

**Memorandum of Understanding Between
Kadlec Regional Medical Center & Washington Nurses Association
Implementation of Article 7.2 - Step Advancement**

The purpose of this Letter of Understanding is to memorialize the process for implementing Article 7.2 under the 2026-2028 Collective Bargaining Agreement ("CBA"), as agreed upon between the Kadlec Regional Medical Center (the "Hospital") and WSNA. Article 7.2 ("Step Advancement") eliminates the "credit hours worked" requirement for step increases and provides for annual step advancements based upon nurses' Anniversary dates.

The Parties previously agreed to collaborate on the equitable implementation of Article 7.2 and develop an administratively feasible transition process. The Parties have since met and discussed implementation options and recognize the importance of transitioning from the prior hours-based progression system to anniversary-based progression while avoiding duplicate step increases in calendar year 2026.

The Parties further recognize that implementation of Article 7.2 requires consideration of nurses who have already received a compensation adjustment in 2026, nurses who are at the top of the wage scale, nurses whose Anniversary Date occurs following implementation, and nurses whose Anniversary Date occurred prior to implementation but after the ratification of the CBA in May 2026. Implementation of Article 7.2 occurred on September 20, 2026.

The Parties have agreed to the following process for implementing Article 7.2:

A. Nurses Who Already Received a 2026 Compensation Adjustment.

Nurses who received a compensation adjustment or compensation event (e.g., new hires) in calendar year 2026 prior to implementation of Article 7.2, shall not receive an additional step increase in 2026. Such nurses shall be eligible for their next step increase effective twelve (12) months after the date of their 2026 compensation adjustment. That 2026 compensation adjustment/event date shall become these nurses' new "Anniversary Date" for purposes of step advancement under Article 7.2 of the CBA.

B. Nurses at the Top Step of the Wage Scale.

Nurses who are at the top step of the wage scale shall not receive an additional step increase under this Letter of Understanding.

C. Nurses with an Anniversary Date Between September 20 and December 31.

Nurses who have not otherwise received a 2026 compensation adjustment or event and whose Anniversary Date falls between September 20 and December 31 shall receive their 2026 step increase effective on their Anniversary Date. Subsequent step progression shall occur twelve (12) months thereafter in accordance with Article 7.2.

D. Nurses with an Anniversary Date Between May 5 and September 19.

Nurses who have not otherwise received a 2026 compensation adjustment or event and whose Anniversary Date falls between May 5 and September 19 shall receive a one-time step increase effective September 20, 2026. Following this adjustment, subsequent step advancements shall occur twelve (12) months from September 20, 2026.

E. Nurses Not Receiving a 2026 Adjustment.

Nurses who do not qualify for a compensation adjustment in 2026 under the provisions above, including nurses whose Anniversary Date occurred before May 5, 2026, and who did not receive a 2026 hours-based adjustment prior to implementation, shall receive their next step increase on their 2027 Anniversary Date in accordance with Article 7.2.

F. No Duplicate Step Increases.

The Parties agree that a nurse who receives a compensation adjustment in 2026, whether under the prior hours-based progression system or pursuant to this MOU, shall not be eligible for an additional step increase until twelve (12) months after the nurse's most recent compensation adjustment.

G. Future Administration.

Following implementation of this Letter of Understanding on September 20, 2026, step progression shall be administered in accordance with Article 7.2 of the 2026-2028 CBA, with step advancements occurring annually based on (a) the date on which they received their 2026 step advancement or, (b) for those who do not receive a step advancement in 2026, the anniversary date on which they receive their 2027 step advancement. The Parties agree that the term "Anniversary Date" shall be defined for purposes of this MOU and future administration of Article 7.2 as a nurse's "Bargaining Unit Seniority Date."

H. Review Process.

If a nurse believes that the effective date of their first step increase pursuant to this MOU is incorrect, they may submit a request for review by email to Human Resources Business Partner Kyle Lamb (or designee) at kyle.lamb@providence.org. Such requests must be submitted no later than thirty (30) days from the date of the nurse's first step increase

pursuant to this MOU and should include relevant supporting documentation. Human Resources will review the nurse's request in good faith and provide an initial response within thirty (30) calendar days from receipt of the nurse's request.

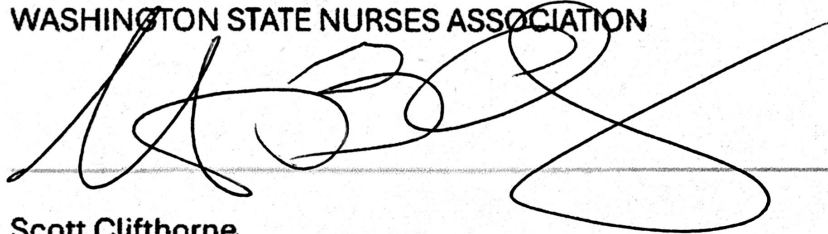
KADLEC REGIONAL MEDICAL CENTER



Kirk Harper, Chief Nursing Officer, Kadlec Regional Medical Center

Date: 9-30-2026

WASHINGTON STATE NURSES ASSOCIATION



Scott Clifthorne

Date: 9/30/2026