

**MEMORANDUM OF AGREEMENT
BETWEEN
UMASS MEMORIAL MEDICAL CENTER - MEMORIAL CAMPUS AND THE
MASSACHUSETTS NURSES ASSOCIATION**

Except for changes indicated below, all provisions of the parties' collective bargaining agreement of January 10, 2010 – January 1, 2012 remain unchanged. All proposals which are not included as changes below are withdrawn without prejudice.

Subject to ratification by the bargaining unit and approval by the Medical Center, the parties have agreed to amend their 2010 – 2012 collective bargaining agreement as follows:

1. MNA No. 27 and MNA No. 35 – Wages:

UMMMC Counter proposal:

- A 1% across the board increase (ATB) applies to all steps and will be effective the first full shift beginning on or after 11:00 p.m. on 1/1/12.
- A 1.5% across the board increase (ATB) applies to all steps and will be effective the first full shift beginning on or after 11:00 p.m. on 1/1/13.
- A 2% across the board increase (ATB) applies to all steps and will be effective the first full shift beginning on or after 11:00 p.m. on 1/1/14.

2. Duration:

Revise Article 44 as follows:

This Agreement shall be for the period from January 1, 2012 through two (2) years following the date of ratification, and the terms contained herein, except as otherwise indicated, shall become effective on the date of its execution by the parties. Should a successor Agreement not be executed by two (2) years following the date of ratification, this Agreement shall remain in full force and effect until a successor Agreement is executed or an impasse in negotiations is reached.

3. UMMMC No. 12 – Retirement Benefits:

Add the following language:

The current plan design for the defined benefit plan and the 401(k) plan shall remain in effect through December 31, 2016.

Effective January 1, 2017, the defined benefit pension plan will be AMENDED as follows:

DEFINED BENEFIT PENSION PLAN

Monthly pension at age 65 earned after December 31, 2016

- 1.25% of each year's pay divided by 12, not subject to any cap on years of credited service
- Pensionable earnings include base rate of pay plus shift differentials for actual hours paid in the plan year.
- 3 year vesting for all RNs

The change in the benefit formula is more fully set forth in Exhibit A hereto. To the extent this provision differs from the terms set forth in the Plan's Summary Plan Description ("SPD"), the SPD controls.

Also effective January 1, 2017:

401(k) PLAN

401(k) match is increased from 25% to 50% on every dollar contributed up to 4% of compensation.

4. UMMC No. 19:

Leave accruals for *only nurses hired on or after the last day of the parties' 2012-2015 Agreement*, will be modified as follows:

Article 10 – Earned Time:

Revise Section 1 as follows:

Earned time provides accrued time off to be used by full-time and regular part-time employees with the approval of their supervisor for absences due to vacation, personal illness or personal time. Eligible employees shall accrue earned time for each hour worked in a week up to a maximum of 40 hours in accordance with their years of service as indicated:

<u>Years of Service</u>	<u>Hourly Accrual</u>	<u>for 40 hrs.</u>	<u>Hours/yr for 40 hrs.</u>
0-4	TBD	TBD	217
5+	TBD	TBD	257

5. **UMMMC No. 23:**

- Continue health insurance side letter for term of this agreement. See Exhibit B.
- The parties agree to execute the side letter attached hereto as Exhibit C. .

6. **MNA No. 3 – Subcontracting:**

UMMMC counterproposal:

The Hospital will not contract out bargaining unit work in core service areas. For the purposes of this Section, core service areas are defined as inpatient units, OR, PACU and the Emergency Department. Nothing herein shall limit the Hospital's right to use travelers, temporary/casual, agency and/or leased nurses. This Section sunsets and automatically terminates at the expiration of this 2012-2015 Agreement.

7. **MNA No. 10 – Charge Nurse Assignment:**

Hospital Counterproposal attached as Exhibit D.

8. **MNA No. 21 Staffing:**

UMMMC counterproposal:

- Day shift assignments will include a mix of 4:1 and 5:1 patient assignments on inpatient med/surg units, excluding dedicated observation units. No nurse will have more than a 5 patient assignment on inpatient units, excluding dedicated observation units, within twelve weeks of ratification.
- An average of 5:1 patient assignments, excluding dedicated observation units, shall be maintained on the evening shift in inpatient areas within twelve weeks of ratification.
- All seven patient assignments on the night shift will be phased out within twelve weeks of ratification excluding dedicated observation units. There will be sufficient nurses on the night shift to allow for some nurses to have a 5 patient assignment when the charge nurse takes a 5 patient assignment.
- The new charge nurse assignments are not intended to result in an increase in current patient assignments.
- Stat RN: No later than six (6) months after ratification, add one critical care stat RN (24/7) to assist with ED and ICUs.
- Maternity: No later than six (6) months after ratification, we will follow AWHONN standards for mother-baby couplets.

- NICU: No later than six (6) months after ratification, increase staffing in the NICU by approximately 9 FTEs.

9. **MNA #30 - On-Call Pay:**

Hospital agrees

10. The parties agree to execute the side letter attached hereto as Exhibit E.
11. All tentative agreements to date (attached hereto).

--MNA Proposal No. 1

-MNA Proposal No. 7 (as countered by Memorial)

-MNA Proposal No. 15

-MNA Proposal No. 20 (as countered by Memorial)

-MNA Proposal No. 23

-MNA Proposal No. 28

-Hospital Proposal No. 10

-Hospital Proposal No. 22

11. All other UMMMC and MNA proposals are withdrawn without prejudice.

12. The 10-day strike notice served on UMMMC on May 10, 2013 is hereby withdrawn.

13. This agreement shall be subject to ratification by the bargaining unit. The MNA shall submit this agreement to the bargaining unit members and recommend ratification.

UMMMC

Lynn M Colombo DNP, RN
Cathy J. Swice MITAR
[Signature]
[Signature]

MNA - Memorial, Hahnemann

[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]
[Signature]

Susan Maloney
~~Susan Caplan~~
Nancy Gordin
Dana Holmes
Wendy McGinn

Dated: May 17, 2013

Dated: May 17, 2013

EXHIBIT A

TERMS YOU NEED TO KNOW

To fully understand how the Plan works, you will need to become familiar with the following terms:

Average annual earnings. Your average annual earnings is the average of your total earnings for the five consecutive calendar years (January 1 to December 31) when your pay was highest, or, if greater, the last 60 months of your employment with UMMHC. Average annual earnings does not include amounts earned in 2017 and later years.

Pensionable earnings. Generally, for periods of employment prior to January 1, 2017, your pensionable earnings include all compensation paid to you during the year, including amounts that you deferred into the 401(k) Plan, the Tax Sheltered 403(b) Plan, or that you elected as pre-tax employee contributions to other benefit plans. For periods of employment after December 31, 2016, your Pensionable Earnings equal your base rate of pay plus evening and night shift differentials for actual hours paid during the year. Pensionable earnings will not include any severance pay in excess of 8 weeks, termination pay, unused vacation pay, or deferred compensation or pay earned during a time when you are not an eligible employee. According to IRS regulations, the maximum compensation that can be taken into account for Plan purposes is \$245,000 for 2010. This amount is subject to change with inflation. Please contact Human Resources for additional information.

PLAN PAYMENT OPTIONS

Your normal retirement benefit under the Pension Plan is determined based on your average annual earnings, pensionable earnings after 2016, and your benefit service with UMMHC. The standard form of payment is a lifetime annuity. However, you may choose instead to receive your benefit in the form of a lump-sum payment.

Under federal pension law, your Pension Plan benefit will automatically be paid as a lifetime annuity instead of a lump sum unless you elect otherwise. If you are married, your annuity will be paid as a reduced 50% joint and survivor annuity under which, after your death, half of your reduced benefit will continue to your spouse for the rest of his/her life.

To elect a payment option other than the normal annuity form of payment, simply complete an election form at the time you want to receive payment. If you are married and you wish to elect the lump-sum payment or one of the other annuity options, your spouse must consent in writing to this election, as witnessed by a Plan representative or a notary public. Payment election forms are available in Human Resources.

LUMP SUM OPTION	LIFETIME ANNUITY OPTION
<p>With the lump sum option, your Plan benefit is available to you for reinvestment or other use.</p>	<p>With the lifetime annuity option, you receive monthly payments for a certain period of time, depending on the annuity option you choose.</p>
<p><i>The formula for calculating a lump-sum benefit at normal retirement is:</i></p> <p><i>For employment prior to January 1, 2017</i></p> <p style="text-align: center;">\$380 plus 11% of your average annual earnings in excess of \$6,600 times Your years of benefit service as of December 31, 2016 (up to 30 years)</p> <p style="text-align: center;">Plus</p> <p><i>For each calendar year of employment after December 31, 2016 during which you earn a year of benefit service</i></p> <p><i>11% of your pensionable earnings for that calendar year</i></p>	<p><i>The formula for calculating a lifetime annual annuity at normal retirement is:</i></p> <p><i>For employment prior to January 1, 2017</i></p> <p style="text-align: center;">\$43.20 plus 1.25% of your average annual earnings in excess of \$6,600 times Your years of benefit service as of December 31, 2016 (up to 30 years)</p> <p style="text-align: center;">Plus</p> <p><i>For each calendar year of employment after December 31, 2016 during which you earn a year of benefit service</i></p> <p><i>1.25% of your pensionable earnings for that calendar year</i></p>

EXAMPLE

For example, let's assume that:

- you retire at the end of 2019
- you receive your benefit at age 65
- you have 30 years of benefit service as of December 31, 2016
- your average annual earnings on December 31, 2016 equal \$135,000
- your pensionable earnings for 2017, 2018 and 2019 are \$127,500, \$128,200 and \$130,000 respectively

LUMP SUM OPTION

Your lump-sum payment would equal \$477,547, determined as follows:

For employment prior to January 1, 2017

\$380	\$380
Plus 11% times \$128,400	<u>+14,124</u>
Equals	\$14,504
Times 30 years of benefit service	<u>x 30</u>
Subtotal	\$435,120

For employment after December 31, 2016

2017: 11% times \$127,500	\$14,025
2018: 11% times \$128,200	14,102
2019: 11% times \$130,000	<u>+14,300</u>
Subtotal	\$42,427

Total lump sum **\$477,547**

LIFE ANNUITY OPTION

Your lifetime annuity benefit (paid monthly) would equal \$1,147.38, determined as follows:

For employment prior to January 1, 2017

\$43.20	\$43.20 Plus 1.25% times \$128,400
	<u>+1,605.00</u>
Equals	\$1,648.20
Times 30 years of benefit service	<u>x 30</u>
Subtotal	\$49,446.00

For employment after December 31, 2016

2017: 1.25% times \$127,500	\$1,593.75
2018: 1.25% times \$128,200	\$1,602.50
2019: 1.25% times \$130,000	<u>+1,625.00</u>
Subtotal	\$4,821.25

Total lifetime annual annuity **\$54,267.25**
 Divided by 12 months ÷12
Total lifetime monthly annuity **\$4,522.27**

Of course, your normal retirement benefit will depend on your average annual earnings, pensionable earnings after 2016 and benefit service at the time you retire. In addition, your benefit will be reduced if you decide to receive benefits before age 65.

EXHIBIT B

(See Attached)

MNAMHH
Hospital Benefit Proposal #4
Modified 10/22/2010

Effective January 1, 2012

All employees of the Hospital who are represented by MNAMHH will be eligible to enroll in a health care plan offered to MNAMHH members provided they:

1. Occupy a budgeted position of 20 or more hours;
2. Are eligible to enroll in health care coverage, in accordance with the terms of the plan;
3. For all employees with a date of hire on or after 01/01/2012 who elect to enroll in a health care plan through the hospital, and has a spouse or spousal equivalent, and the spouse or spousal equivalent has access to a health insurance plan through his/her employer*, then the employee can either:
 - a. Purchase an individual primary care coverage plan from the Hospital, and the employee's spouse or spousal equivalent would be required to purchase an individual primary care coverage plan from his/her employer, or
 - b. Purchase a family primary care coverage plan from the Hospital, and the employee's spouse or spousal equivalent would be required to purchase an individual primary care coverage plan from his/her employer. Other dependants covered on the employee's family plan will not be affected.
4. The spouse's or spousal equivalent's primary care coverage would be through his/her employer's health care plan. The Hospital will reduce the employee contribution in an amount equal to the cost of the spouse's or spousal equivalent's contribution toward his/her insurance premium for coverage under his/her employer's plan, up to the amount of premium contribution paid by an employee who elects family coverage under the Hospital plan.
5. The Spouse's or spousal equivalent's benefits will be subject to coordination of benefits by the Hospital to ensure that coverage is equal to the coverage that is offered to employees under the Hospital's health plan. In no case will additional costs that would have been covered had the spouse/spousal equivalent remained solely on the Hospital's plan be the responsibility of the employee, the spouse or spousal equivalent.
6. The Spouse's or spousal equivalent's contribution toward his/her premium expenses for coverage under his/her employer's plan will be reviewed annually.
7. Employees will not be required to comply with the requirements of this Health Insurance Spousal Coordination plan if it is documented that the spouse or spousal equivalent does not have access to a health insurance plan through his/her employer. They may also opt out of the plan if it is documented that the weekly premium cost of their spouse or spousal equivalent's individual plan would exceed the amount of premium contribution paid by an employee who elects family coverage under the hospital plan.
8. This agreement shall be included as a side letter of agreement effective January 1, 2012 through December 31, 2013.

* his/her employer for purposes of this agreement is an employer other than UMMMC.

F

DP
10/22/10

up
10/22/10
Husband

EXHIBIT C

Side Letter

Within six months of ratification of the parties' 2012-2015 collective bargaining agreement, the parties agree to create a joint committee to explore health care redesign. The committee will consist of up to three representatives of the Medical Center, the MNA co-chairs and one MNA representative.

UMMMC

MNA

Dated: May 17, 2013

Dated: May 17, 2013

EXHIBIT D
HOSPITAL COUNTERPROPOSAL TO CHARGE NURSE PROPOSAL
MAY 16, 2013

Med/Surg/Tele:

West 1, West 3, South 2, South 3, South 5 and South 6

- Charge Nurse will have no more than 2 patients on days and evenings.
- Charge Nurses on the night shift will take up to a full patient assignment at his or her discretion.

ICUs:

- NICU: No assignment
- CCU and SICU: Charge Nurse will start the shift with no assignment and ultimately will have no more than 1 patient at the discretion of the Charge Nurse.

Emergency Department:

- Days and Evenings: No assignment
- Nights: Reduced assignment at discretion of Charge Nurse

Maternity:

- Days/Evenings/Nights: No assignment

OR (Memorial):

- When there is a Charge Nurse (normal OR operating hours), the Charge Nurse will have no patient assignment.

PACU (Memorial):

- Days: No assignment
- Evenings: Reduced assignment at discretion of Charge Nurse

SACU (Memorial):

- Days and Evenings: No assignment

Hahnemann - OR/PACU/SACU:

- No assignment

EXHIBIT E

Side Letter

Within six months of ratification of the parties' 2012-2015 collective bargaining agreement, the parties agree to create an exploratory committee to discuss potential areas of joint bargaining. The committee will consist of up to six representatives of the Medical Center, one MNA representative, and the chairpersons of the Memorial and University bargaining units or their designees. This committee will terminate on the date of the opening of negotiations for a successor agreement.

UMMMC

MNA

Dated: May 17, 2013

Dated: May 17, 2013