

Letter of Agreement

As a result of the 2005 National Agreement between Kaiser Permanente and the Kaiser Permanente Coalition of Unions, the parties subsequently discovered a difference in their understanding of the disability benefit provisions for employees represented by Service Employees International Union, Local 49; Oregon Federation of Nurses and Health Professionals, AFT Healthcare, Local 5017; Oregon Nurses Association, and United Food and Commercial Workers, Local 555 (if enrolled in the Kaiser Permanente Disability plan) in the Northwest Region. The parties agreed to meet to problem-solve the difference in understanding, and entered into the following agreement:

As of 1/1/07, the following disability plan provisions took effect as an interim solution while the parties continued to meet to problem-solve:

- For benefit eligible employees with two or more years of service, a STD benefit with a 50% of income level (with a \$220.00 weekly benefit maximum) for up to 90 days will be provided.
- For benefit eligible employees with less than two years of service, a STD benefit with a 50% of income level (no maximum) for up to one (1) year will be provided.
- For benefit eligible employees with two or more years of service, a LTD benefit with a 50% of income level (no maximum) for up to five (5) years will be provided after a ninety (90) day wait period.

The current interim plan will remain in effect until 1/1/08.

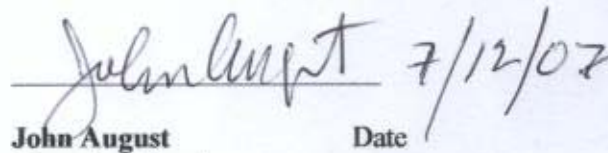
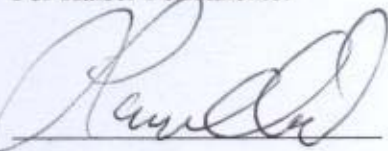
As of 1/1/08, the disability benefits and eligibility requirements will be as follows:

- For employees with less than one year of service, no disability plan coverage is provided.
- For employees with one or more years of service, but less than two years of service, a 50% of income (no maximum) STD benefit will be provided for up to 26 weeks.
- For employees with two or more years of service a total of five (5) years of disability insurance is provided as follows: a 50% of income (no maximum) STD benefit will be provided for up to 6 months (26 weeks), and a 50% of income (no maximum) LTD benefit will be provided for up to 4 years and 6 months, with a six months (26 week) waiting period.

The parties further agree this solution is non-precedent setting, and is designed to address this specific problem. The Coalition of Kaiser Permanente Unions will not cite this agreement to advocate improvements or changes of benefits, or any other conditions of employment for any other bargaining unit during the term of the current National Agreement.

For Kaiser Permanente:

For the Coalition:



**Laurence G. O'Neil**      Date  
Senior Vice President  
Human Resources  
Kaiser Foundation Health Plan, Inc.

**John August**      Date  
Executive Director  
Coalition of Kaiser Permanente Unions  
AFL-CIO