



LETTER OF UNDERSTANDING
Between Kaiser Permanente Health Plan of the Northwest and OFNHP

This Letter of Understanding (LOU) is to confirm the joint understanding between Kaiser Foundation Health Plan of the Northwest and Oregon Federation of Nurses and Health Professionals regarding holiday and consecutive day pay as outlined in the Technical Employee's contract between the parties. This agreement is to clarify the interpretation of the contract regarding pay due as overtime and consecutive day pay for paid holidays, holidays not worked and consecutive days worked in an effort to avoid future underpayment of employees, potential grievances and associated fees for labor and attorneys due to language confusion.

On a precedent setting basis, from the effective date of this LOU, the parties hereby agree on the intent of the following language as specified below:

Pg. 53, Article 16-C. 1.

"Paid holidays shall count toward forty (40) hours in the work week for the purpose of computing overtime, and holidays shall count toward the consecutive day pay."

Pg. 18, Article 5-E. 3. b.

"All hours worked on the sixth (6th) consecutive day shall be paid at the rate of one and one-half (1-1/2) BHR and all hours worked on the seventh (7th) consecutive day of work shall be paid at double (2) the BHR, except when there is a change of schedule agreed upon by the employee and Employer. All hours worked on additional consecutive days will be paid at double time BHR including any differential."

The parties agree that the above language means that holidays, either worked or not worked, are counted as days worked for computing both weekly overtime and consecutive day pay. Consecutive day pay means days in succession without regard to the parameters that define the work week or pay period, and for the purpose of computing overtime, those days shall be paid as outlined above.

This LOU is effective upon signing.

Susan J. Hron Date: 5/19/10
Senior HR/ Labor Consultant
Kaiser Permanente

Richard Kuplinski,
OFNHP, Deputy Director
Organization and Field Services

Date: _____

Mary Elizabeth Harper Date: 05/19/2010
Senior Labor Relations Consultant
Kaiser Permanente

Gary Stevenson Date: 6/9/10
OFNHP, Co-Administrator

Date: _____

Mark Richard
OFNHP, Administrator