

**KAISER PERMANENTE NORTHWEST REGION
 AND
 OREGON FEDERATION OF NURSES AND HEALTH PROFESSIONALS
 LAB PROFESSIONAL AND PROFESSIONAL BARGAINING UNITS**

**LETTER OF UNDERSTANDING REGARDING
 RETIREE MEDICAL, DENTAL AND OTHER BENEFITS**

This is to confirm our understanding regarding ^{OFNHP} NHP Lab Professional and Professional Bargaining Unit Retiree Medical, Dental and Other Benefits

In settlement of the grievances filed by OFNHP with regard to the retiree medical plan for the Lab Professional and Professional bargaining units, it was agreed to that on June 1, 2007 the Employer would transition all current and future Professional and Lab Professional retirees from the Tier 3 Medical/Dental Plan to the Tier 2 Medical/Dental Plans. Specifically, the following will occur:

1. All current and future retirees of the Professional or Lab Professional group who have or will have Retiree Medical/Dental coverage and have been placed on the Tier 3 Medical/Dental Plan will continue to be on the Tier 3 Medical/Dental Plan until May 31, 2007. On June 1, 2007, all current and future retirees will be transferred to the Tier 1 or Tier 2 Medical/Dental Plan as appropriate in accordance with the OFNHP/KPNW Professional Agreement Article 14.B.2 and 14.B.3 and the OFNHP/KPNW Lab Professional Agreement Article 7.E.
2. The Union will notify all current retirees, by mail, no later than 30 days before the Tier 1 and Tier 2 Medical/Dental Plan goes into effect. This notice will explain the changes that will occur to premiums, co-pays and coverage levels. Notification will also be made to current *EMPLOYEES. ASM*
3. All retirees who were hired on or before December 31, 1984 and qualified to retire on or after January 1, 1997 at Kaiser Permanente will receive a quarterly Medicare reimbursement in the amount of \$43.80. Any eligible retirees who did not receive this reimbursement will be "made whole."
4. It is agreed that the \$10,000 Retiree Life Insurance coverage will be in place for eligible retirees at the beginning of the month following their retirement.

Jim Pruitt 4/16/07
 Date
 Labor Relations Director
 KPNW

Alan Moore 4/25/07
 Date
 Internal Organizing Coordinator
 OFNHP