

MEMORANDUM OF UNDERSTANDING

BETWEEN

HEALTH PLAN OF SAN JOAQUIN

AND

**SERVICE EMPLOYEES INTERNATIONAL UNION
(SEIU) LOCAL 1021**

Health Plan 

of San Joaquin



October 10, 2022 through June 30, 2025

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Preamble

This Memorandum of Understanding (MOU) is made by and between the Health Plan of San Joaquin (HPSJ), and the General Employees Representation Unit of the Service Employees International Union, Local 1021 (Union and SEIU). This MOU was reached pursuant to, and in accordance with the provisions of California Government Code Section 3500 et seq., for the purpose of establishing the wages, hours and terms and condition of employment for employees within the General Employees Representation Unit represented by SEIU.

Article 1 - Recognition

SEIU Local 1021 (SEIU) is recognized by the Health Plan of San Joaquin (HPSJ) as the exclusive representative for classifications listed in Appendix A.

Article 2 - Union Rights

2.1. Representation

SEIU represents employees in meet and confers regarding matters within the scope of representation.

2.2. Advance Notice

Except in cases of emergency, HPSJ will provide notice to SEIU regarding changes in resolutions, policy, or any other matter that falls within the scope of representation under the Meyers-Millias-Brown Act (MMBA). SEIU will have fourteen (14) calendar days after notification to request a meet and confer. If SEIU fails to respond within the fourteen-day period, then SEIU has waived their right to meet and confer. Matters that are mandatory subjects of bargaining may not be implemented until the meet and confer process is complete.

2.3. Representatives – Meeting Attendance

SEIU may have a reasonable number of employees serving as official union representatives released from work without loss of compensation when meeting with HPSJ. SEIU must submit a request for such release to the Director of Labor Relations, and include the employee's name and department. The use of release time shall not be excessive, nor shall it unreasonably interfere with the performance of HPSJ services as determined by HPSJ. The reasonableness of the number of such employees shall be the subject of negotiation.

2.4. Representatives Access to Employees

SEIU Field Representatives will be allowed reasonable access to employees in permitted work areas during work hours for the purpose of discussing matters within the scope of representation, including but not limited to the processing of grievances and complaints and distributing materials and information provided that the work of the employee and the

service to the public are not unduly impaired. The SEIU Field Representative shall give advance notice of at least thirty (30) minutes to the Director of Labor Relations for access purposes pursuant to this paragraph when contacting departmental employees during their duty period.

SEIU campaigning, solicitation for membership, or other Union business shall be conducted only in non-work areas and during the non-duty hours of all employees concerned. Due to Protected Health Information (PHI) in the workplace, non-work areas shall be defined as community meeting rooms and/or conference rooms with external egress and restricted access to work areas. Other conference rooms and break rooms can be made available with prior notice and pre-arranged escort. Non-duty time shall be defined as before or after a scheduled work day or during meal time or rest periods.

HPSJ will provide SEIU a current list of all employees and separations in the bargaining unit on a monthly basis. To the extent the information is available on file, the list will include the name, date of hire, position, work status, work location, home address, personal cell phone, and personal email address. This list will be sent to data@seiu1021.org and the SEIU Field Representative.

2.5. Shop Stewards

SEIU shall designate Shop Stewards, and shall provide the name of the designated Shop Stewards to HPSJ annually on January 1, and whenever there is a change of Shop Stewards. The list must show the employee's name and classification. Shop Stewards employed by HPSJ may assist employees in resolving grievances informally, provided that meetings and discussions with employees take place during the employee's non-duty time. Shop Stewards may also assist with formal grievances and may be present during "right to representation" discussions. The right to representation is established by the Supreme Court's 1975 Weingarten decision. Once it is determined that a right to representation exists, shop stewards may then represent employees for preparing and representing an employee in Weingarten meetings. Preparation meetings shall occur during the employee's non-duty time.

2.6. No Loss of Pay

HPSJ will allow an employee and/or their Union Shop Steward reasonable time without loss of pay or benefits in order to deliver a grievance to the department or to attend a grievance hearing during normal working hours. Only one Shop Steward may receive release time in connection with the processing of any grievance. Shop Stewards should request release time one week in advance no later than the day before a scheduled meeting or as soon as practicable. HPSJ will not unreasonably deny release time requests.

2.7. SEIU Release Time

Employees receive paid release time to perform union business during their work hours. Employees may use up to one hundred (100) hours of paid release time per calendar year. SEIU will reimburse HPSJ for all costs associated with the use of release time within

thirty (30) calendar days. Reimbursement may be paid in cash or by any other method the Chief People Officer or designee agrees to accept.

2.8. SEIU Officer Release Time

Employees elected as SEIU officers must notify the Human Resources department at the time of election.

Employees elected as SEIU officers may request paid release time to attend mandatory meetings for SEIU. Release time counts towards hours worked. Employees may use up to ninety-six (96) hours of release time per calendar year. HPSJ may deny requests for release time based on the operational needs of the employee's department. SEIU will reimburse HPSJ for all costs associated with the use of release time within thirty (30) calendar days. Reimbursement may be paid in cash or by any other method the Chief People Officer or designee agrees to accept.

2.9. HPSJ Facilities Use

a. HPSJ Buildings

SEIU shall be granted access to meeting rooms, per prior arrangement with an approval by HPSJ's designated representative, and in accordance with section 2.4 above in order to meet with HPSJ employees provided space can be made available without interfering with agency needs. Employees may attend such meetings during non-duty time as defined in section 2.4 above.

b. Bulletin Boards

HPSJ shall designate bulletin boards for Union uses under the following conditions:

- Material shall be posted on space as designated.
- Posted material shall bear the name of the Union.
- Posted material shall not be misleading, contain any deliberate misstatements or violate any Federal, State or County laws.
- If posted material is perceived as libelous or slanderous, a meeting will be called with SEIU 1021 within five (5) calendar days of posting to discuss the material.
- Material shall be neatly displayed and shall be removed when no longer timely.
- Only designated SEIU representatives shall remove or post bulletins.

Article 3 - Employee Rights

Employees shall have the following rights:

- a. The right to be free from interference, intimidation, restraint, coercion,

discrimination, or reprisal on the part of HPSJ, HPSJ employees, SEIU, or other employee organizations, with respect to their membership or non-membership in any employee organization or with respect to any lawful activity.

- b. The right to refuse to join or participate in the activities of any employee organization.
- c. The right to representation during an investigatory or disciplinary interview, consistent with the Supreme Court's 1975 *Weingarten* decision.

3.1. Non-Discrimination

HPSJ affords equal employment opportunity for all qualified employees and applicants as to all terms of employment, including compensation, hiring, training, promotion, transfer, discipline and termination. HPSJ prohibits discrimination based on color, race, gender (including gender identity and gender expression), religion (including religious creed, dress and grooming practices), sex (including pregnancy, childbirth, breastfeeding or related medication condition), sexual orientation, marital status, registered domestic partner status, age (40 and over), national origin (including language use) or ancestry, physical or mental disability, medical condition (including cancer and genetics characteristics), genetic information, military or veteran status, political affiliation, union membership, or any other basis protected by law. It also prohibits harassment based on the perception that anyone has these characteristics, or is associated with anyone who has or is perceived to have these characteristics.

Harassment is defined as, but not limited to: behavior that intimidates, threatens, degrades, torments or places demands upon another, based on one of the protected categories listed in the above paragraph, to the extent that the conduct unreasonably interferes with an employee's work performance or creates an intimidating, hostile, or offensive work environment.

Examples of harassment include, but are not limited to:

- Verbal conduct such as ethnic or racial slurs, epithets, derogatory or insulting comments,
- Taunting heckling, unwanted sexual advances or comments, racial or sexual jokes;
- Physical conduct including assault unwanted touching, intentionally blocking normal movement or interfering with work;
- Visual displays such as derogatory or sexually oriented posters, photographs, letters or other writings, cartoons, drawings or gestures;
- Threats and demands to submit to sexual requests as a condition of continued employment, or to avoid some other loss and offered of employment benefits in return for sexual favors; or

- Retaliating for reporting or threatening or to report harassment; and Communication via electronic media of any type that includes prohibited harassing conduct.

Harassment is cause for disciplinary action.

HPSJ shall comply with the provisions of the Americans with Disabilities Act (ADA) and the Department of Fair Employment and Housing Act (DFEHA). Individuals requesting reasonable accommodation shall follow the Accommodation Policy and Procedure. The appropriate staff will engage in the interactive process.

Article 4 - Management Rights

SEIU recognizes that the right to operate and manage the business and the affairs of the HPSJ, the right to select and direct the working forces and the right to control and direct the use of its equipment, facilities and properties are vested exclusively in HPSJ. These rights include, the right of control, determine and change the manner and the extent to which HPSJ's equipment, facilities and properties shall be operated, increased, discontinued, decreased or located, and to introduce, operate and change new or improved methods, facilities, techniques and processes; to control, and determine and change operations, shifts, experimental, distribution, overtime, training and working assignments and schedules; to select, test, train and determine the ability and qualifications of the employees; to employ, assign, promote, discipline, discharge, lay off, transfer and to determine and make changes in job contents and standards and the size and composition of the work force; to establish, modify and enforce rules of employee conduct and manuals of operating procedures and to control, direct and change facilities and services on HPSJ premises for the use or benefit of the employees; to determine, control and change the methods and sources of the sale and distribution of its products and services and to obtain from any source and to contract and subcontract for equipment, materials, services and supplies; to maintain discipline and order and to maintain or improve efficiency within its operations and all other rights pertaining to the operation, the management of the business and the affairs of HPSJ and the establishment provided, however, that none of these rights shall be exercised by HPSJ contrary to any specific provision of this MOU.

Article 5 - Employee Status

5.1. Regular Full-Time

Employees who have successfully completed the probationary period and are scheduled to work 30 to 40 hours per week.

5.2. Regular Part-Time, With Benefits

Employees who have successfully completed the probationary period and are scheduled to work twenty (20) to thirty (30) hours per week.

5.3. Regular Part-Time, With Limited Benefits

Employees who have successfully completed the probationary period and are scheduled to work less than twenty (20) hours per week.

5.4. Regular Full Time, Salaried Non – Exempt

Employees who receive a salary for a regular forty (40) hour work week and is also paid over time for any hours worked over forty (40) hours in a work week, or eight (8) hours in a day, unless the employee has been approved for an alternative work schedule.

5.5. Temporary

Temporary employees may work a full-time or part-time schedule which should not exceed ninety (90) consecutive days. If employees are hired after the 90th day, they will be converted to full-time or part-time employees credited with ninety (90) days towards the completion of their probationary period.

Article 6 - Training and Education

6.1. Mandatory Training

HPSJ will pay training costs and time off for company-wide training that is required by HPSJ.

6.2. Training and Education Required to Maintain Licensure or Certification

Employees are responsible for paying the costs of training and education required to maintain licensure or certifications. Employees may use PTO to meet requirements for licensure or certifications. Time off must be approved by the employee's supervisor in advance.

6.3. Other Training and Education

- a. Development Training and Education - HPSJ will pay training costs and time off for approved training and education that is part of a documented development plan.
- b. Training and Education Required for Current Job - HPSJ will pay training costs and time off for training and education that is required for an employee's current job. This includes training and education to stay current on industry standards and practices.

6.4. Tuition Reimbursements

Approved degree or certification programs - \$2500 for full-time and \$1,650 for part-time employees per fiscal year

Approved courses (not part of a degree or certification program) \$500 per fiscal year.

Article 7 - Days and Hours of Work

7.1. Work Week

The workweek is forty (40) hours per week from Monday at 12:00 am to Sunday at 11:59 pm. The normal schedule is eight (8) hours per day, for five (5) consecutive days per week.

7.2. Work Site Closure

If the CEO or designee closes a work site because it is unsafe or because work operations cannot be carried out, employees who are sent home shall receive regular pay for the remainder of the scheduled work day.

7.3. Salaried Non Exempt

Salaried non-exempt employees will follow all overtime rules within this section. Salaried nonexempt employees will be required to track any hours worked over forty (40) hours in a workweek or eight (8) hours in a day unless on an alternative work schedule, shall be counted as overtime pay.

7.4. Rest Periods

Employees are entitled to one (1) rest period not exceeding fifteen (15) minutes, for each four (4) hours worked. Rest periods are to be taken by the fifth (5th) hour of the employee's work day. Time allowed for rest periods may not be accumulated from one half of the workday to another, nor may rest periods be used to alter an employee's normal work hours and meal periods.

7.5. Meals

Employees who work more than five (5) hours in a day will receive at least a thirty (30) minute unpaid meal break. If the workday is six (6) hours or less, the employee may request in writing from their supervisor that the meal break be waived. Meal breaks must be taken as scheduled prior to the sixth (6th) hour of work.

Employees may work through their meal breaks with approval of their supervisor.

Employees who feel they cannot take their rest and meal breaks must notify their supervisor.

7.6. Alternative Work Schedules

4/10 – Four (4) ten (10) hour work days per week.

9/80 – Four (4) nine (9) hour work days and one (1) four (4) hour work day per week.

7.7. Reassignment

Involuntary reassignment of an employee will be done in the inverse seniority of the qualified employees.

Article 8 - Wages

8.1. Salary Increases

Effective October 10, 2022, all employees shall receive a salary increase of five percent (5.0%). The salary ranges will be increased by five percent (5.0%).

8.2. Salary Structure

The salary structure is a series of salary grades into which each job is assigned. Each grade has a minimum, midpoint, and maximum.

An employee's placement within the salary grade is based on performance and experience relative to job requirements.

8.3. Definitions

a. Salary Grade

A salary grade is a range of base salary for jobs that are in that grade. Multiple jobs can be in a single salary grade because those jobs are substantially similar, as determined by external and internal value. The jobs in a salary grade are treated alike for salary administration purposes, even though the individuals in those jobs may earn different salaries.

b. Range Minimum

The salary range minimum represents the lowest salary for a job in the grade. Typically, employees who meet the qualifications with beginning skill level for a job are paid at the range minimum.

c. Range Midpoint

The salary range midpoint falls halfway between the salary range minimum and maximum. The salary range midpoint approximates the median salary paid in the labor market for the jobs assigned to the grade.

d. Range Maximum

The salary range maximum represents the highest salary for a job in the grade. Typically, employees with significant experience and sustained above average performance are paid between the midpoint and maximum of the range.

8.4. Merit Increase

a. Annual Merit Increase

Merit increases are considered in conjunction with an employee's one-year employment anniversary, and during the annual performance review process in the fall of each year.

HPSJ may provide merit increases when the organization has the financial ability to pay. The amount of the increases may be available based on performance and benchmark salary range data analysis.

Merit increases will be provided when HPSJ is meeting the minimum state requirement for no reporting to the state of the Tangible Net Equity (TNE) plus seventy percent (70.0%) and the annual projections of the net income are met. If HPSJ does not have a negative income for the past fiscal year, employees would be eligible for an increase based on meeting individual performance standards:

- 0% Unsatisfactory
- 3% Satisfactory
- 5% Exceeds Expectations

b. Equity Adjustments

HPSJ may adjust an employee's salary if it determines that the employee's salary is not consistent with internal or external equity.

c. Red Circle Salary

An employee's salary may be above the maximum of the salary range if the employee's job is assigned to a lower salary grade, or for other reasons. An employee whose salary is above the maximum of the salary range for their job is designated as "Red Circled." An employee whose salary is red circled is not eligible for a salary increase until their salary falls below the maximum of the salary range. An employee within a Red Circled salary shall not receive a deduction in their salary range.

d. Green Circle Salary

An employee's salary may fall below the minimum of the salary range if the employee's job is assigned to a higher salary grade, if the salary structure is adjusted upward, or for other reasons. An employee whose salary is below the minimum of the salary range for their job is designated as "Green Circled." An employee whose salary is green circled, and whose performance is at or above expectations, may be reviewed for a salary increase.

8.5. Red Circling

Employees who are red-circled in 2022, 2023, or 2024 shall receive a one-time cash

payment equal to the dollar amount that exceeds the top of the employee's salary grade in that year, due to being red-circled to a maximum of three percent (3.0%).

8.6. Overtime

Employees on the 5/8 work schedule who work in excess of eight (8) hours in a day or forty (40) hours in a week will receive overtime at time and one half their regular rate of pay. These employees will receive double time for all hours worked in excess of twelve (12) hours in a day. Employees on the 4/10 work schedule who work in excess of ten (10) hours in a day or forty (40) hours in a week will receive overtime at time and one half their regular rate of pay. These employees will receive double time for all hours worked in excess of twelve (12) hours in a day. Overtime must be approved in advance by the employee's direct supervisor. Mandatory overtime is a condition of employment and when required, the CEO or designee will give reasonable advance notice.

8.7. Corporate Objective Incentive Program

If unrepresented HPSJ employees receive a bonus from the HPSJ Corporate Objective Incentive Program, in 2022, 2023, or 2024, employees will receive a \$1,500.00 one-time lump sum cash payment for the corresponding year. These one-time payments will occur on the first pay period after any HPSJ unrepresented employees have received their Corporate Objective Incentive Program payment.

Article 9 - Other Pays

9.1. Bilingual Pay

Employees who are routinely and consistently required to speak an approved language (other than English) will receive bilingual pay in the amount of four percent (4.0%) of their base rate of pay for hours worked.

9.2. Call-Back Pay

A call-back occurs when HPSJ calls an employee back to work after an unpaid break during the same work day or on the employee's scheduled day off.

The amount of call-back pay is dependent upon how many hours the employee is scheduled to work during the call-back shift, and includes:

- a. All time spent travelling to the workplace; and
- b. All time from the moment the employee reports to work to the moment they are free to leave, whether the time is spent working or waiting for work.

If an employee requests time off during a workday for personal reasons, the interruption does not count as a call-back.

Call-back pay is calculated at the employee's straight-time rate of pay. An employee who

receives a call-back may also be eligible for overtime pay, a reporting time premium, or a split shift premium.

9.3. Reporting Time Premium

An employee who reports to work and is not provided with work for the full scheduled workday will be paid for all hours worked. In addition, employees will receive amount (a reporting time premium) according to the guidelines below. The amount of reporting time premium paid to an employee depends on the number of hours the employee is scheduled to work and whether the employee is reporting to work on a scheduled workday or on a day off.

An employee reporting to work for the first time on a scheduled workday will be paid for:

- a. At least two (2) hours, if scheduled to work between four (4) hours or less; or
- b. Half the hours scheduled (up to a maximum of four (4) hours), if scheduled to work more than four (4) hours.

An employee reporting to work on a day off, or for the second time on a scheduled workday, will be paid for all hours worked, but not less than two (2) hours.

No reporting time premium will be paid when the employee causes a shortened workday, the lack of work is caused by an event beyond HPSJ's control, or the employee is on controlled standby (as explained below).

- c. Reporting time premiums are calculated at the employee's straight-time rate.
- d. Reporting time premiums are not used in the calculation of overtime.

Employees who are sent home due to lack of work may use accrued PTO to cover the difference between hours worked plus downtime pay, and the number of hours the employee would have worked that day.

9.4. Standby Pay

An employee who is placed on standby will receive twenty percent (20.0%) of their straight time hourly rate while on standby. If required in advance, the employee will be required to remain local and/or be able to respond to HPSJ within thirty (30) minutes of receiving the phone call.

9.5. Work Above Class

The manager, or designee, may temporarily assign any employee to perform duties normally assigned to a classification with a higher salary without changing the salary of such employee provided the temporary assignment does not exceed fifteen (15) work days in a thirty (30) day calendar period. If an employee is assigned to a classification within a higher salary range for more than fifteen (15) days, the employee will be

compensated on the sixteenth (16th) day through the remainder of the temporary assignment at the amount equal to what the employee would receive if promoted to a higher class, or a five percent (5.0%) increase to the employee's base salary if the higher class does not exist. Such assignment must receive approval of the manager or designee. Assignments to cover routine time off or vacations may not be considered as working out of class when doing 'di minimums' duties such as checking email and responding to general day to day questions. The employee must be completing the full functions of the job or performing duties above their salary range at least fifty-one percent (51%) of the time.

9.6. License and Certificate Fees

HPSJ will reimburse renewal fees for licensure for employees who work in positions where licensure is stated in the job description as either required or preferred, provided the employee supplies documentation for reimbursement according to HPSJ procedure.

HPSJ will not reimburse late fees or penalties, fees or penalties associated with disciplinary actions, multiple attempts to renew licensure, or any other fees not associated with license renewal.

9.7. Mileage and Travel Expenses

Employees who attend an approved work function (for example, a conference) away from the regular work site will be paid travel time to and from the work function.

Employees will be paid from the time they leave their house until they reach their destination. HPSJ's obligation to pay travel time ends once the employee reaches their destination.

Employees must take meal and rest breaks, even when travelling, and are expected to keep an accurate account of their time while travelling according to Personnel Policy, Timekeeping.

Travel time is paid at the employee's straight-time rate of pay. Travel time is considered time worked and is included in the calculation of overtime.

Employees will also be paid mileage when using their personal vehicle for work-related travel according to HPSJ's Expense Reimbursement policy.

HPSJ may advance travel pay when requested by an employee.

9.8. In Office Pay

Employees whose assignment requires them to work full-time at HPSJ's offices will receive an additional one dollar (\$1.00) per hour.

Article 10 - Leaves

10.1. Paid Time Off

Beginning on the first pay period, employees earn paid time off (PTO) as services are performed and may use earned, accrued PTO for vacation after completing six (6) months of service. Full-time regular employees accrue PTO bi-weekly as follows:

<u>Years of Service</u>	<u>Approximate Bi-weekly Accrual</u>
One (1) year or less	4.615
More than one (1) year up to five (5) years	6.153
More than five (5) years up to ten (10) years	7.077
More than ten (10) years up to fifteen (15) years	7.692
More than fifteen (15) years up to twenty (20) years	8.615
More than twenty (20) years	9.230

Employees who work less than forty (40) hours per week accrue vacation on a pro-rated basis. Leave without pay or disciplinary suspension shall delay the advancement to the next higher accrual rate.

PTO may be authorized for any of the following reasons:

- a. Vacation;
- b. Illness or injury of the employee;
- c. Medical, dental, or optical care of the employee;
- d. Illness or injury of the employee's immediate family member ("immediate family member" means a person related by blood, marriage, or adoption who is a spouse [including a registered domestic partner], sibling, child [including a foster child, legal ward, or a child to whom the employee stands in loco parentis], parent, grandparent, or grandchild of the employee) which requires the employee to tend, care for, or otherwise provide for the care of such person;
- e. Educational courses, activities, or trainings;
- f. Witness duty, or voting in a statewide election;
- g. An amount sufficient which, when added to an employee's disability indemnity under Worker's Compensation, will result in a payment to the employee not more than the employee's regular salary.
- h. An amount sufficient which, when added to an employee's disability indemnity under State Disability Insurance (if applicable), will result in a payment to the employee not more than the employee's regular salary.

Employees who take PTO must give their department supervisor reasonable advance

notice of the leave, unless the need for leave is unforeseeable. The department supervisor has final authority to grant or deny PTO requests.

10.2. Holidays

The following days are established as regular holidays for employees of HPSJ:

- January 1 - New Year's Day
- The third Monday in January - Martin Luther King, Jr.'s Birthday
- The third Monday in February - Washington's Birthday
- The last Monday in May - Memorial Day
- July 4 - Independence Day
- The first Monday in September - Labor Day
- Any November day designated as Thanksgiving Day
- The Friday following the day designated as Thanksgiving Day
- December 25 - Christmas Day
- All other holidays as may be proclaimed by the Governor of the State of California or the President of the United States and adopted by the Commission.

10.3. Regular Holiday - Weekend Observance

When a regular holiday falls on a Saturday, the preceding Friday shall be observed as the regular holiday.

When a regular holiday falls on a Sunday, the following Monday shall be observed as the holiday.

Employees who are scheduled to work and who work on a regular holiday that falls on a Saturday will receive holiday pay. When an employee is scheduled to work and works on a regular holiday that falls on a Saturday, the preceding Friday is not observed as a floating holiday.

10.4. Regular Holiday Compensation

Employees are eligible for paid regular holidays, provided the following criteria are met:

- a. Employees in non-exempt positions

(1) The employee is in paid status - the employee is working or receiving either sick or PTO on their scheduled work day before and after the holiday (unless specifically excluded under HPSJ's Leave of Absence policy); and

(2) The employee is normally scheduled to work the day on which the holiday falls.

b. Employees in exempt positions

(1) The employee is normally scheduled to work the day on which the holiday falls.

Employees in non-exempt positions will receive holiday pay based on their straight-time pay rate and the number of hours they would have worked on the holiday. Employees in non-exempt positions who work on a regular holiday will receive holiday pay based on one and one-half times their straight-time pay rate and the number of hours they worked on the holiday.

Employees in exempt positions will receive their regular pay for the week in which a regular holiday falls, whether or not they work the holiday.

10.5. Floating Holidays

Effective January 1, 2023, employees receive four (4) paid floating holidays per calendar year for Veterans Day, Juneteenth, the employee's birthday, and Lincoln's Birthday. Employees will receive the floating holiday at the start of the pay period in which the holiday occurs, except for the employee's birthday, which will be added the second full pay period in January or the second full pay period for new hires. This holiday may be used for vacation, illness or other reasons. However, it may only be used after completion of the first ninety (90) days of the initial introductory period.

The floating holiday is not carried over from year the year – if it is not used by the end of the calendar year it is forfeited, unless still in the initial introductory period.

Employees in non-exempt positions will receive holiday pay based on their straight-time pay rate and the number of hours they would have worked on the holiday but no more than eight (8) hours per day for full-time employees and four (4) hours a day for part-time employees. Employees working a flex schedule will be required to use PTO for any hours over the maximum hours.

10.6. Statutory Leaves

HPSJ follows all applicable State and Federal leave laws. These laws change from time to time and will be updated accordingly. Attached as Appendix "A" is a list of applicable leave laws and a link to the relevant FAQs.

10.7. Bereavement Leave

HPSJ provides bereavement leave to employees in the event of the death of a spouse, domestic partner, child, step-child, sibling, parent, stepparent, grandchild, or grandparent,

or the child, step-child, sibling, parent, stepparent, grandchild, or grandparent of the employee's spouse or domestic partner. This leave may be utilized to attend a funeral or memorial service and to make necessary arrangements associated with the death. Bereavement leave will be paid at the employee's straight-time pay rate for up to twenty-four (24) hours per calendar year.

10.8. Jury Duty Leave

An employee who takes a leave of absence to serve as a juror will continue receiving pay during the leave at the straight-time hourly pay rate.

Article 11 - Insurance

11.1. Effective Date of Coverage

When a new employee enrolls in HPSJ-sponsored health, dental, or vision insurance coverage, coverage takes effect on the first day of the month following the employee's first thirty (30) days of employment in which the employee works twenty (20) hours or more per week.

11.2. Health Insurance Information Committee

The Health Insurance Informational Committee is composed of SEIU and HPSJ representatives. SEIU may appoint an SEIU Field Representative and up to three (3) employees to the Committee. SEIU representatives may request reasonable time off without loss of pay or benefits to perform Committee duties (e.g. attending quarterly meetings giving educational/informational presentations to staff). HPSJ may deny time requests based on the operational needs of the employee's department.

11.3. Health Insurance Premiums

HPSJ pays ninety percent (90.00%) of an employee's premium for individual coverage of the HPSJ-designated HMO. HPSJ pays sixty-five percent (65.00%) of an employee's premium for family coverage under the HPSJ-designated HMO. An employee may elect to buy up on any other offered plan at the employee's expense.

11.4. Dental Insurance

HPSJ offers dental insurance and orthodontia coverage for eligible employees and dependents. HPSJ pays one hundred percent (100.00%) of the employee-only premium and seventy-five percent (75.00%) of the premium for family coverage.

11.5. Vision Insurance

HPSJ provides vision insurance coverage for eligible employees. HPSJ pays one hundred percent (100.00%) of the employee-only premium and seventy-five percent (75.00%) of the premium for family coverage.

11.6. Life Insurance

HPSJ provides Basic Life and Accidental Death & Dismemberment insurance coverage to employees.

11.7. Flexible Spending Accounts

HPSJ provides employees the opportunity to set aside pre-tax dollars to fund a Flexible Spending Account (FSA). Employees may use FSA balances to pay for qualifying healthcare expenses.

HPSJ also provides employees the opportunity to set aside pre-tax dollars to fund a Dependent Care Assistance Program (DCAP) account. Employees may use DCAP balances to pay for qualifying childcare expenses.

Employees may elect to enroll in these programs during open enrollment or any applicable special enrollment period.

11.8. Continuation of Insurance Benefits While on Leave of Absence

When an employee is on an authorized leave of absence without pay, or receives insufficient pay to cover the premium cost, the employee may maintain health, dental, vision, and life insurance coverage for up to twenty-six (26) bi-weekly pay periods, provided that the employee pays the applicable premiums upon the due date. Employees must make specific arrangements for such coverage with Human Resources.

11.9. Employee Assistance Program (EAP)

HPSJ provides an Employee Assistance Program (EAP) to all employees and their dependents. Employees who experience financial or family difficulties, or have problems with drug or alcohol abuse, are encouraged to seek assistance through the EAP.

Article 12 - Retirement

12.1. CalPERS

Employees who are not classified as a new member will receive the 2% at 60 miscellaneous CalPERS formula with the three (3) year final average compensation period. These employees pay the required seven percent (7%) member contribution, on a pre-tax basis.

Employees who are classified as a new member will receive the 2% at 62 miscellaneous CalPERS formula with the three (3) year final average compensation period. These employees pay one half of the total normal cost as determined annually by CalPERS on a pre-tax basis.

Retirement formulas have the following optional CalPERS retirement benefits:

- a. Sick Leave Service Credit
- b. Pre-Retirement Death Benefit Optional Settlement 2
- c. 1959 Survivor Benefit Level 4
- d. \$500 Lump Sum Post-Retirement Death Benefit
- e. 2% Retirement COLA

12.2. 401(a) Plan

Employees will receive a three and three quarters percent (3.75%) contribution to their 410(a) plan.

Article 13 - Evaluations and Personnel Files

Employees receive performance appraisals on a regular schedule, consistent with the performance evaluation process as outlined in HPSJ policies and procedures.

Evaluations with a rating of "Unsatisfactory" may include plans for employee development. An employee that receives an overall rating of "Unsatisfactory" may appeal to the Chief People Officer or designee and attach a rebuttal to the evaluation within fifteen (15) days.

10.1 Employee Personnel Files

Any employee or their designee shall have the right, upon request, to inspect and copy all materials related to a grievance in their personnel file. The employee shall notify the Director of Labor Relations in writing authorizing the designee to access their personnel file.

All reviews and copying shall be done in the presence of a Human Resources employee.

No adverse comment will be entered into the employee's personnel file without the employee first receiving a copy of the document and the opportunity to read and sign the document except the document may be entered into the file if the employee refuses to sign the document, which shall be so noted. The employee has the right to submit a rebuttal to any information being entered into their personnel file within fifteen (15) days.

10.2 Letters of Reprimand

HPSJ may consider removing a letter of reprimand from the employee's personnel file after two (2) years have elapsed from the date of reprimand and there has been no recurrence of the issue contained in the reprimand. The employee or employee representative must make the request in writing for it to be removed.

The request must be directed to the Director of Labor Relations.

Any letter of reprimand older than two (2) years old shall not be used as basis of discipline

or used as a basis for furthering discipline. The exception to this would be any discipline relating to harassment, discrimination or insubordination. Discipline that may be derogatory in nature and resulting in the employee being suspended for more than one week.

Article 14 - Probation

Employees have been designated as regular or probationary using the following definitions:

- a. A probationary employee is defined as an employee hired for a regular full-time or part-time position, which excludes temporary workers or other workers hired for a defined period of time. The probationary period is considered an extension of the selection process for newly hired employees. Upon satisfactory completion of the probationary period, an employee shall be given the status of a regular employee. Notwithstanding any other provision of this Section, an employee's probationary period shall be extended by the duration of any unpaid absence of five (5) or more consecutive workdays.
- b. Newly hired employees serve an initial probationary period of one hundred eighty (180) days. The probationary period may be extended by mutual agreement in thirty (30) day intervals, but not to exceed an additional ninety (90) days. After the first ninety (90) days of initial probationary period, employees shall be allowed to use accrued PTO. During the probationary period an employee may be terminated at any time, with or without cause and with or without notice.
- c. Any employee who is promoted shall serve a ninety (90) day probationary period, which may be extended by mutual agreement in thirty (30) day intervals up to an additional ninety (90) days. Failure to satisfactorily complete the probationary period shall result in the employee returning to their pre-promotion position within this bargaining unit.

Article 15 - Grievance Procedure

15.1. Grievance Definition

A grievance is an allegation of HPSJ's misapplication, misinterpretation, or violation of this MOU. The grievance process shall not be applicable to employee discipline, to employee evaluations, to termination of probationary or at-will employees. An employee or the union shall have the right to submit a written grievance regarding a claimed misapplication, misinterpretation or violation of this MOU.

Grievances filed shall include the following information:

- a. The specific provision of this MOU alleged to have been misapplied, misinterpreted, or violated.
- b. The facts pertinent to the grievance, including the names, dates, places, and

incidents necessary for an understanding of the grievance.

- c. The alleged adverse effect upon the grievant.
- d. The remedy sought by the grievant.

15.2. Multiple Grievances Relating to Single/Shared Issues

Where multiple grievances are filed on the same issue, HPSJ may elect to resolve the claims jointly by processing the complaints through a single grievance process.

15.3. No Loss of Pay

HPSJ shall allow an employee and/or their Shop Steward reasonable time without loss of pay and benefits in order to deliver a grievance to their Department or to attend a grievance hearing during normal working hours.

15.4. Informal Grievance Processing

The grievant shall discuss the issue with their supervisor prior to filing a formal grievance. The supervisor will respond to the grievant in writing within seven (7) calendar days of the discussion.

15.5. Formal Grievance Process

a. Step 1: Director

The grievant or the Union may file a formal grievance no later than twenty (20) calendar days from when the grievant could first reasonably have known of the event or condition forming the basis of the grievance, by submitting that grievance in writing to the grievant(s) Director.

Within seven (7) calendar days of receipt of the grievance, the parties shall meet and attempt to resolve the grievance.

Within seven (7) calendar days of such a meeting, the grievant(s) Director shall issue a written notice of the decision to the grievant.

If a grievance is not resolved to the satisfaction of the grievant at Step 1, the grievant may appeal the grievance in writing to the Director of Labor Relations within seven (7) calendar days of receipt of the written decision or seven (7) calendar days after the decision deadline at Step 1 has elapsed.

b. Step 2: Director of Labor Relations

The Director of Labor Relations may conduct an investigation and/or hearing, and shall render a written decision within seven (7) calendar days of receiving a timely appeal. If the grievant is dissatisfied with the decision, that decision may be appealed to mediation within seven (7) calendar days of the written decision of seven (7)

calendar days after the decision deadline at Step 2 has elapsed.

c. Step 3: Mediation

A mediator will be assigned by the State Mediation and Conciliation Services. If the parties are unable to reach an agreement in mediation, the grievant may appeal to Step 4 – Chief People Officer for a final decision.

d. Step 4: Chief People Officer

The Chief People Officer may conduct an investigation and/or hearing, and shall render a written decision within fourteen (14) calendar days of receiving a timely appeal. The Decision of the Chief People Officer will be final.

15.6. Timeliness

Failure by a grievant to adhere to a submission deadline at any step of this procedure shall constitute acceptance of the last decision made thereon and the grievant shall thereby waive any right to further appeal of the grievance. Nothing in this Section shall be construed to prevent the parties from extending any grievance process deadline by written mutual agreement. The Director of Labor Relations may expedite the grievance process or advance to the next step in the process due to the severity of the issue.

Article 16 - Disciplinary Actions

16.1. Definition

For the purposes of this Section, disciplinary action is deemed to be discharge or suspension.

16.2. Disciplinary Procedure

Employees are provided due process as follows:

Discipline shall be imposed for just cause.

An employee whose conduct is of such character as to incur discipline may first be specifically warned in writing by their supervisor. Warnings shall state the reasons underlying any intention the supervisor has of recommending disciplinary action.

Employee behavior, including but not limited to acts of a violent or criminal nature may be grounds for immediate discipline and does not require the written and/or other warning described above.

When HPSJ seeks the imposition of any disciplinary punishment, notice of such action shall be made in writing and served in person or by registered mail upon the employee.

The notice shall include:

- a. The specific charges against the employee, which shall include times, dates, and location of chargeable actions or omission;
- b. The penalty proposed;
- c. Copies of all materials upon which charges are based;
- d. A statement of the employee's right to respond, either orally or in writing, and the date of the response meeting, which shall be at least fourteen (14) calendar days from the notice;
- e. Notice that if the employee, or the Union on behalf of the employee, does not submit a written request to the Director of Labor Relations within fourteen (14) calendar days, they have waived the right to appeal the action.

If the employee fails to request the opportunity to respond, HPSJ may proceed to order the action. If the employee requests the opportunity to respond, the response meeting shall be held as specified in the notice unless changed by mutual agreement in writing. The response meeting shall not constitute a formal hearing, and there shall be no right to call witnesses.

An employee may be accompanied by a representative of their choice. The appointing authority shall issue an order taking or determining not to take action at the conclusion of the meeting. The decision shall be put in writing and served upon the employee and SEIU within fourteen (14) calendar days following the meeting.

An employee, or SEIU on behalf of the employee, may file an appeal from the appointing authority's decision within fourteen (14) calendar days of receipt of said decision.

The Director of Labor Relations or designee shall schedule any disciplinary appeal hearing within a reasonable time after the filing of the employee's request.

16.3. Decision

The Chief People Officer's decision is final and binding.

Article 17 - Layoffs

17.1. Layoffs Definition

A layoff is defined as the involuntary separation or permanent reduction in work hours of a regular employee due to lack of work, business reorganization, loss of funding and/or other financial hardships, or any other reason as determined by the Health Commission.

17.2. Notice of Layoff

HPSJ will give a notice of anticipated layoff to the SEIU Union Staff Representative and affected employees as soon as possible, but no later than fourteen (14) days prior to the

effective date of the layoff. Notice to the Union and employee shall include the reasons for the layoff and their seniority and options, if any. Upon request of the Union, HPSJ shall meet and confer with the Union regarding the impacts of the layoff.

17.3. Order of Layoff and Recall

Seniority by classification is the determining factor for order of layoff and recall.

17.4. Layoff Options

Employees subject to layoff may have the following options:

- a. Transfer to a vacant position in the same classification and department, if qualified.
- b. If the affected employee is the employee with the least seniority within the classification, the employee may transfer to a lower position within the classification series, if such a position exists. This may occur if the employee previously held the position or is deemed qualified for the position by management.
- c. If the affected employee is still least senior, they may elect to return to the last open position for which they completed probation.

17.5. Recall from Layoff

Employees who have been laid off will be placed on a rehire list for a period of one (1) year. Employees will be rehired from this list in inverse seniority as long as they continue to meet the job qualifications.

If an employee is recalled from the rehire list, HPSJ will restore all benefits, accruals, and seniority available to the employee as of the date of layoff. The period of layoff shall not be considered a break in service.

17.6. Ties in Seniority

In the event of a tie in classification seniority, the tie breaker will be total HPSJ seniority. If a tie remains, then the tie will be broken by date of application for employment.

Article 18 - Contracting Out

HPSJ shall agree to meet and confer over the contracting out of SEIU bargaining unit work.

Upon the time of the meet and confer if a contract is in place for work that is being contracted out, HPSJ will provide a copy of the contract to SEIU, upon request.

Contracting out shall not result in layoffs. Part time employees within the classification and department where contract work may be performed may be offered an increased workload on a voluntary basis prior to contracting out work. If HPSJ determines that it is more cost effective to offer overtime or mandatory overtime to current employees and can

meet any required mandates, HPSJ will direct overtime prior to contracting out.

HPSJ employees within the classification and department of the contracted work that were laid off from a position shall be called and requested to return from layoff prior to contracting out bargaining unit work.

Article 19 - Entire Agreement

This MOU fully and completely incorporates the understanding of the parties hereto regarding the provisions contained in this MOU. The parties do not waive the obligation to negotiate with respect to any practice, subject, or matter within the scope of bargaining not specifically referred to or covered in this MOU. In the event HPSJ proposes a change in any practice, subject, or matter which is within the scope of bargaining and is not covered by this MOU, HPSJ will give the Union advance written notice of the proposal and will, upon request of the Union, negotiate in good faith with the Union concerning the proposal.

Article 20 - Term

The term of this MOU is from October 10, 2022, through June 30, 2025.

Date: 9/30/2022

Date: 10/12/2022

Health Plan of San Joaquin

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Evert Hendrix
Chief People Officer

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Director of Labor Relations

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Chief Executive Officer

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Liebert Cassidy Whitmore
Labor Negotiator

SEIU 1021

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SEIU 1021 Bargaining Team Member

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Bill Petrone
SEIU 1021 Field Director

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David Canham

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David Canham
SEIU 1021 Executive Director

Appendix "A" Statutory Leaves

- Family Medical Leave Act (FMLA)
<https://www.dol.gov/agencies/whd/fmla/law>
- California Family Rights Act (CFRA)
https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=GOV§ionNum=12945.2
- Pregnancy Disability Leave (PDL)
https://calcivilrights.ca.gov/wp-content/uploads/sites/32/2020/12/Pregnancy-Disability-Leave-Fact-Sheet_ENG.pdf
- Uniformed Services Employment and Reemployment Rights Act (USERRA)
<https://www.justice.gov/crt-military/userra-statute>
- Workers' Compensation Law
<https://www.dir.ca.gov/injuredworkerguidebook/injuredworkerguidebook.html>
- Kin Care
<https://law.justia.com/codes/california/2011/lab/division-2/200-243/233>
- Organ and Bone Marrow Donation Leave
<https://uscode.house.gov/view.xhtml?req=granuleid:USC-prelim-title5-section6327&num=0&edition=prelim>
- School Partnership Act
https://leginfo.legislature.ca.gov/faces/codes_displaySection.xhtml?lawCode=LAB§ionNum=230