

Collective Bargaining Agreement

Between

AFSCME Council 65, Local 1149-0000, AFL-CIO

And

Lake Region Healthcare

1/1/2022 - 12/31/2023

Labor Representative: LeiLani Hauge (<u>lhauge@afscme65.org</u> or 218-215-2503)

AFSCME Council 65 Office: info@afscme65.org or 888-474-3242

WEINGARTEN RIGHTS

If called to a meeting with management, you have rights to representation. State the following and call your labor representative: If this discussion could in any way lead to my being disciplined or terminated, or affect my personal working conditions, I respectfully request that my union representative be present at the meeting. Until my representative arrives, I choose not to participate in this discussion.

BECOME AN AFSCME 65 MEMBER

Are you a new employee or not a member yet? Scan the QR code to sign up today and take advantage of the many benefits of AFSCME membership!









MEMBER BENEFITS

Are you taking advantage of your union member benefits? Check out the many benefits available from AFSCME Advantage and Union Plus at:

www.afscme.org/member-resources

www.unionplus.org

Make sure to have your member number handy when accessing these benefits.

<u>ORGANIZING</u>

Know someone who wants to form a union at their workplace? Contact our Organizing Department at 888-474-3242 or email <u>info@afscme65.org</u> and inquire about forming a union. Make sure they tell us you referred them. Your Local benefits from referring new union members.



AGREEMENT

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BETWEEN

LAKE REGION HEALTHCARE CORPORATION FERGUS FALLS, MINNESOTA

AND

THE AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES, AFL-CIO COUNCIL 65 LOCAL 1149

OCTOBER 1, 2021 - SEPTEMBER 30, 2024

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AGREEMENT

THIS AGREEMENT, entered into this first day of October 2021 by and between LAKE REGION HEALTHCARE CORPORATION, Fergus Falls, Minnesota, hereinafter referred to as "Hospital" and AMERICAN FEDERATION OF STATE, COUNTY, AND MUNICIPAL EMPLOYEES, AFL CIO, hereinafter referred to as "Union".

INTENT AND PURPOSE

The purpose of this Agreement is to (a) promote and insure harmonious relations, cooperation, and understanding between the Hospital and its employees; (b) to encourage economy of operation and the protection of property; (c) to establish standard hours of work, rates of pay, and working conditions, and to these ends the Hospital pledges its employees considerate and courteous treatment, and the employees directly and through their agent (the Union) pledge the Hospital loyal and efficient service.

ARTICLE 1. RECOGNITION AND UNION SECURITY

Section 1. Bargaining Unit: The Hospital recognizes the Union as the exclusive representative for collective bargaining purposes of the employees of the Lake Region Healthcare Corporation, Fergus Falls, Minnesota, in the unit composed of all full-time and part-time employees working an average of sixteen (16) hours per week or more, excluding all supervisors, office clerical employees, registered nurses, license practical nurses, x ray technicians, medical lab technicians, respiratory therapy technicians, and students, as per certification of bargaining agent by the State of Minnesota, Bureau of Mediation Services, dated August 3, 1970.

Section 2. Conflicting Agreements: The Hospital shall not enter into any agreement with the employees coming under the jurisdiction of this contract, either individually or collectively, which in any way conflicts with the terms and conditions of this contract. The parties acknowledge that this Agreement constitutes the entire agreement between the parties and supersedes any prior past practices, understanding, policies or verbal agreements of any kind.

Section 3. Maintenance of Membership: Each employee who is now or hereafter becomes a member of the Union shall, during the life of this Agreement, remain a member in good standing, as a condition of employment. "In good standing" for purposes of this Agreement is defined to mean the payment of annual dues and initiation fees uniformly required as a condition of acquiring or retaining membership in the Union. Any employee required by this Agreement to become or remain in good standing with the Union may nevertheless elect not to become a member of the Union but shall, as a condition of employment, pay a service fee reflective of the Union's representational functions.

No employee hired before March 1, 2004, shall be required to join the union, pay any dues or fees, or become or remain in good standing with the Union unless otherwise provided for above.

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Any employee hired on or after March 1, 2004 shall be required to join the Union within 90 days of the employee's initial date of hire as provided for above.

The Union shall indemnify the Hospital and hold it harmless against any and all claims, demands and liability that may arise out of or by reason of any action taken by the Hospital for the purpose of complying with the provisions of this Article.

Section 4. Dues Deduction: The Hospital agrees to deduct monthly Union dues from the wages of any Union member who executes a written authorization for such deduction. Such authorization shall be irrevocable for a period of not more than one year or the expiration of this Agreement, whichever occurs first.

Section 5. Union Participation in New Employee Orientation: Designated representatives of the Union shall be given an opportunity during the new employee orientation process to provide information regarding the Union to new employees who will be covered by this agreement.

ARTICLE 2. MANAGEMENT RIGHTS

The Hospital retains the sole and exclusive right and authority to manage its operation and direct the working forces, including all rights and authorities which the Hospital possessed prior to the execution of this Agreement, whether exercised or not, except it may be limited by the express written provisions of this Agreement. Included within said rights, but not limited to these rights, is the Hospital's right to direct, plan, and control Hospital operations; to hire, recall, transfer, promote, demote and schedule employees; to suspend, discipline or discharge employees for cause; to establish starting and quitting times and work week schedules; to lay off employees because oflack of work or for other legitimate reasons; to assign work; to establish rules and regulation which do not conflict with this Agreement; to introduce new and improved operating methods and/or facilities and to change or discontinue existing operating methods and/or facilities.

ARTICLE 3. DEFINITION OF FULL AND PART-TIME EMPLOYEES

Section 1. Regular Full-Time: All regular employees who are regularly scheduled to work an average of eighty (80) hours or more in a two (2) week period.

Section 2. Regular Part-Time: All regular employees who are regularly scheduled to work an average of thirty-two (32) hours or more but less than eighty (80) hours in a two (2) week period. In the event that a casual employee regularly works 32 or more hours per pay period over a six (6) month period, the employee or the Union may request that the Hospital post the job as a regular part-time position. The Hospital will then review the circumstances to determine whether the circumstances warrant the addition of a new regular part-time position or if extenuating circumstances suggest that a new position is not called for.

Section 3. Casual Employees: Casual employees are those who are not regularly scheduled to work at least thirty (32) hours per pay period. Casual employees are not part of the bargaining unit and are not covered by this Agreement.

Section 4. Temporary Employees: Temporary employees are those who are hired by the Hospital for a specified, limited duration not to exceed six months. Temporary employees are not part of the bargaining unit and are not covered by this Agreement.

ARTICLE 4. HOURS OF WORK

Section 1.1 Overtime: The normal hours of work shall be eight (8) hours per day and eighty (80) hours per pay period. All hours in excess of eight (8) hours per day and eighty (80) hours per pay period shall be compensated at the rate of time and one-half $(1 \frac{1}{2})$ the employee's regular rate of pay.

Section 1.2 Overtime for Work in Excess of Twelve Consecutive Hours: Employees required to work in excess of twelve (12) consecutive hours will be paid at the rate of double time (2x) the regular rate of pay for all hours worked in excess of twelve (12) consecutive hours, except that any employee who works fifteen and one half (15 $\frac{1}{2}$) consecutive hours or more shall receive double time for all hours worked after the eighth (8th) hour.

Section 1.3 Approval of Overtime: Overtime shall be worked only with the express approval of the Department Manager or Acting Supervisor.

Section 1.4 Distribution of Overtime: Overtime within each classification shall be distributed as equally as practicable. PTO hours shall be considered as hours worked for the purpose of computing overtime.

Section 1.5 Non-Duplication of Overtime Payments: Overtime payments shall not be duplicated for hours worked in excess of eight (8) hours in a regular workday and in excess of eight (80) hours in a fourteen (14) day period.

Section 2. Lunch Period: There shall be an unpaid lunch period for all employees of one half($\frac{1}{2}$) hour.

Section 3. Split Shifts: Except in the case of an emergency or by mutual agreement between the Hospital, the Union and the employee, no employee shall work a split shift.

Section 4. Work Week Schedules.

Section 4.1 Consecutive Days: Employees shall not be required to work more than seven (7) consecutive days, except by mutual agreement or in an emergency. An employee working more than seven (7) consecutive days shall receive one and one half $(1 \frac{1}{2})$ times their regular rate of pay for all days worked in excess of seven (7), unless such excess days are worked on a permanent schedule, by mutual agreement of the employee and the hospital or at the request of the employee.

Section 4.2 Weekend Work:

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- (a) Employees shall not be required to work more than two (2) weekends out of four (4). Regular scheduled full-time or regular scheduled part-time employees who work more than two (2) weekends out of four (4), at the request of the hospital, will be paid at the rate of double (2x) time for the extra weekend hours, except if the extra weekend hours are worked at the request of the employee or by special agreement between hospital and employee.
- (b) Employees shall be permitted to schedule PTO for two (2) weekends per year that they are normally scheduled to work without having to find their own replacement, provided the request is made before the final schedule is posted.
- (c) Employees who, as part of their work agreement, are regularly scheduled to work every other weekend, and who have been employed ten calendar years or longer with LRHC shall be permitted to schedule PTO for three (3) weekends per year that they are normally scheduled to work without having to find their own replacement, provided the request is made before the final schedule is posted.

Section 4.3 Postings: Work schedules shall be posted at least seven (7) calendar days but not more than one month in advance of the work period to be covered by the schedule. Employees who want to be considered for open shifts that may occur after the schedule has been posted should sign up on the availability list. In the event that shifts open during the term of a posted shift (other than due to an emergency situation) the vacancies will be posted in Suite Scheduler to the extent practicable to allow regularly scheduled full-time and part-time employees the opportunity to request to work the shift. Any such openings will be filled on a non-overtime non-bonus basis first.

Section 4.4 Pay for Work on an Unscheduled Friday Evening Shift: An employee who, at the request of the hospital, after the schedule has been posted, is called to work an unscheduled Friday evening shift (normally 3 p.m. to 11:30 p.m.) shall be paid at two (2) times the employee's regular rate of pay. The premium payments provided in this paragraph shall constitute the total compensation for work performed during the specified hours and no additional overtime payments shall be made.

Section 5. Flexible Work Schedules: The hospital and an individual employee may agree upon a pattern of work schedules providing for work in excess of eight (8) hours per day. Work schedules established pursuant to the provisions of this section shall be subject to the following conditions:

- (a) <u>Basic Work Period:</u> The basic work period shall be forty (40) hours per week.
 An employee shall be paid time and one half (1 ½) for work in excess of forty (40) hours per week rather than the overtime provisions set forth in Article 4, Section 1.1.
- (b) <u>Pay for Hours Worked in Excess of Employee's Scheduled Work Day:</u> Even thoughthe total hours worked during a week may not exceed forty (40), an employee

working in excess of his/her scheduled workday shall be paid at the rate of time and one half (I_{2}) for all excess time so worked, except that hours in excess of twelve (12) consecutive hours in a work day shall be paid at the rate of double (2x) time.

- (c) <u>Shift Differential:</u> Shift differential shall be paid for the entire shift for any shift where the majority of the hours worked occur after 3:00 p.m.
- (d) <u>PTO:</u> PTO shall accrue for flexible work schedule employees as provided for in the Hospital's PTO plan and as otherwise referred to herein.
- (e) Employees may revoke a flexible work schedule by giving the Hospital at least six
 (6) weeks' written notice. The Hospital has the same right to discontinue a flexible work schedule, on at least six (6) weeks' notice.

Section 6. Relief Periods: Except in an emergency, all employees shall receive one fifteen (I 5) minute relief period for each full four (4) hours of work at times designated by the employee's supervisor. No employee shall begin or leave work after or before the end of his/her shift in lieu of relief periods. Relief periods are not taken in conjunction with the meal periods.

Section 7. Minimum Work Schedules: When an employee reports for work in accordance with a schedule, without previous notification not to report, he/she shall receive a minimum of four (4) hours work or four (4) hours pay in lieu thereof, unless a reasonable attempt has been made by the Hospital to notify the employee at his/her place of residence at least two (2) hours in advance of his/her regular starting time. When an employee is called out to work on other than his/her regularly scheduled shift, he/she shall receive a minimum of four (4) hours work. Employees will not be required to work overtime and shall not be disciplined for refusing to work overtime, except in cases of emergency.

Section 8. Unscheduled Shift: An employee who is called to work an unscheduled shift with less than one (1) hour advance notice shall be paid for the entire shift if the employee reports within one (1) hour from the scheduled start of the shift.

Section 9. Mandatory Meetings: Employees called in to attend mandatory meetings on their off time shall be paid a minimum of two (2) hours regular pay.

Section 10. Call Backs: Employees who are not on-call who are asked to return to work after the completion of their normal workday or work week shall receive a minimum of two (2) hours pay at the employee's regular rate of pay unless overtime rates apply. An early start or extension of a normal workday shall not be considered a call back.

Section 11. Finding a Replacement: Employees who are asked to find their own replacements when requesting time off shall be allowed to contact casual employees regarding their availability and interest in working the affected shift(s) in accordance with Hospital guidelines and subject to management approval.

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Section 12. Variable Hour Positions: The Hospital may post positions for and the Hospital and any employee may agree upon a pattern of work scheduling providing a variable hour component to the FTE agreement (e.g., a .5FTE position that could be scheduled for a shift of from four to eight hours). Any such variable hour positions so established shall be subject to the following conditions:

Variable hour positions will not be posted or agreed to for FTEs above .6 or below .4 FTE.

No employee holding a fixed FTE position will be involuntarily moved to a variable hour position.

ARTICLE 5. PROBATIONARY PERIOD

The first ninety (90) calendar days of employment shall be a probationary period during which an employee may be discharged with or without cause. Any employee who takes a new bargaining unit position while still serving her/his initial probationary period will be required to start and successfully complete a new ninety (90) day probationary period in the new position.

ARTICLE 6. HOLIDAYS

Section 1. Designated Holidays: The following days shall be designated as holidays: New Year's Day, Easter, Memorial Day, July 4th, Labor Day, Thanksgiving Day and Christmas Day. A holiday shall be observed on the actual calendar day on which the holiday falls, and the holiday shall be the day in which a majority of the hours are worked. For the purpose of receiving credit for working the Christmas Holiday, only those hours worked between 3:00 p.m. December 24th and 3:30 p.m. December 25th will count as having "worked" the Christmas Holiday. However, holiday pay will be paid for all hours worked between 3:00 p.m. December 24th and 11:30 p.m. December 25th.

Section 2. Holiday Pay: Regular part-time employees who actually work on any of the above designated holidays shall be paid at the rate of two times (2x) their regular hourly rate for the hours actually worked on said holiday. Regular full-time employees who are required to work on any of the above-designated holidays shall receive their regular rate of pay for all hours worked and will also be allowed to use eight hours (8) PTO that day.

Section 3. Holiday Scheduling: To the extent practicable and consistent with staffing needs, employees will be scheduled so they do not work the same holiday during two consecutive years.

Section 4. To the extent practicable, and consistent with patient needs, employees with 62,400 seniority hours (30 years of full-time service with Lake Region Healthcare) will not be required to work the Christmas holiday. Provided, however, that if an employee is required to work Christmas, the employee shall receive an additional one hundred dollars (\$100) per such holiday shift.

ARTICLE 7. PAID TIME OFF (PTO)

PTO is a flexible plan that gives employees both the opportunity and the responsibility to manage their own paid time off.

Employees decide how to use earned PTO, scheduling the time off with the Manager's approval so appropriate staffing levels can be maintained in the department.

The PTO Plan is based on the concept of accrual: employees earn PTO as they work, building up time to be used later. PTO may be thought of as paid time off earned and saved in the employee's personal PTO "bank" account.

"Banked" PTO hours are available to cover absences from work. These absences include holidays, vacations, child illnesses, family emergencies and illnesses, volunteer work, errands, or simply personal time. PTO also covers brief absences when employees are home sick or caring for a sick child.

Employees must plan for time off. Just as the employee would plan a budget for personal spending, the employee needs to project what time off needs may be and budget PTO accordingly. Employees also have to plan for the unexpected, like sick days.

Paid Time Off (PTO) Account

Paid Time Off (PTO) replaces time off with pay for vacation, holidays, floating holidays, and sick days. Eligible employees accrue PTO hours for each hour worked, plus other eligible paid hours (i.e., overtime) PTO accruals for each employee are based on the employee's job classification and years of continuous service. PTO does not affect funeral leave or jury duty leave which are covered in separate Articles of this Agreement.

PTO Eligibility

Employees accrue PTO each pay period when they first begin employment. PTO hours become "earned" (available for use) after the employee has been employed for three months. Once the eligibility period has been met, PTO accrues each pay period and becomes earned the following pay period.

If an employee's employment status reduces to casual, the PTO balance shall be paid out.

An employee may not substitute PTO for advanced notice of resignation. Upon resignation, an employee will receive pay for any PTO accrued hours provided that they have: (1) been employed for at least one year and (2) given proper notice of resignation. Employees not meeting these conditions will be paid 50% of accrued PTO.

PTO Accrual

The PTO account will not track separate balances for holiday, vacation, and sick time. PTO is based on employment status and hours worked.

On October 1 of each year, 16 hours of PTO (two floating holidays) will be added to the PTO balance for employees whose employment status is 32 hours per pay period or greater.

| The fond | owing table indicates | the rie accordant | |
|---------------------|-----------------------|--------------------|---------------------------------|
| YEARS OF SERVICE | PTO FULL-TIME | PTO 32-79 HOURS | PTO LESS THAN 32 HOURS |
| 1 | .081 per Hour | .054 per hour | .038 per hour |
| 2 | .081 per Hour | .054 per hour | .038 per hour |
| 3 | .081 per Hour | .054 per hour | .038 per hour |
| 4 | .081 per Hour | .054 per hour | .038 per hour |
| 5 | .100 per Hour | .073 per hour | .058 per hour |
| 6 | 100 Per Hour | .073 per hour | .058 per hour |
| 7 | .100 Per Hour | .073 per hour | .058 per hour |
| 8 | .100 Per Hour | .073 per hour | .058 per hour |
| 9 | .100 Per Hour | .073 per hour | .058 per hour |
| 10 | .119 Per Hour | .092 per hour | .077 per hour |

The following table indicates the PTO accrual rates:

PTO does not accrue on:

- > hours paid in excess of 2080 in a year
- > unpaid time off or unpaid leave of absence
- > absences from work, long-term disability, or workers' compensation
- > on-call hours

Accrual rates change and become effective on the employee's anniversary date in accordance with the year of service categories as defined in the Accrual Table.

Employees are encouraged to use PTO time within one year of the date it is earned. Employees can accrue up to a maximum of 400 hours' worth of PTO time in their account. Any PTO hours accrued above this maximum balance will be forfeited. The employee is responsible for monitoring their use, and accrual of PTO hours to optimize use and avoid accrual limitation.

PTO Usage

When an employee is absent from work (planned or unplanned), the hours will be paid from their PTO account; providing they have the hours accrued. This includes time off for medical/dental appointments.

Employees are not required to use PTO for ALC (Absent Low Census) or when they are not working due to reduced need. However, employees may request PTO if desired.

PTO time can be requested in 15-minute increments.

PTO must be used before any unpaid time can be requested except for ALC time. If the employee's PTO account becomes exhausted, unpaid time may be granted for unavoidable absences.

PTO Scheduling

Employees are required to schedule PTO time in advance and according to their departmental policy or procedures. This enables the manager to plan for the absence. It also minimizes the disruption of other employees' schedules caused by last-minute absences. To ensure Lake Region Healthcare Corporation can meet its staffing requirements and operational needs, the Department Manager will have the authority to approve or reject any PTO request. Once PTO is approved, it will not be rescinded except in cases of emergency.

In cases of absence due to short-term illness, emergency, or unanticipated (i.e., ill child) events, PTO will be used. The Department Manager or Supervisor should be notified as soon as possible. In cases of illness, an employee may be required to present a statement from a physician as directed by the Department Manager or Supervisor. Excessive use of unplanned PTO is unacceptable and may be grounds for disciplinary action.

PTO Cash Out Option

Prior to December 31 of each year, an employee may elect to cash out up to 40 hours of PTO that will be earned in the following calendar year. Payment will be made in the following year when the elected hours are actually earned by the employee. This election request must be made in writing to the Finance Department and is irrevocable except by termination of employment or prior use of PTO resulting in insufficient time available for the cash out.

PTO Donation

An employee may donate accrued PTO to another employee who may need additional PTO as a result of the employee's serious health condition or to care for an immediate family member with a serious health condition. PTO donations to a recipient must be made in four-hour increments or more. Donors must have a minimum balance of forty (40) hours in their PTO account after donation. All approved donations will be processed and transferred to the recipient's PTO balance.

The Finance Department will convert the donating employee's hours into the receiving employee's equivalent hours and dollars.

ARTICLE 8. SENIORITY

Section 1. Definition of Seniority:

(a) <u>Full-Time Employees:</u> Seniority for full-time employees shall be based on the period of continuous employment with the Hospital from the most recent date of hire. Full-time employees shall acquire seniority after the completion of their probationary period, but the date shall relate back to the date of hire. Full-time employees who revert to casual status and work fewer than 96 hours in any six-month period shall not receive seniority credit for such period(s).

- (b) <u>Part-Time Employees:</u> Part-time employees shall accrue seniority based on one (I) year's credit or fractional part thereof for each 2,080 compensated hours calculated from the most recent date of hire. Part-time employees shall acquire seniority after the completion of their probationary period but shall receive credit for compensated hours accrued from the date of hire.
- (c) Employees who have sustained a compensable injury or illness under Workers' Compensation shall be credited for seniority purposes with the same number of hours as their employment status.

Section 2. Layoffs, Recalls, and Job Promotions: Seniority shall be applied for purpose of layoff, recall, and job promotions in accordance with the following provisions:

(a) Seniority shall be by classification within each department including both fulltime and part-time employees. For the purpose of this Article, the departments and classifications are as follows:

| DEPARTMENT | CLASSIFICATIONS |
|--|---|
| Food Service | Cook; Food Service Assistant; Cafeteria Assistant; Nutritional Rep |
| Housekeeping/Linens | Environmental Services Assistant; Linen Room Assistant |
| Materials Management/Supply Distribution | Supply Distribution Assistant |
| Radiology | Radiology Transportation Assistant |

| Nursing | Certified Nursing Assistant; Unit Clerk |
|--------------------|--|
| Sterile Processing | Sterile Processing Assistant; Sterile Processing Technician |
| Surgery | Surgical Assistant |
| Anesthesia | Anesthesia Aide |
| Plant Operations | Maintenance Tech |

A seniority list for each classification shall be prepared and posted on the LRHC Central Line between November 1 and November 15 of each year and shall be based on seniority standing as of October 1 of each year. A hard copy of this seniority list shall be forwarded to the Union. Employees shall have ten (10) days from the posting date in which to object to their seniority placement. Any of these objections shall be handled as a grievance under the provisions of this Agreement. Dates of hire for seniority purposes will not be adjusted for unpaid leaves of absence.

- (b) In laying off employees, the most junior employee in the classification being reduced shall be laid off first. Employees shall be recalled from layoff in the inverse order of seniority.
- (c) Employees transferring to a different classification or department shall retain their seniority standing and shall be placed on the seniority list in the new classification or department based on their accrued seniority.

Section 3. Job Vacancies: If a vacancy or newly created position shall occur in the bargaining unit, such vacancy, including the normal work schedule (which could be variable) of the vacancy or newly created position shall be posted electronically for seven (7) calendar days. Any employee

may apply electronically for such vacancy during such seven-day period. The Hospital, during such seven-day period, may assign any employee temporarily to such vacancy. The senior employee, from within the department where the vacancy exists who applies for the job, shall be transferred to fill the vacancy or new position, provided he/she is presently qualified to perform the duties of the job involved. If no employee from within the department applies, the job shall be awarded to the senior, presently qualified, applicant from outside the department. The Hospital shall make the determination as to whether or not an applicant possesses the necessary qualifications. In the event the Union does not concur in the determination, the grievance procedure of this contract may be utilized. Provided, however, that the decision of the Hospital shall be final and binding and shall not be changed by the Board of Arbitration unless it is shown to be clearly arbitrary. Job descriptions and a summary of qualifications will be available in the Human Resource Department for review by employees.

Section 4. Temporary Transfers: Any employee may be temporarily transferred from one department to another or from one classification to another when vacancies or requirements for work, as determined by the Hospital, require such transfer. Such employee shall receive the higher rate during the time employed in the higher rated job.

Temporary transfers of qualified employees in the Food Service Department prior to the posting of the schedule, shall be made on a seniority basis to the extent practicable. Employees so transferred will be expected to perform any of the work of the higher rated job.

Section 5. Permanent Transfers: No employee may be permanently transferred without such employee's consent. An employee permanently transferred to a different classification or department shall be considered to be working on a trial basis for the first ninety (90) days of employment in the new department or classification. If, during the trial period, the Hospital determines that the employee is not qualified to perform the work in the new job, the Hospital shall retransfer such employee to the original department or classification. The employee shall have 14 calendar days from the first shift worked in the new position to decide whether to remain in the new position or move back to the position that the employee held immediately prior to the transfer.

Section 6. Low Need Reduction: In reducing staff, the Hospital shall first seek volunteers to take time off. If additional reductions are necessary, such reductions shall be made by assigning low-need hours on a rotating basis in reverse order of seniority on that unit and shift. Employees taking low-need shall be given credit toward all benefits provided by this Agreement for hours lost. An employee shall not be required to take more than eighty (80) mandatory low need hours per contract year. An employee assigned low need hours and placed on-call who is subsequently called into work shall be credited with low-need hours for all actual hours lost that day. In assessing the number of actual hours to be credited, additional hours worked by an employee before or after the shift, at the Hospital's request, will not be counted.

Casual employees, temporary employees, and other non-bargaining unit personnel shall not be utilized to replace any bargaining unit employees whose hours are reduced under this section or by the layoff procedure.

An employee to be assigned low-need hours pursuant to this section shall be given reasonable advance notice before the beginning of the shift, generally a minimum of 2 hours absent exigent circumstances.

Employees having hours reduced shall be given first opportunity to the extent practicable for subsequent additional work hours that made become available to replace work hours lost.

ARTICLE 9. TERMINATION OF EMPLOYMENT

Section 1. Discharge and Suspension: No employee shall be discharged or suspended except for just cause. Written notice of such discharge or suspension shall be given to the employee and a copy mailed to the Union. The Union may protest such discharge in writing within seven (7) calendar days of the time of discharge by invoking the grievance procedure. If a grievance is not received by the Hospital within the seven (7) calendar days, the employee and the Union shall be barred from any claims of any kind against the Hospital.

Section 2. Resignations: Employees electing to resign or quit their employment will give the Hospital two (2) weeks written notice of termination. An employee who terminates his/her employment without giving the required notice shall forfeit PTO to which he/she may be entitled in accordance with the PTO Eligibility provisions of Article 7. The preceding sentence shall not apply in cases of an emergency which prevents the required notice from being given. The Hospital will give an employee two (2) weeks' notice of termination, or two (2) weeks' pay in lieu thereof, except in the case of a discharge for just cause or during a probationary period.

Section 3. Failure to Report: If an employee fails to report for work as scheduled, or to furnish the Hospital with a justifiable excuse within twenty-four (24) hours thereof, such failure to report for work shall be presumed to be a resignation from the service of the Hospital and termination of such employee's seniority and employment. Provided, however, that if such employee can thereafter furnish the Hospital with reasonable proof that he/she could not report for work or could not notify the Hospital of his/her absence because of illness or an unforeseen emergency then such employee shall be reinstated without any break in seniority but without any back pay.

ARTICLE 10. GRIEVANCE AND ARBITRATION

All grievances which relate to the interpretation of application of this Agreement shall be adjusted in the following manner:

<u>Step One</u>: The employee and Department Manager shall attempt to adjust the grievance or alternately the employee and/or grievance committee chairman shall attempt to adjust the grievance with the Human Resource Manager. No grievance will be considered by any Department Manager or Representative of the Hospital unless it is brought to the attention of the department manager or representative of the Hospital within fifteen (15) days of its occurrence.

<u>Step Two:</u> If the grievance is not resolved in Step One, the employee shall reduce the grievance to writing. The grievance shall be submitted to the Human Resource Manager within twenty-five (25) days after its occurrence. Provided, however, that grievances as to wages, hours worked, and vacation allowance may be filed and furnished to the Administrator's Office within ten (10) days after the first regular payday following the occurrence of the grievance. The Hospital shall answer such grievance in writing within five (5) days after receipt. If such answer is not made, the

grievance shall be deemed denied and may proceed to Step Three. Representatives of the Hospital and the Union shall immediately after the submission of such grievance in writing, by mutual negotiations, attempt to arrive at a satisfactory settlement thereof.

Failure to give notice of any grievance shall constitute a permanent waiver and bar of the grievance and the employee and the Union shall be forever foreclosed from raising any complaint or grievance in regard thereto.

<u>Step Three:</u> If the grievance is not resolved in Step Two, the Union or the Hospital may refer the matter to arbitration. Any demand for arbitration shall be in writing and must be received by the other party within ten (10) calendar days following the receipt of the answer of the Hospital to the grievance or the date such answer is due.

The Hospital and the Union shall attempt to agree on a neutral arbitrator who shall hear and determine the dispute. If no agreement is reached, the arbitrator shall be selected from a list of nine (9) neutral arbitrators to be submitted to the parties by the Director, Federal Mediation and Conciliation Service. The parties shall alternately strike names from the list of nine until one name remains, who shall be designated as the neutral arbitrator. The order of striking shall be determined by chance. The authority of the arbitrator shall be limited to making an award relating to the interpretation of or adherence to the written provisions of this Agreement, and the arbitrator shall have no authority to add to, subtract from or modify in any manner the terms and provisions of the Agreement.

The award of the arbitrator shall be confined to the issue raised in the written grievance, and the arbitrator shall have no power to decide any other issues.

The award of the arbitrator shall be made within thirty (30) calendar days following the close of the hearing. The fees and expenses of the neutral arbitrator shall be divided equally between the Hospital and the Union. The decision of the arbitrator shall be final and binding on both parties.

ARTICLE 11. LEAVE OF ABSENCE

Section 1. Disability Leave: A disability leave of absence without pay shall be granted to any regular full-time employee having one or more years seniority at such time as the employee has exhausted all accumulated PTO and in the event his/her illness or disability continues after such time. Such disability leave shall not exceed six (6) months from the date the employee became ill or otherwise disabled. During such disability leave, the employee shall continue to accumulate seniority but only for the purpose of layoff and rehire. During the disability leave and as a condition of its continuance, the employee when requested by the Hospital shall furnish the Hospital with a physician's certificate at intervals of three months or more certifying as to the employee's inability to return to work because of such illness of disability during the entire interval covered by such certificate. Upon returning from such leave, the employee shall be returned to his/her previous classification, rate of pay and hours unless light duty is needed to ease the employee's return to work. Light duty may temporarily be for fewer hours as recommended by the employee's health care provider but there will be no reduction in hour rate of pay during this time.

Whenever applicable, leaves of absence taken under this Article, which also qualify for time off under the Family and Medical Leave Act, will run concurrently with the FMLA. FMLA leave will be calculated based on hours used under the FMLA, consistent with the FMLA and related Department of Labor Regulations.

Section 2. Maternity/Paternity Leave: A maternity/paternity leave of absence without pay shall be granted an employee for a period of up to six (6) months. Scheduling of time off will be done on a mutually agreeable basis between the employee and the Hospital. Upon returning from such leave, the employee shall be returned to her/his previous classification. The six-month period includes any period of disability leave as provided in Section 1.

Section 3. Other Leaves: Leave of absence for other reasons may be granted at the discretion of the Hospital for a period of one day up to ninety (90) days. Any leave extending beyond ninety (90) days shall be granted only by mutual agreement of the Hospital and the Union.

Section 4. Compassionate Leave: Up to three days of absence without loss of pay shall be allowed a full-time and regular part-time employee in the event of death of a member in the employee's immediate family, namely: wife, husband, son, daughter, father, mother, sister, brother, grandparents, grandchildren, mother-in-law, father-in-law, daughter in law, or son-in-law. One day's absence without loss of pay shall be allowed an employee in the event of the death of a brother-inlaw or sister-in-law. Compassionate leave may also be granted at the discretion of the Hospital in cases of death where there is a special circumstance between the deceased and the employee similar to that of the immediate family.

In addition to the benefits provided in the preceding paragraph, employees may elect to use a maximum of three (3) days of accrued PTO as an additional bereavement benefit for the death of a parent, child, or spouse.

ARTICLE 12. JURY DUTY

An employee called for jury duty shall be paid the difference between the daily jury duty received and his/her regular straight time rate for those days on which he/she otherwise would be scheduled b work.

ARTICLE 13. INSURANCE

Section 1. Health Insurance Program: The Hospital will continue to provide a Health Insurance Program for bargaining unit employees, as such program may from time to time be amended. Any such amendments to the program shall be applicable to all Hospital employees. The Hospital shall pay eighty percent (80%) of the cost of single coverage for full-time and part-time employees regularly scheduled to work sixty (60) hours or more per pay period. The employee shall pay twenty percent (20%) of the cost.

The Hospital shall pay fifty percent (50%) of the cost of single coverage for part-time employees regularly scheduled for thirty-two (32) hours per pay period but less than sixty (60) hours per pay period, up to a maximum of 50% of the amount paid by the Hospital under the above paragraph.

An employee eligible for single coverage under this paragraph may purchase dependent coverage by paying the full cost thereof.

The Hospital may offer an alternate hospitalization and medical plan which may include an HMO or any other type of plan. Employees may elect to be covered under the alternate plan. The Hospital payment toward coverage under the alternate plan shall be equal to the total paid under the basic plan. If the single employee cost under the alternate plan is less than under the basic plan, employees may have the difference applied toward dependency coverage.

Section 2. Dental Insurance: The Employer shall provide and pay the full cost of a group term dental insurance program for single coverage for full-time employees. The Employer shall provide and pay fifty percent (50%) of the premium for group term dental insurance program for single coverage for part-time employees regularly scheduled to work thirty-two (32) hours or more per two (2) weeks' pay period. Employees eligible for single dental insurance who elect to participate in dependent dental insurance coverage shall be responsible for the full amount of the premium above the Employer's contribution as set forth in this paragraph. The plan shall include the following basic provisions:

Employees shall be eligible to participate in the same Dental Insurance Plan as is made available to all other employees in the Hospital.

Employees shall be covered on the first day of the month following three (3) months of employment with the Employer.

Eligibility for benefits and all payments hereunder shall be subject to the terms and provisions of the insurance contract establishing the group dental insurance plan. Copies of the insurance contract shall be furnished to the Union and Summary Plan Descriptions shall be provided to the Union and to all eligible employees upon request.

Section 3. Life Insurance: The Hospital will provide the benefits of its existing group life insurance program subject to the terms and conditions of the insurance policies and certificates issued thereunder, for full-time and part-time employees regularly scheduled to work thirty-two (32) hours or more per pay period. Coverage provided will be equal to the employee's annual base salary, rounded to the nearest one thousand dollars (\$1,000.00).

Section 4. LTD Insurance: Lake Region Healthcare Corporation shall provide a long-term disability plan for those employees regularly scheduled for sixty-four (64) or more hours per pay period to include provisions for benefits after not more than a 90-day waiting period to cover sixty percent (60%) of base salary to a maximum benefit of not less than three thousand dollars (\$3,000) per month.

Section 5. STD Insurance: Lake Region Healthcare Corporation shall provide a short-term disability plan for employees regularly scheduled to work a 0.4 FTE or above, to include a provision for benefits after a seven (7) day waiting period to cover sixty percent (60%) of base salary, to a maximum benefit of two thousand five hundred dollars (\$2,500) per week. Eligible employees hired after the date of this Agreement shall be covered on the first of the month following ninety (90) day of employment. Lake Region Healthcare Corporation will pay taxes, until 9/30/23, on the employer paid premiums this will result in Short Term Disability to employees to being non-taxable. Lake Region Healthcare Corporation will pay the employee's pre-tax deductions for health or dental benefits while the employee is on approved Short-Term Disability leave and receiving compensation through Unum. When the employee returns to work, repayment plan for these premiums owed by the employee will be determined. The employee has the option of a lump sum repayment or a repayment plan over a mutually agreed upon number of pay periods.

Section 6. Employees with authorized hours of .4 FTE or above shall be eligible to receive a payment of one hundred fifty dollars (\$150) per contract year towards the cost of an appropriate Wellness Program, not to exceed payment for such program of fifty percent (50%) of the cost of the program. This payment may be used toward approved health club membership or the purchase of exercise equipment for personal use. Effective October 1, 2016 the contribution towards the Wellness Program shall increase to one hundred fifty dollars (\$150) per contract year. Provided, however, that the Employer's obligations under this section shall end upon thirty (30) days' advance notice to the Union and the employee that the Wellness Program is being terminated as an LRHC corporate benefit.

ARTICLE 14. CLASSIFICATIONS AND RATES OF PAY

Section 1. Classifications and Rates of Pay: See Appendix for wage scales.

The wage schedule and other pay related provisions will be effective October 1, 2021. This includes the 2.5% COLA in 2023 and 2.5% COLA in 2024, which will be applied to the updated, equalized pay structure which will be re-opened in the Fall of 2022.

Section 2. Shift Differentials: Effective the first pay period in October 2021, shift differential shall be as follows:

| Rotating Evenings or Nights | \$1.70 |
|-----------------------------|--------|
| Straight Evenings | \$3.05 |
| Straight Nights | \$3.55 |

In order to be eligible for straight evening or straight night shift differentials, the Employer and employee must reach an express understanding that the employee is agreeing to work a minimum of twelve (12) consecutive weeks or more on the respective shift. Employees who start work at hours different than the normal shifts shall receive shift differential pay if the majority of the hours regularly scheduled falls within the evening or night shifts.

Section 3. Length of Service Increases: Length of service increases for both full-time and parttime employees shall be based on the most recent period of continuous service with the Hospital regardless of the number of compensated hours accrued by an employee. Employees will move between steps on an annual basis or every 2,080 hours of work if the employee works less than a fulltime schedule.

Section 4. On-Call Pay: Employees taking on-call duties shall be paid additional compensation as follows:

| Regular On-Call | \$5.00 |
|-----------------|--------|
| Holiday On-Call | \$6.00 |

Employees called into work while on-call shall receive a minimum of two hours pay or work per call back. On-call payments shall not be made during the period the employee has been called intowork and is receiving his/her regular rate of pay.

In the event that an employee picks up an open shift above the employee's regular FTE, the employee will be the first employee on that shift to be placed on-call if needed, at the Hospital's sole discretion. Any such employee shall receive one and one-half $(1 \frac{1}{2})$ times the applicable call rate if placed on call. An employee who is placed on call under these circumstances shall not

receive any credit for a mandatory low need. Nothing in this section applies to an employee who is picking up an open call shift.

Section 5. Experience Credit: Upon employment by the Hospital of an employee who had prior experience, either with some other employer or during a prior employment at the Hospital, the Hospital will review and evaluate the experience and qualifications of such employee and assign such credit as the Hospital deems reasonable to the previous experience of the employee. When an employee is assigned credit for prior employment and/or experience, the Hospital will provide written notification to the Union of the employee's starting wage rate along with the reason(s) the employee was placed above the minimum for their classification.

ARTICLE 15. PENSION PLAN

Employees shall continue to be covered by the Hospital's pension plan.

ARTICLE 16. NO STRIKES OR LOCKOUTS

There shall be no strikes or lockouts, of any kind whatsoever, during the term of this Agreement. The prohibition against strikes and lockouts shall be absolute and shall apply regardless of whether a dispute is subject to arbitration under the provisions of Article 10 of this Agreement.

ARTICLE 17. GENERAL PROVISIONS

Section 1. Bulletin Boards: The Union shall be permitted the use of a designated bulletin board for the posting of notices of meetings to its members.

Section 2. Union Conventions: The Hospital agrees to grant time off without pay and without discrimination to any employee designated by the Union to attend a district, state, or national labor convention, without losing seniority rights or other rights granted by the Hospital to any employee. Such leave shall be limited to two persons per year and shall not exceed ten (10) days each year. The employees so designated by the Union shall give at least two (2) weeks' notice of their intention to attend such conventions and shall assist the Department Manager in finding a replacement.

Section 3. Union Access to Premises: The representative of the Union who customarily handles grievances shall have access to the premises of the employer at reasonable times and subject to reasonable rules and with the knowledge of the Human Resource Manger to investigate grievances with which he/she is concerned. Such activity shall be confined to non-patient areas and there shall be no interference with the assigned duties of any employee.

Section 4. Breakage: It is not the policy of the Hospital to charge employees for breakage. Provided, however, that an employee guilty of gross or repeated negligence may be so charged. All breakage shall be reported to the Department Manager. Section 5. Physical Examination: Routine examinations required by the Hospital after employment shall be paid for by the Hospital.

Section 6. Subcontracting: The Hospital shall have the right to subcontract work. The Union will be given at least thirty (30) calendar days' notice of any such action. The parties shall promptly meet to discuss the details of the subcontracting in order to minimize the effect of such action on employees covered by this Agreement. The Hospital shall, however, retain the right to make the final decision regarding the decision to subcontract.

Section 7. Snow Days: If the Department of Transportation/State Patrol or County Highway Department order road closures due to weather and, as a result, an employee is unable to report for his/her scheduled shift, the absence shall not count against the employee in the Employer's attendance policy. Employees may take the time missed as unpaid or may use PTO for these absences. This provision is not intended to allow an employee to miss an entire shift where a road closure would only delay, rather than prevent, reporting for duty as scheduled.

Section 8. All employees are required to comply with the Hospital's uniform policy as may be amended from time to time by the Hospital in its discretion. The Hospital agrees to provide no less than ninety (90) days' advance notice to the Union and to employees of any substantive changes in its uniform policy.

ARTICLE 18. LABOR MANAGEMENT COMMITTEE

A Labor Management Committee shall be established consisting of an equal number of representatives designated by the Hospital (not to exceed three) and representatives designated by the bargaining unit (not to exceed three).

The purpose of the Committee shall be to develop a better understanding between administration and members of the bargaining unit, to assist in working out mutual problems of administration and bargaining unit members, to consider suggestions of the bargaining unit and management relative to the delivery of patient care, and to facilitate communication between the parties. Specifically, the Committee shall have the following duties and responsibilities:

- A. Normal work schedules;
- B. Notice of schedule changes;
- C. Staffing;
- D. Preference for full-time employment;

The Committee shall meet as necessary and no more than quarterly.

ARTICLE 19. SUCCESSORS & ASSIGNS

SUCCESSORS & ASSIGNS: This collective bargaining agreement/contract will be fully and completely binding upon any successor or assigns, subsequent purchaser or management group or health care provider or company, whether temporarily in place or permanently, and LRHC will convey this legal necessity to any subsequent successor or assigns, purchaser or management prior to any conveyance or any kind and no term, obligation or provision herein will be modified, altered, or changed in any respect whatsoever by any successor or assign, subsequent purchaser or management. Prior to any consolidation, merger, affiliation, sale, transfer, or assignment of any part of the Hospital/LRHC, the acquiring entity will agree, in writing, to recognize AFSCME Council 65 (or its successor) and agree to be bound by the terms of this Agreement/contract.

ARTICLE 20. DURATION

Except as otherwise provided herein, this Agreement shall be effective October 1, 2021.

The parties agree that they will, in the Fall of 2022, reopen the subjects of a) the Wellness benefit (including structure of the benefit, amount, what is covered), b) the Wage Schedule (including equalizing similar positions, improving the pay structure uniformity including steps and how far apart steps, any appropriate market adjustments, etc.), c) Paid Time Off (improving available time off for illness or disability of the employee of family member, improvements in the amount of time off earned by employees, etc.).

This Agreement shall remain in full force and effect from year to year thereafter unless either party shall notify the other party in writing at least ninety (90) days prior to September 30, 2024, of its intention to change, modify, or terminate this Agreement.

IN WITNESS WHEREOF, the parties hereto executed this Agreement to be effective as of October 1, 2021.

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LAKE REGION HEALTHCARE CORPORATION

By: ut Ve Officer Kent Mattson Chief Eke

42522 Date of Signature:

AMERICAN FEDERATION OF STATE, COUNTY, & MUNICIPAL EMPLOYEES AEL-CIO Bv:

AFSCME Staff Representative LeiLani Hauge 2022 Date of Signature:

By/

Local H4940 President or Bargaining Team Representative Date of Signature:

Letter of Understanding on Extended Illness Bank (EIB)

Between

Lake Region Healthcare Corporation And American Federation of State, County, and Municipal Employees, AFL-CIO, Council 65

Fulltime employees will accrue eight days (64 hours) in their Extended Illness Bank (EIB) per year. This will be prorated for employees whose employment status is 0.4 (32 hours per pay period) to 0.9 (up to 79 hours per pay period). Commencing upon the ratification date of collective bargaining agreement (12/18/21), no additional EIB hours will be accrued for any employees. EIB accruals will be frozen on that date.

If employees are regularly scheduled at 0.4 FTE or greater, they will be allowed to use accrued EIB hours for time off due to an illness or injury, surgery and recovery or a hospitalization (but only if the employee has filed a Short-Term Disability claim and has been denied or is not eligible).

Employees must file a short-term disability claim for covered claims prior to using accrued EIB. Accrued and used EIB through September 30th, 2024, shall be paid out at 100% of the approved length of leave with the proper documentation from a medical provider. Effective with the ratification of the collective bargaining agreement, there will no longer be a three (3) day waiting period to use EIB.

Extended Illness Bank (EIB) accrued hours are available to use for intermediate and longer-term illnesses of the employee or eligible sick child, or for other time off to care for qualified relatives as such individuals are defined by state and federal law. EIB balances may also be used for an employee's qualifying circumstances where Short-Term Disability is not available. EIB cannot be donated from one employee to another employee.

If an employee has an approved Short-Term Disability claim, the employee may use any accrued EIB to cover time off work for the seven (7) day elimination period for Short Term Disability. Employees may also use their EIB balances for caring for immediate family members so long as it meets one of the qualifying circumstances. Immediate family includes a child, spouse, sibling, parent, parent-in-law, grandparent, grandchild, or stepparent.

On October 1st, 2024, all EIB balances will sunset and no longer be available. Unused EIB balances will not be paid out if they are not used before the EIB program has sunset. Unused EIB will not be paid out at the end of employment or at any other time.

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