

Frequently Asked Questions Regarding the Enhanced Severance Offering

ADDITIONS AND CHANGES ARE UNDERLINED BELOW.

New Questions as of 2/26/2019

Are spouses and dependents covered by the severance healthcare benefits?

- So long as they are covered at the time of resignation, they would remain covered for the year under the severance agreement.

If you take the severance, what is your preference for bidding into an open position in Kaiser in the future?

- You would be considered an outside candidate, and you would be considered after internal candidates along with all other outside candidates.

If you take the severance, are you eligible to get service credit if you were to be awarded a position again at Kaiser as an external candidate?

- You can receive service credit restoration, so long as your time away did not exceed one year.

Questions Prior to 2/19/2019

What are the details of the enhanced severance?

- Eligible employees will receive **one year of pay** from the time of position elimination:
 - On or about April 1st for departments who received notice of job elimination on 2/1 (pharmacy);
 - On or about April 15th for those who received notice of job elimination on 2/15 (most other areas that are experiencing job eliminations).
- Eligible individuals and families will receive health, dental, and vision benefits, through April 30, 2020.

How will the company make payment?

- The company will pay substantially uniform amounts on a bi-weekly schedule for the severance period.

Who is eligible to take the severance?

- Generally, you are only eligible to take the severance if you are in a department in which there are job eliminations.
- It does not apply to you if you are in a department that is going through a reorganization, without job eliminations. Example: your department is merging with another department, but there are no job eliminations.
- Larger departments beyond the affected area will be eligible for the enhanced severance as follows, but it will still be only to the extent of the prescribed total reduction:
 - All of pharmacy;
 - All of the MTs in the lab;
 - OB / GYN South Denver clinics and OB / GYN North Denver Clinics.
- If your department is not eligible for the enhanced severance but has gone through a reorganization, you will be eligible for the contractual severance reflected in article 9, sect. 6 of the professional agreement.

- The list of departments that are eligible and the application are on Local 7's website, Updated Severance Offering and Application Matrix: ufcw7.org/members/healthcare.

How do you indicate an interest in taking the enhanced severance?

- HR will be emailing eligible staff the week of 2/18/2019, and the general release will be tailored specifically for each employee who indicates their desire to take the severance through the acknowledgement form.
- There are two documents that will be required for you to sign to take the severance:
 1. Request for Severance/Termination Acknowledgement, **AND**
 2. The General Release.
- **Request for Severance/Termination Acknowledgement.** You will need to indicate your interest in taking the severance between 2/20/2019 and 3/1/2019 by signing the document:
 - We have a copy on our website: ufcw7.org/members/healthcare.
 - You will send the **signed** Acknowledgement form to the following email address:
 - HRSeverance@KaiserPermanente.onmicrosoft.com or to Human Resources at 2500 S Havana Street, Aurora CO 80014
 - The company will send an individualized email to the applicable staff on Wednesday, February 20, 2019.
 - **VERY IMPORTANT. Once you sign the Acknowledgement form and submit it to the email address you are indicating your intent to sever employment. Once you do this there is no turning back for you, so be certain that you want to end your employment.**
- **General Release.** You will also need to sign a **General Release**. A copy of the general release is on our website. The company will send you an individualized severance after the acknowledgement form is received, including the amount you are paid.

Importantly, even if you sign the acknowledgement form and more senior employees have also signed the acknowledgement form, your resignation will not be accepted if the desired reductions have been achieved by more senior staff.

- Example: department wants to eliminate 1.0 FTE. 2.0 FTEs in the department sign the acknowledgement form and submit. The less senior person's resignation will not be effective, and the employee will not get a severance.

Eligible employees will also have to sign a general release. What does this mean?

- The general release means you are waiving certain rights.
- Sample copies can be found of the general releases on our website; they are not 100% accurate in terms of number of weeks, etc. There is one for those over the age of 40 and another for those under the age of 40. UFCW7.ORG/MEMBERS/HEALTHCARE
- Do not fill out the sample ones on our website. The tailored ones for those who indicate an intent to take the severance through the acknowledgement form will be sent to you individually.
- The release will be delivered to you by March 8th, assuming you sign the acknowledgement form.
- You can consult with an attorney.

What happens if you don't sign the general release?

- If you sign the **acknowledgement form** but don't sign the general release your employment ends, but you do not get the severance.
 - Exception: if the company reaches the prescribed number of reductions through the severance offering with more senior staff members in the eligible departments.
- If you sign the acknowledgement form, you will not have the opportunity to bump other employees or take part in the EISA options, assuming the above exception doesn't apply.

Will employees who take the severance be eligible for re-hire?

- Yes. Employees will be eligible for re-hire.
- If the employee is re-hired within the severance period the employee will forfeit the rest of the severance.
- If the employee is re-hired the employee effectively starts over in terms of seniority.

Will employees receive pension credit for the year if they take the severance?

- No.

What happens if you get other employment during the severance period?

- If you get employment during the severance period you will continue to get the payments owed to you under the severance.
- If you qualify for healthcare insurance through employment or some other way you will need to notify Kaiser, and your insurance benefits will cease under the severance.

Will there be future offerings of the enhanced severance?

- We are working with the company to allow for future offerings of the enhanced severance for those departments that have yet to receive written notification of job eliminations but that have received verbal (a.k.a., soft notification). The departments, e.g., Urgent Care and Emergency Dept, are already aware that there will be job eliminations.
- We are not aware of job eliminations beyond what we have already reported.
- We have no agreement that the company will be offering severance at any future date again for the departments that have already received their official notice of job elimination.

Can an employee continue to contribute to the 403B during the severance period?

- No.

What wage rate will be used to calculate the enhanced severance?

- The applicable wage rate is the rate the employee is getting paid at the time the employee severs employment.