

## SETTLEMENT AGREEMENT

This Settlement Agreement (“Agreement”) is entered into between the Michigan Nurses Association (“the Union”), and Beacon Health System d/b/a Allegan Hospital (“Beacon” or “Employer”). Beacon assumed control of operations at Allegan Hospital after purchasing certain assets from Ascension Health, on or about July 1, 2025. At that time, Beacon implemented new benefits for Allegan Hospital, including bargaining unit members of the Union. In Fall 2025, Beacon made modifications to previously implemented benefits plan for 2026. The Union filed Grievance #062725 Allegan on the Bargaining Unit’s behalf related to the 2025 implementation of Beacon benefits and Grievance #102325 Allegan on the Bargaining Unit’s behalf related to the 2026 changes to Beacon’s benefits. In order to resolve any and all issues regarding or relating to Grievance #062725 Allegan and Grievance #102325 Allegan and/or any claims or actions, whether asserted or unasserted, by bargaining unit members against the Employer relating to these changes in benefits, the parties for the good and valuable consideration described in this Agreement, received and accepted, agree as follows:

1. Throughout this Agreement, the terms “Beacon” or “Employer” shall encompass the following:  
(a) Beacon Health System, Allegan Hospital., as well as any subsidiary, parent company, affiliated entity, related entity, successor, predecessor, or division of any of the foregoing; and  
(b) any current or former officer, director, board member, trustee, agent, employee, shareholder, representative, insurer, or employee benefit or welfare program or plan (including the administrators, trustees, and fiduciaries of such program or plan) of an entity referenced in or encompassed by subparagraph (a) of this Paragraph 1.
2. In consideration for signing this Agreement, Beacon agrees to implement certain modifications to the 2026 employee benefits package as outlined in Exhibit A “Letter of Understanding” and to provide a lump sum payment of Five Hundred Dollars (\$500) to each bargaining unit member represented by the Michigan Nurses Association at Allegan Hospital, employed as of February 5, 2026. This Agreement, the Letter of Understanding, and the Lump Sum Payment, are made conditional upon the ratification of the current Tentative Agreement negotiated between the Union and Beacon for employees covered by the parties’ Borgess Hospital Collective Bargaining Agreement. Upon notice of ratification, Beacon will implement the modifications to benefits immediately and within 30 days it will process the payment of the lump sum to the bargaining unit employees.
3. In the event the Tentative Agreement is not ratified, either party may rescind this Agreement with twenty-four hours’ notice to the other party. Should either party rescind the Agreement, Grievance #062725 Allegan and Grievance #102325 Allegan shall be reinstated and scheduled for arbitration consistent with the parties’ Collective Bargaining Agreement.
4. The payment and benefits provided by Beacon in Paragraph 2 above reflect consideration provided to the Union and Employees over and above anything of value to which they are already entitled, and shall be subject to all appropriate taxes, deductions, and withholdings.
5. This Agreement shall not be construed as modifying the existing labor contract between the Company and the Union except as it relates to, and consistent with the terms of, the Letter of Understanding attached as Exhibit A, and the Union agrees not to consider or offer this

Agreement as evidence of precedent or past practice for any reason. The resolution of Grievances #062725 Allegan and #102325 Allegan and this Agreement are non-precedential and may not be cited by either party in any future grievance or arbitration hearing generally, but specifically this Agreement and the Letter of Understanding cannot be cited, referenced, or used by either party in any future arbitration hearing related to Grievance #062725 Kalamazoo and #102325 Kalamazoo, currently pending at Beacon’s Borgess Hospital.

- 6. The Union and Beacon acknowledge and agree that Grievance #062725 Allegan and #102325 Allegan, and any, charges, complaints, claims, or other matters relating to or concerning the matters outlined in opening paragraph of this Agreement are hereby and finally resolved. The Union will withdraw Grievance #062725 Allegan and #102325 Allegan, and the Union will not submit or process any other grievances, charges, complaints, claims, or matters on behalf of Employees regarding the issues outlined in Paragraph 1. Beacon is under no duty or obligation to defend or respond to any such grievances, charges, complaints, claims or matters. .
- 7. The parties agree to split any cancellation fees related to this arbitration equally.
- 8. This Agreement is not intended to be construed as an admission of liability or wrongdoing by Beacon or the Union but is entered into in compromise of disputed claims over employee benefits for 2025 and 2026.
- 9. The parties acknowledge and agree that this Agreement shall be governed, interpreted, and enforced under the laws of the State of Michigan.
- 10. This Agreement sets forth the complete agreement between the parties relating to the subjects herein.
- 11. This Agreement shall be binding upon and inure to the benefit of all parties hereto, and their respective heirs, representatives, successors and assigns.
- 12. No waiver of any provision of this Agreement shall constitute a waiver of any other provision, nor shall such waiver constitute a continuing waiver. In the event that any provision of this Agreement is found to be void or unenforceable, the remaining provisions shall nonetheless be binding with the same effect as though the void or unenforceable parts were deleted.

ON BEHALF OF THE EMPLOYER

ON BEHALF OF THE UNION

*Hannah Carey*  
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Signed by:  
*Andy Cornell*  
\_\_\_\_\_

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Date: 2/9/2026

Date: \_\_\_\_\_

ON BEHALF OF THE LOCAL OFFICERS  
OF THE UNION

Signed by:  
  
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Date: \_\_\_\_\_

## **EXHIBIT A LETTER OF AGREEMENT – INSURANCE**

The following supplements the Medical Center provided benefits through Article 20 during the term of the Agreement.

All employees normally scheduled to work 60 hours or more per pay period qualify for medical, dental, and vision benefits at the Full-Time employee rates.

### Medical Insurance:

- a. There shall be no facility fee for obtaining care at non-Beacon affiliated sites.
- b. There will be no spousal surcharge for bargaining unit employees, whether or not the spouse can obtain medical insurance coverage elsewhere.
- c. For purposes of securing insurance, the Medical Center will accept from a primary care physician a form attesting to completion of wellness screening requirements completed within the past twelve (12) months. However, to be eligible for Wellness Plan premium discount(s), individuals must participate in the screening and individual results must be shared with the Wellness Plan. Union employees may choose not to participate in the wellness plan discount program.
- d. Mental Health therapy providers in the QCA network will be covered at Tier 1 rates. All other Mental health therapy sessions will be covered at Tier 2 rates for employees enrolled in either the CDHP or PPO plan.
- e. Preventive care from out-of-network providers will be covered at 50% coverage after the out of network deductible has been met.
- f. The Medical Center will include coverage for pregnancy care and childbirth only for covered employees and their eligible dependents (including dependent daughters).

### Short Term Disability

The Medical Center agrees to provide full time and part time employees as of December 31, 2025, a base plan/core benefit up to 50% at employer expense. Employees who want to buy up to 70% may do so. The elimination period will be seven (7) days. Employees will receive the benefit provided or purchased up to 180 days. The Medical Center plan/core benefit up to 50%, or any additional purchased amount, will be paid on the base earnings, mirroring the prior Ascension STD plan was paid. The plan's preexisting condition limitation will be waived for benefit year 2026 for those employed by the Medical Center on the date of ratification of this contract.

### Long Term Disability

The Medical Center agrees to provide full time employees a base plan/core benefit up to 60%, not to exceed a maximum of \$10,000.00 per month, at employer expense. Part-time employees may purchase a LTD benefit. The Medical Center plan/core benefit will be paid on base earnings, mirroring the prior Ascension LTD plan.

**Life Insurance**

The Medical Center will provide basic Life and Accidental Death and Dismemberment insurance to all Full-time and Part-time employees. The benefit will be fully paid by the Medical Center. The benefit will be equal to the employee’s annual pay at base wage at the time of death for standard base hours (FTE) for fifty-two (52) weeks. For new employees, the life insurance outlined above shall become effective on the first day of the month following employment.

ON BEHALF OF THE EMPLOYER

*Hannah Carey*  
\_\_\_\_\_

Date: 2/9/2026

ON BEHALF OF THE UNION

Signed by:  
*Andy Cornell*  
\_\_\_\_\_

Date: \_\_\_\_\_

ON BEHALF OF THE LOCAL OFFICERS OF THE UNION

Signed by:  
*Ima M Kaiser*  
\_\_\_\_\_

Date: \_\_\_\_\_

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