

Frequently Asked Questions re Reductions in Force 3.1.2019

Are there updated seniority lists available?

- We have seniority lists on our website. Updated lists will be posted next week some time.
- You can find the current lists at the following website:
<http://ufcw7.org/members/healthcare/>

What happens if the seniority list looks incorrect?

- Go to My HR and search for **Seniority Date Discrepancy Claim – 4100**.
- Fill out the form and have it submitted according to the instructions.

For those going through the placement and bumping procedure will vacations be honored?

- Local 7 has advocated for all vacations to be honored, and the contract requires good faith efforts by the company to allow vacations to be honored.
- We do not have blanket agreement that all vacations will be honored, but we will to work with you if an issue arises.

Do we know what the open, biddable positions are yet for those who will be displaced?

- We have a limited list of what we know is available now for the Registered Nurses, and there are two BMS positions available in behavioral health.
- Please visit our website in the future to see if such a list is available:
<http://ufcw7.org/members/healthcare/>

Do we know what the transition status positions will be yet?

- We do not know what the transition status positions will be.
- Further, we will not know what open positions will be available until the week of 3/5/2019 as we will then know more about who took severance and what positions will be available.

What are the details of the **enhanced severance plan** (different than contractually negotiated severance) that the union and the company agreed to?

- We have an agreement on the enhanced severance plan, and it is reflected on our website in the FAQs: ufcw7.org/members/healthcare.
- It **will apply** in general to those departments in which staff are being eliminated, and will apply more broadly to pharmacy and the lab given the significant number of cuts to pharmacy and lab proportional to the whole group. There are a couple of other areas where the offering will be broader than just the affected department.
- It will **not apply** to those departments that are simply being reorganized with no job eliminations. In general, the company is not willing to provide severance to staff for positions that they will ultimately need to rehire for.
- This would potentially free up positions for others who are affected by reorganizations and reductions in force.
- Departments that are being reorganized with no job eliminations will still have the opportunity to take *the severance outlined in the labor contract*, which is not the enhanced severance. Read further below for the contractual severance amount.
- More information can be found on our website including frequently asked questions about the enhanced severance.

Are positions being held so that those who are displaced have a better chance of securing a position?

- If you see positions posted and are interested in those positions apply for those positions.
- We have open positions that we are aware of on our website.
- The company is scrutinizing budgeted FTE in all areas, and the company has agreed to hold approved positions when they become available, with some exceptions. We do not know what positions will ultimately be approved, but we have a partial list available on the website. The only exceptions we are aware of at this time are some of the RN roles in KASC, because the company needed to hire up staff to increase the number surgeries performed in house rather than an outside entity, and a special process for pharmacists in charge, because we sought to lessen the impact of the deep cuts in the pharmacy.
- Exceptions to held positions:
 - Pharmacist utilization management position.
 - Pharmacist in Charge Positions.
 - Some KASC positions.

If you bid on an open position and have received notice do you have super-seniority?

- Yes. Your super-seniority starts at the time you receive notice and will proceed for a year from the time you are eliminated from your job.

Will there be more job eliminations that have yet to be announced?

- We do not know if there will be additional job eliminations.
- We will keep you posted on information that we have when we get it.

What is the timeline for more information to become available?

- The union and the company continue to meet and talk through issues.
- We have meetings scheduled with pharmacy management through the end of February.
- We will work throughout the coming weeks to address questions in all other areas as well.
- We don't believe we will have the comprehensive information our members seek for several weeks.

Are there updated seniority lists available?

- Yes. You can find them at the following website: <http://ufcw7.org/members/healthcare/>

What happens if the seniority list looks incorrect?

- Please notify your manager and nbernstein@ufcw7.com

What happens if an employee does not have a permanent position to go into through the Employment and Income Security Agreement?

- The employer is still obligated to keep you employed even if they don't have a position for you to go into.

What will happen if the company intends to eliminate positions and the intended reduction results in a person's current FTE amount being affected? Example: company wishes to reduce a department by 1.6 FTE and the two least senior people are 1.0 FTEs.

- We are aware of this issue and are working with the company to work to resolve these types of scenarios. We do not have an agreement in place at this time.

How will short-hour and on-calls be affected by the changes?

- We do not know what the impact will be at this time to short-hours and on-calls. It will likely be a case-specific, department-specific determination.

- However, short-hours and on-calls are, according to the labor contract, considered lowest senior and would theoretically be eliminated first.

What is considered a comparable position when an employee is placed?

- There are several factors that are considered to determine whether a placement is considered comparable under EISA. Those factors are as follows:
 - Comparable number of hours of previously scheduled weekly hours
 - Comparable classification, if possible
 - Placement at a facility within a reasonable geographic area of the previous facility or an employee's residence
 - Comparable rate of pay (Same)
 - Comparable shift (Day, Evening, or Night. Specific shift hours may vary.)
- We will continue to work toward resolution with management on particular cases.

What happens if there are an insufficient number of positions for staff to go into?

- The company is required to keep you employed under our current agreements.
- We do not know what each individual's assignment will be, but the company has stated its intent to honor its agreements to keep people employed for at least one year from the time the current job is eliminated (i.e., a year from April 2019).

Does the union agree to all of the changes the company is making?

- The union agrees that the company has been on the wrong course in the last several years, and that there are too many layers of management and too much bureaucracy.
- The union disagrees with some of the changes, especially those that are contract violations or where the changes will gut staffing in departments. We will file grievances and follow other dispute procedures to address contract violations and safety issues. See below.

What's the difference between reductions and layoffs?

- Reductions in force and department reorganizations may result in employees no longer keeping their current jobs. They will still be employed but might be asked to work elsewhere.
- Layoffs result in the loss of employment. In 2018 negotiations, the Unions were successful in securing language that ensures our members will not be laid off through the end of 2019. You can see the signed agreement here: <http://ufcw7.org/files/2018/12/Side-Letter-re-No-Layoffs-No-Benefit-Changes-NEO.pdf>

Does the company intend to honor its commitment to not lay Local 7 members off?

- We have reviewed the no-layoff language with company representatives, and they have acknowledged and expressed their intent to follow this language.
- Furthermore, we have the employment and income security agreement, which puts some additional obligations on KP. The agreement can be found here: <https://www.lmpartnership.org/employment-income-security-agreement>

What rights do I have if I am an affected employee under the contract and other labor agreements?

- Employees in affected departments **may** volunteer by seniority to leave the department and bid on open positions;
- Employees in seniority order **may** choose to take severance as outlined in the contract to achieve the prescribed reductions (further details in a different section below);

- If no senior employees wish to take above options, the least senior employee in the affected department may select from open positions in the region to be placed in those positions; these employees have super-seniority for one year;
- If no senior employees wish to take above options, the least senior employee in the affected department may bump the least senior employee in the facility; if no less senior employees in the building exist the employee may bump the least senior employee in the region. The employee CANNOT simply bump a less senior employee of their choosing.
- We are working with the company to map out the specific process for affected employees in affected departments.
- We will probably not have more specific information until we speak directly to your department.

How do you know if you are an affected employee?

- The company will likely send out notification letters to affected employees in the next month or so.
- Additional notifications will go out on 2/15/2019, and the affected departments are aware of it.

Do reductions happen by seniority?

- Reductions in force generally affect the least senior employees in the affected departments. See above.
- Reductions are not determined based on the 'performance' of employees.

What's the timeline for all of these changes?

- The timelines vary a bit depending on the departments.
- The company is generally required to provide 60-day notice to the union, and then the company is required to provide an additional 60-day notice to affected employees. The Union and the company may not agree on the timelines at this point.
- More specific information will be provided to you once we know.

How does super-seniority work?

- Super-seniority refers to the preferential bidding rights of employees that are affected by reductions in force including reorganizations.
- Super-senior bidders are considered more senior than those who do not have super-seniority.
- Employees maintain super-seniority from the time they are removed from the current role for a period of one year.

What is the contractual severance amount?

- The union contract states that staff in affected departments may leave KP employment and receive a severance, equaling one week of pay and healthcare benefits for every year of service, to a maximum of 26 weeks and a minimum of 4 weeks.
- Severance is generally considered as an alternate to displacement (bumping) and/or requiring employees to bid out to achieve the prescribed reductions.

Can we guarantee that employees will maintain their FTE if an employee is being moved?

- We cannot guarantee you will retain your current FTE if you are moved out of your current role.
- We advocate for staff to maintain their current FTE when they transition into a new role.

- Sometimes the parties reach agreement on this, other times not.

What should I do if I think the reductions create a contract violation or patient or worker safety issue?

- If you believe the changes will result in a ***patient or worker safety issue*** or will result in the degradation of the quality of care, you will want to report that issue through SafetyConnect and to your management group. You may also provide the Union with details on this as well, so long as you do not provide protected health information.
- If you believe the reduction creates a contract violation, like shifting work from Local 7 members to those not covered by Local 7, you will want to report that issue to Nate Bernstein, nbernstein@ufcw7.com.