

This Memorandum of Understanding (“MOU”) is entered by and between Kaiser Permanente (“KP” or “Employer”), and KPNAA (“Union”) Kaiser Permanente and the Union will be referred to collectively as “Parties” and singularly as “Party.” The Parties execute this MOU to finalize the Parties’ Agreement at local table negotiations for a successor agreement to the Union’s local agreement (“Local Agreement”). This MOU shall apply to and bind Kaiser Permanente and the Union.

1. The 2018 Labor-Management Partnership Agreement remains in effect and is not changed by this MOU.
2. All language in the 2021 National Agreement addressing mandatory subjects of bargaining will move to local contracts. This includes but is not limited to the following examples:
  - a. ATBs
  - b. Equity Adjustments
  - c. PSP (Note: PSP has both mandatory and permissive elements)
  - d. All employee benefits
  - e. Labor Management Staffing Committees (1.F.1.c)
  - f. Subcontracting
  - g. Ben Hudnall Trust Funding
  - h. Contract Expiration
  - i. Union Leave (the Parties agree the union leave provisions will be moved to the local agreements without necessarily agreeing whether union leave is mandatory or permissive.)

The language moving to local contracts will be updated to incorporate the TAs reached in National and local bargaining. The Parties will follow the rules of construction in the National Agreement to reconcile language as appropriate. Disputes in reconciling language are subject to arbitration under the local agreements.

3. All language in the 2021 National Agreement addressing permissive subjects of bargaining will move to a new document that henceforth will be referred to as the Partnership Addendum. The Partnership Addendum will be attached to the 2018 Labor-Management Partnership Agreement and subject to the durational provisions below. Permissive subjects include but are not limited to the following examples:

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- a. Partnership structure
- b. UBTs
- c. Joint Staffing Process (except Labor Management Staffing Committees (1.F.1.c))
- d. Contract Specialists
- e. Task forces on Racial Justice and Affordability
  
- f. Just Culture
- g. Strategic Leadership Council
- h. Workforce Planning and Development

The Partnership Addendum will be updated to incorporate the TAs previously reached at the National Bargaining table on permissive subjects and to make it consistent with the terms of this MOU.

- 4. After ratification, signatory Unions to the Partnership Addendum agree to meet on a national basis to finalize the determination regarding the subjects appropriate for local agreement and subjects appropriate for the Partnership Addendum.
  
- 5. The following Agreements between the Parties shall remain in full force and effect according to their terms: (a) Employment and Income Security Agreement; (b) Recognition and Campaign Rules Agreement; (c) Partnership Unions Description of Language/Benefits Enhancements 5/22/2003 (No mandatory overtime agreement and no cancellation agreement); (d) Labor Management Partnership Vision: Reaffirmation and Understandings; (e) the Ben Hudnall Memorial Trust agreement and (f) the Kaiser Permanente – Alliance of Health Care Unions Labor Management Partnership Trust.
  
- 6. After ratification, the parties will have discussions about how to reconstitute the Partnership. These discussions will begin no later than 90 days following ratification and conclude by December 31, 2026 unless mutually extended. None of the work done pursuant to this MOU will be deemed to limit the range or outcomes of the Partnership discussions.
  
- 7. All future bargaining on mandatory subjects will be negotiated at local tables.
  
- 8. The Parties agree that funding provided through the Labor Management Partnership Trust to the Alliance of Health Care Unions may only be used to advance the goals and work stemming from the 2018 Labor Management Agreement and the Partnership Addendum on behalf of the Alliance member signatory unions.

9. Labor Dispute means strikes, picketing, promulgation of literature and videos, unfair labor practice charges, threatened and actual litigation, and claims under the Parties' Labor Management Partnership Agreement.

Except as otherwise provided in the paragraph, the Parties agree that they will promptly seek dismissal with prejudice of all grievances, unfair labor practice charges, and litigation that any one of the Parties has filed in connection with the Parties' Labor Dispute. This includes, but is not limited to, all cases listed in Attachment A to this Agreement. With respect to the civil action filed by the Employer against the Alliance and all Alliance Member Unions, including KPNAA, *Kaiser Foundation Health Plan, Inc. et al., v. Alliance of Healthcare Unions et al.*, Central District of California Civil Action No. 2:26-cv-00601, the Employer will dismiss KPNAA as defendants from the lawsuit. In all such withdrawn or dismissed matters, each Party shall bear its own costs and attorney's fees.

10. KP and the Unions further agree that they hereby withdraw any and all pending information requests relating to any matter or issue arising out of the Parties' Labor Dispute.
11. Consistent with the Parties' desire to resolve all issues and disputes of any nature between them arising out of their Labor Dispute, the Parties agree that they will not file or cause to be filed any grievances, unfair labor practice or other administrative charges, complaints, and/or civil litigation in federal, state, or local agencies, courts, or other adjudicative or regulatory bodies against any other Party or Parties (or such Party's or Parties' agents, employees, officers, or directors) relating to any matter or issue arising out of, or to action taken or not taken, with respect to or in connection with the Labor Dispute.
12. Notwithstanding Section 3F of the 2021 National Agreement, Grievance Arbitrability, grievances filed post expiration of the local collective bargaining agreement are not arbitrable, with the exception of termination grievances for non-strike related misconduct, or as otherwise agreed in writing by the parties. Additionally, national disputes filed after the expiration of the 2021 National Agreement shall not be escalated to a panel for resolution (arbitration).
13. The Parties agree that the initial duration of the Partnership Addendum shall be until December 31, 2026. During the discussions referenced in Paragraph 6, the parties will decide the appropriate duration period for the Partnership Addendum. In the absence of mutual agreement, the Partnership Addendum shall be coterminous with the Partnership Agreement.

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14. The Parties agree that the Partnership Addendum may be reopened for negotiation at any time by mutual agreement. Any revisions, clarifications, or additions to the Addendum shall be made only by mutual agreement of the Parties and upon execution shall become part of this Agreement.

[illegible]

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### **Acknowledgement**

All tentative agreements previously reached in local bargaining remain unchanged, **except as set forth in the time-bound offer below.**

### **Duration**

The KPNAA collective bargaining agreement shall expire on **June 30, 2030.**

### **Limited Reopener**

Upon request by either party, to be given by written notice between June 1, 2029, and July 1, 2029, the contract shall be reopened with respect to the topics listed below, effective October 1, 2029. Topics in this limited reopener shall be limited to Across-the-Board raises, pay grid changes, differentials, and premium/incentive pay. The parties agree that proposals related to any other topic are out of scope for this reopener, and that all other terms of the contract remain unchanged and continue to apply including the no-strike and no-lockout provisions. The limited reopener does not preclude contract bargaining before the June 30, 2030 expiration for a successor contract.

### **LMP Trust**

Effective the month following ratification of this agreement, the Employer will contribute to the Kaiser Permanente-Alliance of Health Care Unions Labor Management Partnership Trust ("LMP Trust") *at the rate* of \$68,500 annually, in monthly installments through September 30, 2029. This amount represents the pro-rata share attributable to employees represented by KPNAA for a total \$11 million annual contribution to the LMP Trust for all Alliance unions (\$8 million existing and \$3 million additional funds).

In addition, the Employer will make a one-time contribution to the Trust of up to \$12,500 for KPNAA to cover 2025 joint bargaining-related costs. This amount represents the pro-rata share of a one-time contribution of up to \$2 million for outstanding 2025-26 joint bargaining costs.

Additionally, the Employer will continue to contribute an additional amount equal to 2% of the parties' total combined contributions in each year of this agreement.

In the event KPNAA withdraws from the Alliance, the Employer is relieved of its obligations under this article.

In addition, the parties agree to continue the pro rata funding for the LMP Trust from October 1, 2029 to June 30, 2030.

**Wages – Implementation Date Modified by Time Bound Proposal Below for Successor Units Only.**

*This wage proposal represents a total increase of 21.5% over four years.*

The ATBs for each year will be effective on the first day of the pay period closest to the first day of the month and year indicated or upon ratification by the Union, whichever is later.

The 2025 ATB will be implemented as soon as administratively feasible after contract ratification.

|     | Oct 2025 | Oct 2026 | Aug 2027 | Oct 2027 | Oct 2028 |
|-----|----------|----------|----------|----------|----------|
| ATB | 6.5%     | 6.5%     | 3%       | 2.5%     | 3%       |

**Performance Sharing Plan**

Keep existing plan per the 2021 National Agreement except for modification below:

**2.A.2**

In the event that the Region does not meet its financial gate, the maximum APSP payout will be capped at **\$1,400** for eligible full-time status employees. This alternative payout will be paid in proportion to the share of APSP attributed to each goal, based on performance toward each individual goal. (For example, a goal assigned 10% of the overall APSP formula would pay out **\$140** if target is met).

**Time Bound Offer For Successor Bargaining Agreements - Implementation of ATBs and Wage Scale Adjustments:**

- ATBs and Wage Scale Adjustments shall be effective the first pay period after a complete comprehensive package containing all bargained terms (including any MOUs) is TA'd by the parties ("effective date").

KP Proposal to KPNAA

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- The parties recognize that implementation of ATBs and/or Wage Scale Adjustments may take up to 120 days and agree that bargaining unit members will be compensated upon implementation back to the effective date.
- This proposal does not alter previously bargained implementation dates for premiums, differentials of any kind, benefits, or any other terms other than ATBs and Wage Scale Adjustments.
- If the complete comprehensive package is not executed and ratified by midnight (local time for the union) March 27, 2026, this provision expires and the Employer reverts to its prior proposals on ATBs and Wage Scale Adjustment implementation dates.

For the Employer:



March 12, 2026

For KPNAA



March 12, 2026



Joshua Young  
Gilbert & Sackman, ALC  
KPNAA Attorney



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KPNAA President