This offer is presented as a confidential mediation supposal and remains available for acceptance in the mediation process until 12 noon on May 26, 2020. At that point, unless withdrawn previously, this shall become a formal contract offer to the Union, which may be publicly communicated to caregivers.

This package supposal represents the limit of the Hospital bargaining team’s financial authority. Any financial enhancements to this offer would require offsets from other areas of agreement.

The Hospital proposes a four-year term of agreement, on the following terms:

1. All tentative agreements to date.
2. Article 12, Compensation: Please see attached supposal of today’s date.
3. Article 16, Floating: The Hospital proposes current contract language, without changes.
4. Article 21, Health and Welfare: Please see attached supposal of today’s date.
5. Article 22, Paid Time Off: Please see attached supposal of today’s date.
6. Article 23, Retirement: Please see attached proposal of today’s date.
7. Article 25, Educational Opportunities: Please see attached proposal of today’s date

Any articles not listed above, and not already subject to a tentative agreement, are per the Hospital’s most recent on-the-record proposal. Any union proposals not listed above, and not already subject to a tentative agreement, are rejected.

The above articles are moved as a package and must be accepted together.

Markups in “track changes” format are in comparison to Union’s package supposal from the morning of May 16, 2020.

ARTICLE 12 - COMPENSATION

1. Wages

   a. The current wage scales shall reflect a 3.00% across the board increase and shall take effect the first full pay period following ratification. Effective the first full pay period after the one-year anniversary of ratification, the wage scale referred to in Appendix III shall be increased by 3.00%. Effective the first full pay period
after the second-year anniversary of ratification, the wage scale referred to in Appendix III shall be increased by 3.00%. Effective the first full pay period after the third-year anniversary of ratification, the wage scale referred to in Appendix III shall be increased by 3.00%. Except for Employees already over scale or who are previously subject to red-circling agreements, these increases shall be paid as wage increases and not as lump sums.

b. Effective the first full pay period after the Ratification Date, the wage scale in Appendix III shall be expanded with the addition of a new step representing 26 years of experience (“Step 26”). Effective the first full pay period after the Ratification Date, for each of the job classifications on the wage scale, the applicable wage rate in Step 26 shall be 1.5% greater than the applicable wage rate at the step on the wage scale for 21 years of experience (“Step 21”). In the second, third and fourth years of the Agreement, the adjustments to the Step 26 wage rates shall be in accordance with Article 11.1.a of this Agreement, shown above.

c. Subject to the terms, conditions, and exceptions which follow, employees, including exempt employees, will be paid according to the wage grades and steps in Appendix III as determined by their job titles and relevant years of experience.

d. Initial placement on the appropriate step of the relevant wage grade shall be based on the employee’s relevant years of experience. The Hospital shall be the ultimate decision maker as to the years of relevant years of experience possessed by employees covered by this Agreement.

e. Employees who move to a different job title shall be paid based on the pay grade applicable to that new job title and his/her relevant years of experience for that job.

f. The wage rates provided for in this Agreement are minimums only. Should the Hospital desire to increase pay rates above and beyond the increases negotiated in the Agreement for individuals, groups of employees, classifications or wage grades, the Hospital may do so with prior notification to the Union. If requested to do so, the Hospital will meet with the Union to discuss any equity or fairness issues the Union may raise.

2. Extra Shift Incentive Pay: Employees shall receive Extra Shift Incentive Pay in accordance with Hospital policy, as amended from time to time.

3. Holiday Pay:
a. The following days are recognized for the purposes of premium pay for holidays worked:

New Year’s Day
Martin Luther King Day
Presidents Day
Memorial Day
Independence Day
Labor Day
Thanksgiving Day
Christmas Day

b. Full-Time, Part-Time and Per Diem employees who work on the nationally observed holiday shall receive one and one-half (1 ½) times their base hourly rate for all hours worked on the Holiday.

4. On-Call/Callback Pay

An Employee assigned to on-call shall be paid at the rate of 30% of his/her base rate of pay for all hours assigned to on-call.

a. Employees on on-call will be expected to return to the Hospital within thirty (30) minutes of being called or paged. Employees who are on-call/callback status and are contacted to return to the Hospital will be paid one and one half (1½) times the employee’s base rate of pay based on actual hours worked subject to a guaranteed minimum of two (2) hours pay per callback. If the callback occurs during an overtime zone, applicable overtime will be paid. While an employee is receiving on-call pay, the employee will not be eligible to receive callback pay for the same hours.

b. Employees who are on-call and do not return to the Hospital when called or paged or are under the influence of drugs or alcohol while on standby, will be subject to appropriate disciplinary action up to and including termination.
5. **Shift Differential**

a. Employees working a majority of their hours on evening or night shifts will receive shift differential pay for their entire shift. In addition, shift differential pay will be applied to evening and night hours worked when an Employee moves into a zone outlined below. Except for PTO, non-worked time such as meetings, training, mandatory education, compassionate leave, court appearance, on-call are not eligible for shift differential pay.

b. Employees working eight (8) hour shifts will be paid shift differentials for the hours worked on the evening and night shifts as defined below:

<table>
<thead>
<tr>
<th>8 Hour Employees</th>
<th>Shift Zones</th>
<th>Differential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day</td>
<td>0700 – 1730</td>
<td>No shift differential</td>
</tr>
<tr>
<td>Evening</td>
<td>1500 – 2330</td>
<td>9% of base hourly rate</td>
</tr>
<tr>
<td>Night</td>
<td>2300 - 0730</td>
<td>25% of base hourly rate</td>
</tr>
</tbody>
</table>

Employees working ten (10) or twelve (12) hour shifts will be paid shift differentials for the hours worked on the evening or night shifts as defined below:

<table>
<thead>
<tr>
<th>10 or 12 Hour Employees</th>
<th>Shift Zones</th>
<th>Differential</th>
</tr>
</thead>
<tbody>
<tr>
<td>Day</td>
<td>0700 – 1530</td>
<td>No shift differential</td>
</tr>
<tr>
<td>Evening</td>
<td>1500 – 2330</td>
<td>9% of base hourly rate</td>
</tr>
<tr>
<td>Night</td>
<td>2300 - 0730</td>
<td>25% of base hourly rate</td>
</tr>
</tbody>
</table>

Employees who are classified as variable shift Employees are considered day shift Employees and receive the appropriate shift differential applicable to the shift actually worked.

c. **Convenience Pay**

Employees that work a shift other than his/her home shift, as required by the Hospital, shall receive their home shift differential if higher than the actual shift worked. For variable shift Employees who are scheduled for primarily evening or
night shifts on a posted schedule shall receive the evening or night shift differential when they are required by the Hospital to work a day or evening shift. Employees shall also be eligible if, after the schedule is posted, the Hospital requests the Night or Evening shift Employee to work a day or evening shift.

6. Relief Employee Differential

Relief Employee availability requirements are contained in Article 20 – Categories of Employees. The Relief Employee differential is 15%, and is calculated by multiplying 15% by the Employee’s base hourly rate.

7. Witness Pay

An Employee subpoenaed to appear on behalf of the Hospital in a work-related judicial proceeding, except for judicial proceedings initiated by the Union or fellow bargaining unit employees, will be paid the difference between the applicable statutory witness fee and the straight time earnings for each such day and such time shall not be applied for the purposes of calculating overtime.

8. Uniforms

When the Hospital requires an Employee to wear a uniform as a condition of employment, such uniform will be provided and maintained by the Hospital. The term “uniform” herein means apparel of distinctive design and/or color (i.e., not white). The term “maintained” excludes the washing and drying of wash-and-wear items. The Hospital will continue to provide the current allowance for uniforms to Employees subject to a uniform requirement and will not reduce the allowance during the life of the Agreement.

9. Severance Pay

Employees shall receive severance pay in accordance with Hospital policy, as amended from to time to time. Such severance pay will be contingent on any conditions required by Hospital policy, including a release of legal claims and/or a waiver of automatic recall rights.
10. Report Pay

An Employee who reports to work but is not put to work or furnished less than one half (½) of his/her usual or scheduled day’s work shall be paid for one half (½) the usual or scheduled day’s work, but in no event less than two (2) hours nor more than four (4) hours at the Employee’s applicable rate of pay. The Hospital will notify an employee of a schedule cancellation at least two (2) hours before the start of a shift. A message left on an answering machine or voice mail or text message to the number provided to the Hospital shall constitute notice.

11. Employees with Multiple Job Classifications

Any Employee assigned to multiple job classifications shall be paid at the rate for the applicable job classification.

12. Relief Lead Pay

Employees assigned to act as a Relief Lead shall be paid twelve dollars ($12.00) for an eight (8) hour shift. Such Relief Lead pay shall be pro-rated in four (4) hour increments when the Relief Lead performs for less than an entire eight (8) hour shift.

13. Pay Day

a. All wages shall be paid every other Friday.

b. Direct deposit shall continue to be offered to all Employees and shall be deposited by no later than the designated payday. Employees may request that their paychecks be mailed.

c. When a holiday recognized by this Agreement falls on a payday, direct deposits shall be made the Thursday before the payday. Provided further, paychecks that are mailed shall be mailed the Thursday before the payday.

14. Pay Check Errors
Pay check errors by the Hospital resulting in underpayments of greater than eight hours pay to Employees shall be corrected and a new check for the underpayment shall be issued to the employee within forty eight (48) hours of discovery of the error, or the next business day following forty eight (48) hours of the error.

15. Clinical Ladders

a. The parties agree that the following job classifications are eligible to participate in Clinical Ladders: LVN’s, Respiratory Care Practitioners, Surgical Techs and Care Partners.

b. Upon mutual agreement of the parties, a Clinical Ladder Committee will be created to review Clinical Ladder criteria. The Committee may recommend modifications and/or new Clinical Ladders. Any Clinical Ladder Committee formed under this section shall be with the intent of completing their work within six (6) months, though that deadline may be extended by mutual agreement.

c. The Clinical Ladder Committee will consist of not more than three (3) union and management representatives respectively.

16. Training and Orientation for Surgical Tech’s Employees

An Employee who provides orientation, or precepting for a new Employee shall be paid a training/orientation differential of $1.25 hour for every hour spent training, orienting or precepting. Employees who are using orientation, training and precepting towards clinical ladder eligibility, or such duties are included in the job description (i.e. designated lead), are not eligible for this differential.

The Hospital may establish reasonable rules relating to the qualifications of an Employee to orient, train or precept others.

17. Medical Interpreter Pay Differential
When the Hospital determines that there is a need for medical interpreter services to be provided by qualified staff outside of the Medical Interpreter department, such Employees shall be paid a one-dollar and twenty-five cents ($1.25) per hour differential for performing these services within the scope of their job. To be eligible:

a. Management must determine that the position in question is eligible.

b. The Employee in the identified position must obtain initial medical interpretation certification pursuant to the requirements set forth by the Hospital.

c. Employees will be required to complete annual competencies and to re-certify every two years.

The Employees identified shall, on a monthly basis, track the usage of the medical interpreter skills in the course of performing the scope of work in their position. The Hospital reserves the right to cap the number of participants in the program and/or eliminate or modify participation based on operational needs.

**ARTICLE 21 – HEALTH AND WELFARE PROGRAM**

The Hospital will provide eligible full-time and part-time Employees covered by this Agreement with the same medical, dental, vision, life, accidental death & dismemberment, dependent life, long-term disability, short-term disability, medical reimbursement account and dependent care coverage that it provides to its non-bargaining unit employees, subject to the terms, conditions, limitations and other provisions of the respective plan documents.

The Hospital agrees to maintain a PPO medical plan as an option for benefits eligible full-time and part-time Employees covered by this Agreement in plan years 2020, 2021, 2022, 2023 and 2024, subject to the terms, conditions, limitations and other provisions of the respective plan documents.

For the remainder of plan year 2020, the premiums for all of the medical plans will remain at their current levels. However, the current premiums and the current full-time and part-time definitions will not be used as the starting point for calculating potential premium increases in plan year 2021 or any other future plan year. The Side Letter on Health Benefits in this Agreement shows the 2020 premiums under the health plans’ definitions of full-time/part-time status that will be used as the applicable 2020 premiums to determine potential increases for plan year 2021. Beginning in plan year 2021 and continuing in each subsequent year,
premiums for the EPO, HRA and HSA medical plans shall not increase by more than 12% annually on a blended average basis, meaning for some categories the increases can be greater than 12% and others less than 12%. Beginning in plan year 2021 and continuing in each subsequent year, premiums for the PPO medical plan shall not increase by more than 25% annually during the term of this contract. (The increases in the PPO premium will not be included in, or otherwise be credited or accounted against, the blended average calculation for other plans.) In no case, however, will the PPO medical plan premiums exceed those charged to non-represented employees.

**Side Letter on 2020 Health Plan Rates (benchmark for future rates)**

**ARTICLE 22 – PAID TIME OFF (PTO)**

1. **Eligibility for Paid Time Off (PTO)**

   All benefited employees are eligible for PTO.

   An employee who changes to non-benefited status and returns to benefited status within twelve (12) months will be re-instated with the PTO accrual rate in place at the time of the status change.

2. **Accrual of PTO Benefits**

   PTO begins accruing on the first day of work in a benefited position. PTO may be used as it is earned.

3A. **Through The Pay Period Preceding the First Full Pay Period in January 2023:** Paid Time Off (“PTO”) Accrual Rates:
Full-Time Employees

- 0 – 4 Years of Service = 184 hours per year (Maximum PTO Accrual cap is 276 hours *)
- 5 – 9 Years of Service = 240 hours per year (Maximum PTO Accrual cap is 360 hours *)
- 10 – 14 Years of Service = 280 hours per year (Maximum PTO Accrual cap is 420 hours *)
- 15 + Years of Service = 280 hours per year** (Maximum PTO Accrual cap is 420 hours*)

*Maximum PTO Accrual cap is the maximum amount of PTO hours that an employee can accrue in their PTO accrual account. Once the employee has reached the maximum PTO accrual cap, the employee will stop accruing PTO until their PTO accrual balance is below the maximum accrual cap amount.

** All eligible Employees with 15+ years of service as of August 27, 2016 will be grandfathered to accrue up to 312 hours per year (312 hours based on full-time eligibility – maximum accrual cap is 468 hours).

- **PART-TIME:** PTO days shown above are for full-time Employees. Part-Time Employees PTO days will be pro-rated based on the Employee’s actual hours worked.

PTO hours accrue: 1) on hours worked up to a maximum of eighty (80) hours in a pay period, 2) while PTO is being utilized, 3) during jury duty, 4) during bereavement leave, 5) on scheduled days taken off because of Hospital census, 6) while working Extra Pay for Extra Shifts/Cold Call.

PTO hours do not accrue: 1) during on-call hours (unless those on-call hours result from a day off because of Hospital census), 2) during unpaid leaves of absence, or 3) on hours that exceed eighty (80) in a pay period.

PTO hours are added to an employee’s account at the completion of an entire fourteen (14) day pay period. PTO may be used as it is earned.

PTO will stop accruing once an employee has reached his/her maximum accrual until the PTO balance falls below the maximum accrual cap.

3B. Paid Time Off (“PTO”) Accrual Rates (Beginning The First Full Pay Period in January 2023):

As of the first full pay period after the last full pay period in January 2023, the schedule for accrual rates and accrual maximums will be:

<table>
<thead>
<tr>
<th>Years of service</th>
<th>Annual PTO*</th>
<th>Max accrual per pay period</th>
<th>Maximum balance**</th>
</tr>
</thead>
</table>

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PTO hours accrue: 1) on hours worked up to a maximum of eighty (80) hours in a pay period, 2) while PTO is being utilized, 3) during jury duty, 4) during bereavement leave, 5) on scheduled days taken off without pay because of Hospital census.

PTO hours do not accrue: 1) during on-call hours 2) during unpaid leaves of absence, or 3) on hours that exceed eighty (80) in a pay period.

PTO hours are added to an employee’s account at the completion of an entire fourteen (14) day pay period. PTO may be used as it is earned.

PTO will stop accruing once an employee has reached his/her maximum accrual until the PTO balance falls below the maximum accrual cap.

4. Redemption of PTO

Upon termination, an employee will be paid her/his PTO balance as of the last complete day worked. The payment will be made at the current base rate of pay, plus shift differential if applicable.

If the employee changes from benefited to non-benefited status, the accumulated PTO benefit will be paid to the employee at the end of the first payroll period following the change in status.

5. Voluntary Cash-Out of PTO

a. Payment in lieu of PTO will be made pursuant to the PTO Voluntary Election Cash-Out Policy through the term of this Agreement calendar year 2023 (ending with open enrollment in 2022).

b. While PTO cash out remains in effect, the following rules shall apply:
i. Eligible Employees must have a minimum of eighty (80) hours in their PTO bank at the time of the Cash-Out Election period.

ii. PTO cash-out elections must be made during the cash-out window in the prior calendar year.

iii. PTO may be cashed out twice once per year. Dates for the Cash-Out are predetermined each year.

iv. PTO may only be cashed out in increments of twenty (20) or forty (40) hours in the first Cash-Out period and twenty (20), forty (40) or eighty (80) hours in the second Cash-Out period and only to a maximum of eighty (80) hours per year.

v. All PTO Cash-Outs are subject to taxation at the supplemental income tax rate. If an Employee who has elected PTO Cash-Out has insufficient hours in her/his PTO bank at the time of the Cash-Out to cover the hours elected for Cash-Out, she/he will not be permitted to cash out PTO on that date. However, the Employee may cash out PTO at the second date that year, provided that she/he elected to do so during the election period and there are sufficient hours in her/his PTO bank.

5. Special Provision for Calendar Year 2023.

Any Employee whose PTO balance is above the PTO maximum will automatically be cashed out PTO in early 2023 such that the remaining balance will be 24 hours below the applicable maximum (permitting the Employee to continue accruing PTO).

ARTICLE 23– RETIREMENT

Employees shall be eligible to participate in the Hospital’s 401(k) and/or 401(a) retirement programs under the terms and conditions set forth in the plan documents. Any such changes and/or benefits shall be consistent with any changes that are provided to other employees at the Hospital.

Effective January 1, 2021, the Hospital’s retirement benefit contributions will be as follows, which contributions will be maintained for the 2021, 2022, 2023 and 2024 plan years.
<table>
<thead>
<tr>
<th>Years of service</th>
<th>Employer match*</th>
<th>Non-matching 401(a) / 401(k) contribution</th>
<th>Total employer contribution</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-4</td>
<td>50% of the first 3% of pay saved</td>
<td>3% of pay</td>
<td>4.5% of pay</td>
</tr>
<tr>
<td>5-9</td>
<td>50% of the first 4.5% of pay saved</td>
<td>5% of pay</td>
<td>5.25% of pay</td>
</tr>
<tr>
<td>10-14</td>
<td>50% of the first 6% of pay saved</td>
<td>5% of pay</td>
<td>8% of pay</td>
</tr>
<tr>
<td>15+</td>
<td>50% of the first 6% of pay saved</td>
<td>5% of pay</td>
<td>9% of pay</td>
</tr>
</tbody>
</table>

**ARTICLE 25 – EDUCATIONAL OPPORTUNITIES**

1. Tuition Reimbursement. The Hospital will provide educational opportunities to Employees who participate in educational courses that will result in an occupational certification or degree from an accredited university or college in healthcare related fields that benefit the Hospital in accordance with the Hospital’s Education Reimbursement policy, as amended from time to time. In no event, however, shall the total reimbursement amounts available under the Education Reimbursement policy be reduced for unit Employees during the life of the Agreement. Changes in policy will not affect previously approved tuition reimbursement.

2. Continuing Education
   a. All Full-time employees are eligible to receive five (5) paid days of educational leave each year to attend courses, institutes, workshops, or classes of an educational nature as approved by the Hospital. For regular Part-time employees, the number of paid days is prorated. Such continuing education benefits shall be administered in accordance with the Continuing Education Benefit policy, as amended from time to time. Such time shall not be considered hours worked for overtime purposes.
   b. One (1) year of Continuing Education leave may be carried over to the following calendar year. Accumulated Continuing Education leave may not exceed two (2) calendar years.
   c. Changes in policy will not affect previously approved educational leave.

*The Hospital reserves the right to amend and/or withdraw its supposals and/or proposals.*