



Your Enhanced
SICK LEAVE PROGRAM

*This brochure applies to
employees represented by:*

- OFNHP, Registered Nurses,
Technical Employees, and
Registered Dental Hygienists
- Oregon Nurses Association
- Service Employees International
Union, Local 49
- UFCW Local 555 Non-Registered
Drug and Imaging Services



Your Enhanced **SICK LEAVE PROGRAM**



With the new National Agreement now in place, we are proud to launch the new, enhanced Sick Leave program. The enhancements and changes to your Annual Sick Leave, Flexible Personal days and Floating Holidays negotiated in Partnership by frontline workers, managers, and physicians, are designed to improve attendance, which in return will help provide high quality care and service to our members. The enhancements and changes will give you more flexibility in how you use your sick time and more options in managing your hours.

This brochure explains the changes and enhancements in detail and is intended as a *Summary of Material Modification* to your *Summary Plan Description (SPD)*. Please keep this brochure for future reference.

Who is Eligible

All active employees represented by a Labor Management Partnership union listed in the inside front cover of this brochure who participate in the Sick Leave program and are coded to work 20 or more hours per week are eligible for this enhanced benefit.

New Sick Leave Accounts

You will have two sick leave accounts: an Annual Sick Leave, which contains your entire annual sick leave allotment, and a Banked Sick Leave, which contains a pre-2006 account for any unused sick leave hours you had prior to 2006, and a post-2005 account for any hours rolled over at the end of 2006 and years thereafter. You may use your Annual Sick Leave hours when you are ill or injured. You may use your Banked Sick Leave hours when you are ill or injured after you exhaust your Annual Sick Leave hours. You may also use your Banked Sick Leave hours right away when you are hospitalized, or for statutory leaves such as Family and Medical Leave, without exhausting your Annual Sick Leave.

Pre-2006 Accrued Sick Leave Hours

Any unused hours you had in your sick leave account as of December 17, 2005 (the last day of the last pay period of 2005) have been rolled over to a "pre-2006" account under your Banked Sick Leave; these hours are displayed on your pay statement as "BKS PRE 06." You must exhaust your pre-2006 Banked Sick Leave hours before you use your post-2005 hours.

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Post-2005 Banked Sick Leave Hours

Beginning in 2007, a "post-2005" account will be established under your Banked Sick Leave to hold all of the unused Annual Sick Leave hours that are rolled over in 2006 and in future years. These hours will be displayed on your pay statement as "BKS Post05."



Annual Sick Leave

You may use your Annual Sick Leave when you are ill or injured and cannot work, or for medical appointments. All of your Annual Sick Leave hours are credited to you on the first pay period of each year, giving you greater control of your sick leave.

- If you are a **full-time** employee coded to work 40 hours per week, your Annual Sick Leave allotment is based on your union affiliation and locally bargained adjustments, as follows:

Union	Annual Sick Leave per year	New Flexible Personal Days per year	Floating Holidays per year	TOTALS
UFCW Local 555 Imaging Services	10 days	2 days (made up of: 2 sick days)	3	15 days
UFCW Local 555, Non-Registered Drug	10 days	5 days (made up of: 3 floating holidays 2 sick days)	0	15 days
Oregon Nurses Association	10 days	2 days (made up of: 2 sick days)	3	15 days
OFNHP Technical	10 days	2 days (made up of: 2 sick days)	3	15 days
OFNHP Registered Nurses	10 days	2 days (made up of: 2 sick days)	3	15 days
OFNHP, Dental Hygienists	10 days	2 days (made up of: 2 sick days)	3	15 days
Service Employees International Union, Local 49	10 days	2 days (made up of: 2 sick days)	3 mo- 9yrs = 3 days 10-14 yrs = 4 days 15+ yrs = 5 days	3 mo-9yrs = 15 days 10-14 yrs = 16 days 15+ yrs = 17 days

- If you are a **part-time** employee coded to work less than 40 hours per week, your Annual Sick Leave hours are prorated based on your scheduled hours. Adjustments based on actual hours worked are made on a quarterly basis. This is to ensure that if you work more than your original coded hours during the year, you are credited with the appropriate additional sick leave hours.
- If you are **newly-hired or newly eligible** after the first pay period of the year, you are credited with a prorated annual allotment based on your date of hire and your coded hours.

How Your Annual Sick Leave Works

You may use your Annual Sick Leave for your own illness or injury or for a medical appointment. At the end of each year, if you have any unused Annual Sick Leave hours, you may choose to cash out a portion of these hours at 50% of value, roll them over to your Banked Sick Leave post-2005 account, or choose a combination of both options, provided you meet the eligibility requirements explained below.

New Options for Your Unused Annual Sick Leave

If you have unused Annual Sick Leave at the end of the year, you will have the following options:

- If you are a **full-time** employee coded to work 40 hours per week, you may cash out up to 80 hours of your unused Annual Sick Leave at 50% of value, provided you have at least 80 hours in your combined Banked Sick Leave accounts.
- If you are a **part-time** employee coded to work less than 40 hours per week, the number of hours you may cash out and the number of hours of Banked Sick Leave you need to meet the threshold are prorated based on your coded hours. For example, if you are a part-time employee coded to work 20 hours per week, one day is equivalent to four hours. Therefore, you may cash out up to 40 hours (80 hours times one-half of a full-time schedule) of your unused Annual Sick Leave at 50% value, provided you have at least 40 hours in your Banked Sick Leave account.
- You may choose to roll over your unused Annual Sick Leave hours to your post-2005 Banked Sick Leave account at 100% of value.

At the end of each year, you will receive communications informing you of the number of hours you have in your sick leave accounts, your eligibility to cash out hours, your options, and how to make an election to cash out those hours. If you do not make an election, all unused Annual Sick Leave hours will be automatically rolled over into your post-2005 Banked Sick Leave account, at 100% of value.

Below are a few examples explaining how these options work. These examples are for a full-time employee working 40 hours per week (five 8-hour days):

Example 1

At the end of the year, you have 40 unused Annual Sick Leave hours and another 80 hours of Banked Sick Leave.

In this case, you will have the option to cash out up to 40 hours of your unused Annual Sick Leave at 50% of value; roll over the 40 hours to your Banked Sick Leave at 100% of value; or choose a combination of both options by cashing out some hours at 50% of value and rolling over the remaining hours to your Banked Sick Leave at 100% of value.

Example 2

At the end of the year, you have 40 unused Annual Sick Leave hours but you have 0 hours of Banked Sick Leave.

In this case, all 40 of your unused Annual Sick Leave hours will be rolled over to your Banked Sick Leave at 100% of value. You have no other options because you do not have at least 80 hours in your Banked Sick Leave account.

Example 3

At the end of the year, you have 60 unused Annual Sick Leave hours. You have 30 hours of Banked Sick Leave.

In this case, 50 unused hours will be automatically rolled over from your Annual Sick Leave to your Banked Sick Leave at 100% of value to increase your total to 80 hours. Once the 80-hour threshold is met, you will then have the option to cash out the remaining 10 hours at 50% of value, or roll those hours over to your Banked Sick Leave at 100% of value.

Example 4

At the end of the year, you have 96 hours of unused Annual Sick Leave. In addition, you have 80 hours of Banked Sick Leave.

Because you cannot cash out more than 80 hours of Annual Sick Leave, 16 hours will be automatically rolled over from your Annual Sick Leave to your Banked Sick Leave at 100% of value. You will then have the choice to cash out all or a portion of the remaining 80 hours of unused Annual Sick Leave at 50% of value.

Note: If you do not make an election, all unused Annual Sick Leave hours will automatically be rolled over to Banked Sick Leave at 100% of value.

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Banked Sick Leave

Banked Sick Leave includes a pre-2006 account for any unused sick leave hours you had as of the end of the last pay period of 2005 (December 17, 2005), and a post-2005 account for any unused Annual Sick Leave hours that are rolled over at the end of 2006 and beyond. You must first use your pre-2006 hours before using the post-2005 hours. There is no limit to the number of hours you may accumulate in your Banked Sick Leave.

How Your Banked Sick Leave Works

You may use Banked Sick Leave if you are ill or injured after you exhaust your Annual Sick Leave hours. However, if you are hospitalized you may use your Banked Sick Leave without having to exhaust your Annual Sick Leave hours. You may also use Banked Sick Leave right away for certain statutory leaves such as Worker's Compensation or Family and Medical Leave (for your own illness) as long as you meet the eligibility requirements for those leaves.

Your Banked Sick Leave Hours at Retirement or Termination

If you **retire** from Kaiser Permanente under the provisions of a Kaiser Permanente-sponsored pension plan, all of your unused Banked Sick Leave hours accrued prior to 2006 will be recognized as Credited Service for pension plan benefit calculation purposes. All of your unused Banked Sick Leave hours accrued in 2006 and thereafter will be converted at 50% of value to vacation hours and paid out to you. The credited service you earn for post-2005 Banked Sick Leave hours is still being clarified. You will be notified when this is finalized.

If you **terminate** your employment with Kaiser Permanente after you become vested in the pension plan (i.e., you have five or more years of service at the time you leave Kaiser Permanente), but before you meet retirement eligibility, your Banked Sick Leave hours—regardless of when you earned them—will be recognized as Credited Service for pension plan benefit calculation purposes. There will be no cash-out option.

Retirement

Retirement means that you retire from the organization in accordance with the terms and conditions of a qualified Kaiser Permanente-sponsored Defined Benefit pension plan.

Flexible Personal Days

You can use your new Flexible Personal Days for any purpose, such as for personal, sick or family needs. Flexible Personal Days may be used in blocks as small as two hours, so you do not have to take a whole day off for a parent-teacher meeting or a chore. You must request to use Flexible Personal Days according to the guidelines set forth in your Collective Bargaining Agreement.

- If you are a **full-time** employee coded to work 40 hours per week, you are credited with Flexible Personal Days on the first pay period of each year based on your union affiliation. Please see the table on page 2 for details.
- If you are a **part-time** employee coded to work less than 40 hours per week, you are credited with Flexible Personal Days on the first pay period of each year, prorated based on your coded hours. Adjustments based on actual hours worked are made on a quarterly basis.
- If you are **newly-hired or newly-eligible** after the first pay period of the year, you are credited with a prorated annual allotment based on your date of hire and coded hours.

Manager or Supervisor Approval

Keep in mind that you must still seek approval from your manager or supervisor before using your Flexible Personal Days. In case of an emergency, you may use Flexible Personal Days with last minute notice, provided you have the hours in your account. Check your department's policies and your collective bargaining agreement for the required notification to your manager or supervisor. However, if you give your manager or supervisor 14 days advance notice, you are guaranteed a day off, and your request for that specific day will be approved unless doing so would have a significant negative effect on the operation of your department.

Requesting Flexible Personal Days

Your request to use Flexible Personal Days should be made at least 14 days in advance. However, you may have a shorter notice time in case of emergencies as negotiated in your local Collective Bargaining Agreement. Please refer to your Collective Bargaining Agreement for details about your notice requirements.

Flexible Personal Days Payout

At the end of each year, you will receive a payout of your unused Flexible Personal Days at 50% of value.

When You Terminate Employment or Retire

If you **terminate** your employment with Kaiser Permanente, you will not receive a payout of your unused Flexible Personal Days. However, if you **retire**, you will receive a payout of your unused Flexible Personal Days at 50% of value.

Questions You May Have

Below are some questions you may have concerning the changes to your time off program.

Sick Leave Accounts

Q1. What is the difference between the two sick leave accounts (i.e., Annual versus Banked Sick Leave)?

A1. Your Annual Sick Leave account is your current year's sick leave hours, which is credited to you on the first pay period of each year. The Banked Sick Leave account is made up of unused sick leave earned prior to the first pay period of 2006, as well as unused Annual Sick Leave hours that you roll over at the end of each year.

Q2. When can I use my Annual Sick Leave hours?

A2. You may use your Annual Sick Leave when you are ill or injured, as soon as it is credited to your account.

Q3. When may I use my Banked Sick Leave hours?

A3. You may use Banked Sick Leave if you are ill or injured after you exhaust your Annual Sick Leave hours. You may also use Banked Sick Leave right away for statutory leaves such as a Family or Medical Leave for your own illness, Worker's Compensation, etc., or if you are hospitalized, without exhausting your Annual Sick Leave. You must use your pre-2006 hours before using the post-2005 hours in your Banked Sick Leave.

Q4. What will happen to the sick leave hours I accrued prior to 2006?

A4. The unused hours you have accrued prior to the first pay period of 2006 will be rolled over to your new Banked Sick Leave in a pre-2006 account displayed as "BKS PRE 06" on your pay statement.

Q5. How many hours of sick leave will I receive each year?

A5. Your sick leave hours are based on your years of service and union affiliation. See page 2 for more details. If you are a part-time employee coded to work less than 40 hours per week, you will receive a prorated amount based on your coded hours.



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Q8. If I take sick leave in the last week of the year, from which sick leave account will those hours be taken?

A8. Your Annual Sick Leave allotment is credited to you on the first day of the first pay period of each payroll calendar year. Due to the bi-weekly payroll schedule, the first pay period of each payroll calendar year usually starts in December of the previous year. Therefore, any days taken on or after the first day of the first pay period of the new year are counted against your Annual Sick Leave of that new year. For example, the first pay period for 2007 starts on December 17, 2006. Therefore, if you take any sick leave on or after December 17, 2006, your hours will be taken out of your 2007 Annual Sick Leave.

Q9. I am scheduled to work a 10-hour day. If I need to take a sick day, will I be paid for 10 hours for the day?

A9. Yes. If you have enough hours in your Annual Sick Leave account, you will receive 10 hours for the day. However, please be aware that a full-time employee's Annual Sick Leave allotment is based on an 8-hour day.

Q10. Will my Banked Sick Leave hours count toward my credited service when I retire?

A10. When you retire under the eligibility provisions of a Kaiser Permanente Retirement Plan, all of your pre-2006 Banked Sick Leave hours will be recognized as credited service for pension calculation purposes. Your post-2005 Banked Sick Leave hours will be converted to vacation and paid out at 50% of value. The credited service you earn for post-2005 Banked Sick Leave hours is still being clarified. You will be notified when this is finalized.

Q11. May I take less than a whole day as sick leave?

A11. Yes. You may take sick leave based on your need. However, remember that you must notify your Supervisor or Manager ahead of time if your sick leave is for anticipated occurrences such as a doctor's appointment, so they have time to make arrangements for coverage, as necessary.

Q12. May I convert my sick leave hours to vacation and cash them out under the Vacation Cash-Out program during open enrollment?

A12. No. You cannot cash out sick leave hours as part of the Vacation Cash-Out program.

Q13. May I request a financial hardship withdrawal from my sick leave accounts?

A13. No. Neither Annual Sick Leave nor Banked Sick Leave hours are eligible for financial hardship withdrawals.

Q14. May I cash out any hours I have in my Banked Sick Leave at the end of each year?

A14. No. You cannot cash out any Banked Sick Leave hours until you retire.

Q15. How many Annual Sick Leave hours may I elect to cash out at the end of each year?

A15. If you are a full-time employee working 40 hours a week, you have the option to cash out a maximum of 80 hours of Annual Sick Leave provided you have 80 hours in your Banked Sick Leave. If you are on a part-time schedule, the number of hours you may cash out and the number of hours you need in Banked Sick Leave are prorated based on your scheduled hours. See page 3 for detailed examples of how your sick leave cash-out option works.



Q16. Do I have other options with my unused Annual Sick Leave hours other than cashing them out?

A16. Yes. You have the option of rolling over any unused Annual Sick Leave hours to your Banked Sick Leave at 100% of value.

Q17. What happens to my sick leave hours when I leave or retire from Kaiser Permanente?

A17. If you're eligible for retirement under the provisions of a Kaiser Permanente-sponsored pension plan, all Banked Sick Leave hours accrued prior to 2006 will count as credited service. Banked Sick Leave hours accrued in 2006 and beyond will be converted at 50% of value to vacation hours, and those hours will be cashed out. The credited service you earn for post-2005 Banked Sick Leave hours is still being clarified. You will be notified when this is finalized.

If you terminate after you are vested but before you reach retirement eligibility, there will be no cash out of Banked Sick Leave, but all of your unused Banked Sick Leave hours will count as Credited Service.

Flexible Personal Days

Q18. Are my new Flexible Personal Days an addition to the time off I already receive?

A18. No. Your Flexible Personal Days have been developed using existing days such as sick leave, floating holidays, etc. Please see the table on page 2 for details.

Q19. Is there a maximum accumulation for Flexible Personal Days?

A19. No. At the end of each year, all your unused Flexible Personal Days will be cashed out at 50% of value.

Q20. Will my unused Flexible Personal Days be paid out at 100% of value in the event I terminate employment with Kaiser Permanente?

A20. No. You will not receive a payout of unused Flexible Personal Days when you terminate your employment with Kaiser Permanente. However, if you retire, you will receive a payout of your unused Flexible Personal Days at 50% of value.

Q21. May I use my Flexible Personal Days in increments of less than a day?

A21. Yes. You may use your time in increments of as little as two hours. However, any absence that qualifies as a family leave will follow the Family and Medical Leave guidelines.

Status Changes/Transfers

Q22. I am a part-time employee and I change my status to regularly-scheduled full-time during the year. How will my Annual Sick Leave hours and Flexible Personal Days be affected?

A22. You will be awarded prorated hours from the time you become a full-time employee up to the end of the payroll calendar year, taking into consideration any Annual Sick Leave hours or Flexible Personal Days you have already been credited for the year and/or used before you became a full-time employee. Your Banked Sick Leave account remains unchanged.



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Q23. I am a full-time employee and I change my status to part-time during the year. How will my Annual Sick Leave hours and Flexible Personal Days be affected?

A23. The Annual Sick Leave hours and Flexible Personal Days credited to you and/or which you have used before you became a part-time employee will be taken into consideration, and an adjustment or reduction of hours will be made to reflect your part-time status. Your Banked Sick Leave account remains unchanged.

Q24. What will happen to my unused Annual Sick Leave hours, my accumulated Banked Sick Leave hours and my unused Flexible Personal Days if I change to a non-benefited status (i.e., per diem, on-call, etc.)?

A24. If you have a change in your employment status and are no longer eligible to participate in the Sick Leave program, your unused Annual Sick Leave hours, along with Banked Sick Leave hours, will be prorated and frozen until the end of the year. Your unused Flexible Personal Days will be prorated up to the date of your status change and paid out. You will neither receive nor be able to use any paid time off. If later you change back to a status that allows you to participate in the Sick Leave program in the same payroll year, those frozen hours will be made available to you and you will receive a prorated amount of Annual Sick Leave hours and Flexible Personal Days from the time of your eligibility to the end of the payroll calendar year.

Time-Off, Vacation and Holidays

Q25. Are there any changes to my Designated Holidays?

A25. No. You continue to have the same number of designated holidays as before, based on your union affiliation.

Q26. Are my vacation hours affected in any way?

A26. No. You will continue to accrue your vacation as per the provisions of your local Collective Bargaining Agreement.

Other Information

Q27. Will I be able to see all my account balances on my paycheck stub (e.g., Annual Sick Leave, Banked Sick Leave, Flexible Personal Days, etc.)?

A27. Yes. The following changes will be in place as of your October 13, 2006 pay statement:

- Banked Sick Leave-Pre 2006 hours – displayed as “BKS PRE 06”
- Banked Sick Leave-Post 2005 hours – displayed as “BKS POST05”
- Annual Sick Leave – displayed as “SICK BENE”
- Flexible Personal Days – displayed as “FLEX PERS”

Annual Sick Leave hours that are converted to Banked Sick Leave at the end of 2006 and beyond will be displayed starting in 2007.

Q28. What is the process to request time off?

A28. Any process you have in place to request time off in your department continues to apply. You may also refer to your Collective Bargaining Agreement for more information.

Q29. Who do I call if I have more questions on these enhancements and changes to my time off?

A29. If your question is not addressed here, you may contact the Northwest Human Resources Service Center at (503) 813-4772.



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