

TRANSITION AGREEMENT

The University of Washington (“UW”) Northwest Hospital & Medical Center (“NWH”) and the Washington State Nurses Association (“WSNA”) enter into this Transition Agreement (“Agreement”) to set forth the understanding reached between the parties with respect to the transition of employees of Northwest Hospital & Medical Center (“NWH”) to employment by UW, and to renew the parties respective collective bargaining agreements as set forth below.

PURPOSES AND EFFECTIVE DATE

- A. WSNA represents separate bargaining units of registered nurses at UWMC and NWH. As set forth below, the parties agree that at least until June 30, 2021, these bargaining units shall remain separate and be governed by their respective collective bargaining agreements ~~outlined below~~.
- B. UW Medical Center and NWH intend to combine their operations to create one hospital with two campuses. The goal is to integrate operations effective January 1, 2020. This Agreement is effective upon signing. Except as provided below, changes in terms and working conditions for NWH nurses (with the exception of across the board wage increases) shall commence on January 1, 2020 or the date such operations are integrated, whichever is later (the “Effective Date”).
- C. As a result of the combination, on the Effective Date, NWH employees will convert to become employees of UW and of the State of Washington, working at UW Medical Center’s new Northwest campus.
- D. WSNA represents a bargaining unit of registered nurses at NWH (the “NWH Bargaining Unit”). On the Effective Date, UW shall recognize the WSNA as the representative of the existing NWH bargaining unit, absent a determination by an applicable government labor relations agency precluding such recognition in a proceeding not initiated by the signatories.

TERMS

- E. The current NWH-WSNA collective bargaining agreement is set to expire on May 15, 2019. In lieu of bargaining, ~~the parties~~ NWH - WSNA agree to terminate and renew this Agreement on May 16, 2019 subject to the limited changes set forth in this transition agreement. In addition to changes to the Agreement which will take place on the Effective Date, the parties agree to ~~an~~ across-the-board wage increases of 2% effective

May 16, 2019, and a second across the board wage increase of 2% effective July 1, 2020. The renewed NWH-WSNA agreement shall be set to expire on June 30, 2021.

F. The current UWMC-WSNA collective bargaining agreement is set to expire on June 30, 2019. In lieu of bargaining, the parties ~~and~~ agree to terminate and renew this Agreement on July 1, 2019 subject to the limited changes set forth in this Transition Agreement. Changes to the UWMC-WSNA agreement shall be limited to an across-the-board wage increase of 2% effective July 1, 2019, and a second across-the-board wage increase of 2% effective July 1, 2020. The renewed UWMC-WSNA Agreement shall be set to expire on June 30, 2021.

~~F.~~ NWH employees will integrate to the UW on January 1, 2020 at the same step that they are on as of December 31, 2019.

G. The University will complete a Temporary Employment Form (TEF) for each per-diem position beginning with the University on January 1, 2020. The University will evaluate the anticipated work for each per-diem position and if it meets the eligibility requirements for retirement and/or insurance, eligibility will begin on January 1, 2020.

H. Permanent employees with an active appointment at UWMC-Montlake and in pay status during the pay period in which the contract is ratified through November 1, 2020, shall receive a single retention/rollover one time lump sum payment of eight hundred dollars (\$800) to each employee with above a .6 FTE as of November 1, 2020.

I. Permanent employees with an active appointment at UWMC-Montlake and in pay status during the pay period in which the contract is ratified November 1, 2020, shall receive a single retention/rollover one time lump sum payment of four hundred dollars (\$400) to each employee with a .6 FTE and below as of November 1, 2020.

SHA
SC

J. Permanent employees with an active appointment at UWMC-NWH and in pay status during the pay period in which the contract is ratified through November 1, 2020, shall receive a single retention/rollover one time lump sum payment of eight hundred dollars (\$800) to each employee with above a .6 FTE as of November 1, 2020.

K. Permanent employees with an active appointment at UWMC-NWH and in pay status during the pay period in which the contract is ratified through November 1, 2020, shall receive a single retention/rollover one time lump sum payment of four hundred dollars (\$400) to each employee with a .6 FTE and below as of November 1, 2020.

L. The lump sum payments described above will be paid by the Employer on November 25, 2020. The lump amount is income subject to applicable withholdings.

M. Provisions H-L above are not applicable to Per Diems or Reserve Nurses.

G.N. The parties agree that all Reserve nurses employed by NWH as of the effective date of this agreement shall be included in the NWH bargaining unit and covered by the renewed NWH-WSNA collective bargaining agreement.

H.O. Per Diem nurses that begin employment at the NWH campus on or after January 1, 2020 will become part of the NWH Bargaining Unit using the same factors that determine when per diem nurses become included in the UWMC-WSNA collective bargaining agreement. UWMC Per Diem nurses shall continue to receive a 6% recruitment and retention hourly (RRH) premium. Starting January 1, 2020, NWH Reserve Nurses shall receive the same 6% premium. All other provisions applicable to Per Diem nurses at UWMC and Reserve nurses at NWH are set forth in their respective collective bargaining agreements with the terms for UWMC Per Diems set forth in attachment B to this Agreement. Effective January 1, 2020, Article 4.7 of the WSNA-NWH collective bargaining agreement shall be modified to reflect the changes set forth in this agreement.

P. Except as provided below, UWMC Per Diem nurses and NWH Reserve Nurses who are employed at either or both facilities as of December 31, 2019 shall not be terminated except for just cause. Newly hired UWMC Per Diem nurses and NWH Reserve Nurses who are employed at either or both facilities on January 1, 2020 or later, must work a cumulative 1,872 nonovertime hours or more from their date of hire in continuous employment with the University in UWMC Per Diem and NWH Reserve Nurse job profiles shall not be terminated except for just cause. The parties agree to adhere to the grievance process as outlined in Article 19 of the UWMC WSNA CBA and Article 16 of the NWH WSNA CBA. If an employee is not meeting performance expectations, they will be given an action plan outlining the identified issues. The parties agree to start at Step Two for terminations.

I.Q. Notwithstanding the above, if an NWH Reserve or UWMC Per Diems nurse fails to provide dates to be scheduled as required by the applicable agreement, or to any lesser extent required by their unit, they shall be subject to a written warning. If they thereafter fail to provide dates on a second occasion within a rolling year, their appointment may be ended. Appointments may also end due to a lack of work.

J.R. The parties agree that effective January 1, 2020, employees in the NWH Bargaining Unit and covered under the NWH-WSNA collective bargaining agreement will become employees of UW.

K.S. On the Effective Date, Employees in the NWH Bargaining Unit will be included in the same Public Employees Benefit Board authorized state-employee benefits and the same wellness plans as employees at UW Medical Center in analogous employee types. UW has provided the WSNA with information about the relevant plans. Employees will no longer receive a premium or credit for waiving any elements of coverage.

L.T. On the Effective Date, Employees in the NWH Bargaining Unit will be included in the same retirement plans as employees at UW Medical Center in analogous employee types. UW has provided the WSNA with information about the relevant plans.

M.U. Commencing with the Effective Date, Article 2 in the Pre-existing NWH CBA will be applied in a manner consistent with law applicable to UW employees.

N.V. The following provisions of the Pre-existing NWH CBA shall no longer be followed after the Effective Date:

Pre-existing CBA Provisions
Article 8.4, Wage Premium in Lieu of Benefits
Article 12, Medical and Insurance Benefits
MOU re 2017-2019 Medical Plans

O.W. Commencing with the Effective Date, the Holidays, Paid Annual Leave and Sick Leave provisions contained in Attachment A shall apply to employees in the NWH Bargaining Unit in the same manner as they apply to analogous Registered Nurses at UW Medical Center - Montlake. Attachment A mirrors the Holiday and Vacation and Sick Leave provisions in the collective bargaining agreement between UW and WSNA for Registered Nurses at UW Medical Center.

The following provisions of the Pre-existing NWH CBA shall no longer be followed after the Effective Date:

Pre-existing CBA Provisions
Article 10, Annual Leave
Article 11, Sick Leave

Those NWH employees whose annual leave banks exceed the cap on annual leave/vacation hours provided for in Article 12.4 of the UWMC-WSNA Agreement when they become UW employees on January 1, 2020, shall be permitted to keep and utilize the excess in these banks until June 1, 2021.

~~P.X.~~ **WSNA Annual Leave Buy Back for Employees at NWH**

Employees covered by the WSNA CBA at NWH may elect to receive a payout for Annual Leave.

↓ WSNA PC KA

Eligibility:

- NWH employees covered by the WSNA CBA
- Annual leave bank exceeds 250 hours between September 1, 2019 and November 29, 2019

Guidelines:

- Cash out requests must be received in the NWH HR office between September 1, 2019 and November 15, 2019. Forms to request the cash out will be available by August 15, 2019.
- Cash out value is calculated at 75% of regular base pay.
- Required remaining minimum balance: After cash out, an employee must have at least 240-200 AL hours remaining.
- Minimum number of hours an employee can elect to cash out is 10 hours of AL.
- Maximum number of hours an employee can elect to cash out is 240-280 hours of AL.
- Any payments will be made by December 27, 2019.

~~Q.Y.~~ **Annual Leave Accrual Increase** – The following chart will be effective January 1, 2020 for UWMC and NWH WSNA bargaining unit members:

1st year	12 days
2nd year	13 days
3rd year	14 days
4th year	15 days
5th year	15 days
6th year	16 days
7th year	16 days

8th year	17 days
9th year	17 days
10th year	18 days
11th year	18 days
12th year	20 days
13th year	20 days
14th year	20 days
15th year	21 days
16th year	22 days

R.Z. UWMC WSNA sick time off (aka sick leave) can be used for the illness, injury, and medical appointments of the individual employee and their family member, and for other reasons as outlined in the current CBA. It can also be placed into a VEBA Health Reimbursement account at 25 percent of the cash value at retirement or paid at 25% of the cash value as part of the Annual Attendance Incentive Program (RCW 41.04.340) if certain conditions are met.

NWH WSNA sick leave can be used when the employee is sick or under various other circumstances. However, it cannot be cashed out at retirement or as part of an annual incentive program.

We propose that NWH WSNA nurses accrue UW Sick Time Off beginning January 1, 2020 in the same way and rate that UWMC WSNA RNs do with all the same rules and benefits. Because NWH WSNA sick leave is different than UWMC WSNA sick time off, we propose to convert NWH WSNA sick leave on a 1 to 1 basis in a new leave plan named Northwest Hospital Carryover. The only difference between NWH Carryover and UW Sick Time Off is that NWH Carryover cannot be cashed out at retirement, will not be considered in the Annual Attendance Incentive Program, does not transfer outside of any NWH/UWMC WSNA covered positions and will not transfer if the employee takes a job with another state agency. Employees who have this leave will be encouraged to use it to cover absences when appropriate before using UW Sick Time Off.

S.AA. Retirement Transition for WSNA members at NWH

On the last paycheck of December, 2019, NWH will pay a lump sum, taxable amount to each Full-Time and Part-Time bargaining unit Nurse who meets all of the following criteria:

- (i) The Nurse must be an NWH employee ~~in good standing~~ as of the date of payment; and
- (ii) The Nurse will be at least age ~~61~~ **60** on January 1, 2020; and
- (iii) The Nurse will have 15 years or greater continuous/unbroken **years of service at** Northwest Hospital & Medical Center, ~~401(k) Profit Sharing Plan and Northwest Hospital AND/OR Medical Center 403(b) Retirement Plan; and~~
- (iv) The Nurse must be actively contributing to the NWH Retirement Plan as of the February 22, 2019 paycheck; and
- (v) By December 1, 2019, the Nurse must have committed, on a form acceptable to NWH, to continuing to work at Northwest Hospital after transitioning to UW employment.

The lump sum payment shall be equal to two (2) times the amount NWH contributed to the NWH Retirement Plan on behalf of the Nurse for the calendar year 2018.

T.BB. It is recognized that, after the Effective Date, no individual UW Employee may have a paid FTE greater than 1.0 when all assignments at the University of Washington (including the Northwest campus) are aggregated. UW will work with employees who will be affected by this restriction to determine their preferences and minimize any effect on their employment.

U.CC. Commencing with the Effective Date, Employees in the NWH Bargaining Unit will be paid on a semi-monthly schedule in accordance with UW's customary payroll practices.

V.DD. UW's workers' compensation program is insured through the State of Washington. On the Effective Date, when NWH Bargaining Unit employees transition to UW employment, they will become covered by UW's program for work-related injuries or illnesses that occur while employed by UW and will cease to be covered by NWH's self-insured program.

UNIVERSITY OF WASHINGTON

By: Kristi Aravena 3/25/2019

UNIVERSITY OF WASHINGTON MEDICAL CENTER - MONTLAKE

By: _____

NORTHWEST HOSPITAL AND MEDICAL CENTER

By: _____

WASHINGTON STATE NURSES ASSOCIATION

By: [Signature] 3-25-2019