision of administrative support services—does not constitute subcontracting out bargaining unit work. The Employer will make its best effort to use regular employees first, before the use of staffing agency or registry personnel.

30.2 Insourcing. Suppose, for any reason, the Employer insources current subcontractor functions for job classifications that this Agreement recognizes. In that case, the Employer will consider affected subcontractor employees eligible for hire in any posted positions before hiring anyone else not working for the subcontractor at the time of termination of subcontracting. The Employer agrees to honor the original hire date of any previously subcontracted employees hired in this transition process.

30.3 Initial Sub-Contracting. Suppose the Employer enters into an initial contract with a Sub-Contractor to provide Housekeeping or Laundry services. In that case, the Sub-Contractor shall execute with Union the Memorandum of Agreement ("MOA") in Section 5 of this Article.

30.4 Pre-existing Sub-Contracting. An Employer, with a pre-existing contract with a Sub-Contractor of Housekeeping or Laundry employees who the Union does not represent, 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 or renewal of any sub-contracting agreement with the Sub-Contractor on executing with Union the MOA in Section 5 of this Article.

30.5 Training of Account Managers. As soon as practicable, the Employer will enter into a new subcontracting services agreement ("services agreement"), or amend an existing services agreement, to include the following: Healthcare Services Group, Inc. (HCSG) was provided a copy of the Collective Bargaining Agreement by and between Avalon and SEIU Local 503 for the period of October 1, 2021, to September 30, 2024 (the "CBA") and was made aware of the mutually beneficial labor-management relationship between the Facility and the Union as part of the SEIU Local 503 and Responsible Companies Labor-Management Coalition for Quality Care. HCSG has reviewed the CBA and is aware of its provisions. HCSG will provide a copy of the CBA to each of its management personnel at the Facility and will counsel and train such personnel on its' provisions, including without limitation, any conditions related to seniority, scheduling, call-offs, disciplinary issues, grievances, and Labor Management Committee meetings, as applicable.

30.6 Memorandum of Agreement Between Union and Sub-Contractor.

"**MEMORANDUM OF AGREEMENT**

It is now agreed by and between Healthcare Services Group, Inc (HCSG) ("Employer") and SEIU Local 503 OPEU ("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 all Avalon facilities contained within The Memorandum of Understanding on page 2 of the 2021-2024 Collective Bargaining Agreement between SEIU Local 503 and Avalon.. 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 ("CBA") currently in effect (and any subsequent amendments) and expiring on midnight September 30, 2024,

between the Union and all Avalon facilities contained within The Memorandum of Understanding on page 2 of the 2021-2024 Collective Bargaining Agreement between SEIU Local 503 and Avalon for the Employer's Housekeeping and Laundry employees (if any) employed at all Avalon facilities contained within The Memorandum of Understanding on page 2 of the 2021-2024 Collective Bargaining Agreement between SEIU Local 503 and Avalon, 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 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 outlined 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 practice conflicts 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 when any such term, condition, policy, or practice 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 the Employer.
g. HCSG subcontracted employees do not have access to Avalon's 401k program. Instead, these employees may utilize HCSG's Employee Stock Purchase Plan.
h. HCSG's work week will run from Sunday to Saturday and the employee will be paid on a bi-weekly schedule.

3. The Employer and the Union agree to be bound by and comply with the grievance

and arbitration procedure outlined in the CBA for all disputes that mayarise about the application or interpretation of the provisions of this MOA.

a. For any bargaining unit staff employed by the Subcontractor, the following changes to the Grievance article are made: The bargaining unit employee's immediate supervisor is the Account Manager for the Optional Informal Discussion and Step 1 grievances. Step 2 grievances will be filed with the Subcontractor's District Manager..
b. To resolve any issues in the department managed by the Subcontractor, the Subcontractor agrees that the facility's Account Manager shall participate in the facility's Labor Management Committee when such Account Manager or Housekeeping/Laundry Supervisor is invited to the LMC Meeting in advance and receives a written agenda with subject matter relevant to the operation of the sub-contracted department.

2. This MOA shall be effective as of October 1st, 2021 and will remain in full force and effect through midnight September 30, 2024. HCSG further agrees that in addition to the Union's notice to Avalon regarding modification, amendment, or termination of the CBA, the Union shall notify the HCSG under this Agreement and that HCSG shall be bound to any amendments or modifications to the current CBA that are negotiated and agreed to by the Union and HCSG 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 at Avalon facilities, for Employer's Housekeeping and Laundry employees (if any) employed at all Avalon facilities represented by SEIU Local 503.

Healthcare Services Group, Inc.	Local 503 OPEU
Matthew Voight Matthew Voight (Jan 19, 2022 14:45 PST)	DocuSigned by: Melissa Unger 24F64146737A445...
Name Matthew Voight	Name Melissa Unger

EXHIBIT 1

The "Collective Bargaining Agreement between SEIU Local 503 OPEU and Avalon" for October 1, 2021, through September 30, 2024 is with this incorporated by reference."

ARTICLE 31 - SOLE AGREEMENT, MATTERS COVERED, AMENDMENT, STANDARDS PRESERVED, PREMIUM CONDITIONS

31.1 Sole Agreement. This Agreement constitutes the sole and entire Agreement between the parties and supersedes all prior agreements, oral and written, and expresses all the obligations of, or restrictions imposed on, the respective parties during its term. All individual agreements, both oral and written, which may exist between the Employer and any employee in the bargaining unit, shall terminate upon the execution of this Agreement. The parties agree that this Agreement is the sole agreement concerning wages and benefits of covered employees. The existence, or later provision, of benefits not referenced in this Agreement does not create any vested rights or enforceable past practice. The Employer may provide or rescind any compensation or benefits policies or practices not expressly referenced in this Agreement at any time. Whenever exercising such discretion, Employer will notify Union in advance.

31.2 Matters Covered. All matters not covered in this Agreement shall be deemed to have been raised and properly disposed of. This Agreement contains the full and complete agreement between the parties and neither party shall be required to bargain upon any issue during the life of this Agreement, unless such bargaining of a specific issue is expressly addressed by this Agreement. The failure of either party to enforce any of the provisions of this Agreement or any rights granted by law shall not be deemed a waiver of any provision or right, nor a waiver of the party's authority to exercise such right in some way not in conflict with the Agreement.

31.3 Amendment. This Agreement can be modified or amended only by written consent of all Parties. The waiver, in any instance, or any term or condition of this Agreement or any breach thereof shall not constitute a waiver of such term or condition or any breach thereof in any other instance.

31.4 Standards Preserved. No employee shall suffer any reduction in their individual hourly wage rate, total amount of paid time off, nor health insurance benefits, because of coverage under this Agreement unless such reduction is expressly addressed by this Agreement or by a written Amendment executed by the parties herein. If the State of Oregon minimum wage rate increases, any employee being paid the minimum wage

shall have their compensation increased accordingly. Individuals compensated more than the minimum wage will receive no adjustment to their compensation solely because of such minimum wage rate increase(s).

31.5 Premium Conditions. It is understood that the provisions of this Agreement relating to wages, hours and conditions of work are intended to establish minimum terms for the employment of employees' subject to this Agreement. The Employer is free to establish terms above the minimums contained in the Agreement, at the Employer's sole discretion, and the Employer agrees that if it pays an employee a wage rate in excess of the rates contained in this Agreement, the Employer will not subsequently reduce that employee's wage rate. The Employer will not apply this Section in an unlawful or discriminatory manner.

ARTICLE 32 – DURATION

This Agreement shall be effective as of October 1, 2021. Unless amended by the Parties' mutual written agreement, it shall remain operative and binding on the Parties until midnight September 30, 2024. 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.

SIGNATURES

For SEIU Local 503

DocuSigned by:

Melissa Unger
Executive Director

For Avalon

Nicole Babnick

Nicole Babnick (Nov 22, 2021 08:44 PST)

Nicole Babnick
HR Director, Avalon Healthcare

Barbara Stone (Nov 22, 2021 10:52 PST)

Barbara Stone
Bargaining Team Member

FelipaDeTorres (Nov 20, 2021 16:23 PST)

Felipa Rojas De Torres
Bargaining Team Member

Jeri Simons (Nov 20, 2021 14:42 PST)

Jeri Simons
Bargaining Team Member

Evan Paster

Evan Paster
Senior Bargaining Strategist

Appendix A: Wage Tables Effective 10/1/21 Nursing Support staff

Steps	NA	CNA	CNA On-Call	CMA & Restorative Aides	CMA On-Call
0	$16.84	$18.25	$20.57	$20.40	$21.74
1	-	$18.80	$21.19	$21.01	$22.39
2	-	$19.36	$21.82	$21.64	$23.06
3	-	$19.94	$22.48	$22.29	$23.76
4	-	$20.54	$23.15	$22.96	$24.47
5	-	$21.16	$23.85	$23.65	$25.20
6	-	$21.79	$24.56	$24.36	$25.96
7	-	$22.45	$25.30	$25.09	$26.74
8	-	$23.12	$26.06	$25.84	$27.54
9	-	$23.81	$26.84	$26.62	$28.37
10	-	$24.53	$27.64	$27.42	$29.22

Appendix A: Wage Tables Effective 10/1/21 Facility Support Staff

Steps	Dietary Aide, Housekeeper, Laundry Aide, Ward	Assistant, Assistant Cook/Chef	Cook/Chef	Social Services Assistant, HIM Assistant, Recreation Assistant	Maintenance Assistant, Van Driver, Central Supply Clerk, Secretary
0	$15.93	$15.93	$16.79	$17.01	$17.01
1	$16.41	$16.41	$17.29	$17.42	$17.42
2	$16.90	$16.90	$17.81	$17.83	$17.83
3	$17.41	$17.41	$18.35	$18.24	$18.24
4	$17.93	$17.93	$18.90	$18.65	$18.65
5	$18.47	$18.47	$19.46	$19.06	$19.06
6	$19.02	$19.02	$20.05	$19.47	$19.47
7	$19.59	$19.59	$20.65	$19.88	$19.88
8	$20.18	$20.18	$21.27	$20.29	$20.29
9	$20.79	$20.79	$21.91	$20.70	$20.70
10	$21.41	$21.41	$22.56	$21.11	$21.11

Letter of Agreement ("LOA") Mutual Agreement to Initiate a Pro-Rata Retention Bonus Sharing of Facility's Medicaid Special Reimbursement Rate Program Revenue

Suppose the Employer qualifies to receive revenue from a Medicaid Special Reimbursement Rate Program ("MSRRP") that the Parties establish through joint political advocacy to promote desirable public policy objectives. In that event, upon mutual agreement, the Parties may engage in collective bargaining to share such qualifying MSRRP as follows.

First, the Parties will confirm that the MSRRP enables the Employer to receive time-limited supplemental Medicaid revenue outside of Oregon's traditional approach of annually rebasing a nursing home operator's allowable cost at the 62nd percentile. Then, solely to the extent mutually agreed by the Parties from 2022 forward, a pro-rata share shall be distributed to reward qualifying Union members per the below Steps:

1. The Employer and Union will engage in collective bargaining outside of any labor management committee to establish a duration for the MSRRP sharing and how much of the MSRRP will be shared with Union members on a pro-rata basis, if any. The Parties may agree to cap the total amount of MSRRP funds available to eligible union members under this provision. If the Parties do not reach agreement after thirty (30) days, neither will have any legal obligation to engage in any further bargaining on this subject matter.
2. The Employer and Union will convene a FLMC meeting to discuss the Facility's receipt of MSRRP revenue that they are mutually agreeing to share on a pro-rata basis under this LOA. The discussion will include the expected duration of the MSRPP, the amount of MSRPP revenue received by the nursing home, and consensus on how the Parties will implement the following steps. Per the pro-rata distribution method, the more a union member worked during the MSRPP revenue period and the greater seniority they have with the Employer, the more of the total available MSRPP revenue share they will receive (e.g., A C.N.A. with five years seniority earns more per hour than a C.N.A.

3. with one year of seniority. When they both work equal hours during a MSRPP period, the C.N.A. with five years seniority will earn more of the MSRPP revenue's retention bonus because their pro-rata share of gross pay will be higher than the less senior C.N.A. for the same MSRPP period.).
4. As agreed in Step 1, the Employer will share with eligible Union members collectively the agreed upon percentage of the total qualifying MSRPP revenue received by the Employer.
5. Only Union members employed by the Employer or Employer's subcontractor when the Employer distributes the qualifying MSRPP revenue are eligible to receive a pro-rata share. Suppose the Union and a subcontractor of the Employer have entered a CBA that allows for sharing the Employer's qualifying MSRPP revenue. In that case, the Union shall notify the Employer and provide the appropriate language from the subcontractor's CBA.
6. At the Union's direction, all qualifying MSRPP revenue shall be distributed to eligible Union members on a pro-rata basis as determined by each union member's total gross wages earned during the MSRPP eligibility period for the revenue received by the Facility (e.g., April 1, 2022, through June , 2022) in relation to the total gross wages earned during the same time by all Union members who remain working for Employer and any applicable subcontractor of Employer, if any, at the time the MSRPP revenue is distributed. Within thirty (30) days of the Employer's receipt of MSRPP revenue from at least a sixty (60) day period, the Union will provide the Employer with a spreadsheet detailing how the available MSRPP funds will be distributed to the eligible Union members.
7. All MSRPP revenue distributed to eligible Union members shall be paid on the first full Employer pay period following receipt of the Union's spreadsheet that complies with Step 5 above. The Employer shall unilaterally decide whether to pay such compensation within a regular paycheck or a unique paycheck. When paying the pro-rata retention bonus, the Employer will distribute a written notice to the eligible bargaining unit employees informing them about the MSRPP retention bonus. Such MSRPP payment document shall be jointly from the Employer and the Union to the extent the parties mutually agreed on the content.

The parties agree to use best efforts to seek agreement on such a joint statement to celebrate and recognize the employee's retention bonus receipt.

8. The Employer shall not be responsible for sharing more MSRPP revenue than described herein and all such sharing must be carried out lawfully. To the extent distributed MSRPP funds are later subject to retroactive disqualification due to a disqualifying event, the Union and Employer will offset such proportional retroactive disqualification amount against future MSRPP revenue eligible for retention bonuses under this Agreement. The parties agree to meet and confer whenever the preceding occurs.
9. Any MSRPP-derived compensation to a bargaining unit employee shall be paid directly by the Employer and shall constitute remuneration paid to the employee subject to all withholdings and totaled with all other earnings to determine the regular pay rate on which overtime pay must be based. As such, MSRPP paid under this Section shall not be subject to any Standards Preserved language appearing elsewhere in this Agreement.

This LOA shall expire on September 30, 2024, and the Employer shall have no further obligation to share MSRPP revenue received from that date forward regardless of the performance period.

IN WITNESS WHEREOF, the parties have caused this LOA to be executed on their behalf by their duly authorized representatives as of the 28th day of September in the year 2021.

DocuSigned by:

SEIU Local 503 OPEU

Nicole Babnick

Nicole Babnick (Nov 22, 2021 08:44 PST)

Avalon Health Care As agent for certain entities pursuant to a LimitedAgency Agreement

Total Economic Package Formula per Central Table Agreement

2021-2025 SEIU Responsible Employers Total Economic Package Formulas	Year 0	Proj Year 1	Proj Year 2	Total	Daily Average
	7/1/21	7/1/22	7/1/23		
	Projection is based on 4 Year Average Medicaid Cost Growth (FY 2016-2020) & 12 Year Average P-tax Growth				
2017 Bargaining (annual rebase)		Projected	Projected		
Projected Medicaid Rate	$359.28	$402.39	$421.66		4.79%
Provider Tax Paid on Every Patient	$27.44	$28.47	$29.54		5.05%
Net Medicaid Rate	**$331.84**	**$373.92**	**$392.12**		
Projected % Rate Increase		12.68%	4.87%	17.55%	8.77%
Projected $ Rate Increase		$42.08	$18.20	**$60.28**	**$30.14**
Projected Cumulative Rate Increase		**$42.08**	**$60.28**		
Projected Economic Package		$2.20	$0.95	**$3.15**	$1.58
% of Projected Economic Package		**100.0%**	**100.0%**		
Every $1 increase in daily Medicaid rate equals $1.26 increase in BU Pay-benefits/Day ($.052/hr over 24 hrs)		**$0.052**	**$0.052**		
Actual Net Medicaid Rate	**$331.84**	**$373.92**	**$392.12**		
Actual % Rate Increase		12.68%	4.87%	17.55%	8.77%
Actual $ Rate Increase		$42.08	$18.20	$60.28	$30.14
Actual Cumulative Rate Increase		$42.08	$60.28		
Major Risks:	*Annual rebasing; Annual change in Provider tax rate either reducing or increasing net Medicaid; ACA implementation Cost; Lose Managed Medicaid Exemption; Continued extraordinary operating cost related to the pandemic.*				
8% Trigger	**8%**	$3.37	$4.82		

Risk Corridor-High		$45.45	$65.10		
Risk Corridor-Low		$38.71	$55.46		
Trigger?		no	no		
Over		$0.00	$0.00		
Under		$0.00	$0.00		
Risk Adjust Remaining Difference	**5.23%**	$0.00	$0.00		
Ceiling		$2.11	$2.11	**$4.22**	**$2.11**
Projected Economic Package		$2.20	$0.95	**$3.15**	**$1.58**
Maximum Risk adjusted Economic Package		$2.38	$1.20	**$3.58**	**$1.79**
Minimum Risk Adjusted Economic Package		$2.03	$0.70	**$2.73**	**$1.36**
Floor		$0.35	$0.35	**$0.70**	**$0.35**
Revised Rate Increase		$2.20	$0.95	**$3.15**	**$1.58**
Apply Ceiling		$2.11	no		
Apply Floor		no	no		
Actual Rate Increase with Ceiling/Floor, if applicable		$2.11	$0.95	**$3.06**	**$1.53**