INTEREST ARBITRATION TRIBUNAL

BEFORE

IMPARTIAL ARBITRATOR KENNETH A. PEREA

In the Matter of Arbitration **Between** **STATE OF WASHINGTON, OFFICE OF FINANCIAL MANAGEMENT** **And** **WASHINGTON FEDERATION OF STATE EMPLOYEES, AFSCME COUNCIL 28**	**IMPARTIAL ARBITRATOR'S** **FINDINGS** **AND** **AWARD**

The interest arbitration in the above-entitled matter is governed by RCW Chapters 41.56, 39.26, 74.04, 41.80, 51.14, and State of Washington regulations promulgated under the foregoing statutory authorities. The State of Washington and Washington Federation of State Employees, AFSCME Counsel 28 engaged in good faith negotiations concerning the terms of a successor collective bargaining agreement to their current 2025-2027 Agreement but were unable to reach resolution on certain terms therein including Article 1, Section 1.3 concerning "Artificial Intelligence," Article 6 concerning a "me too" clause, Section 6.1 regarding the definition of an "hour," Section 6.2 regarding base rates of pay, Section 6.3 concerning Appointment Times, Section 6.5 regarding DCYF, DSHS and HCA Medicaid Enrollee No-shows, Cancellations and Early Completion, Section 6.6 regarding DCYF, DSHS and HCA Medicaid Enrollee Early Completion, Section 6.10 pertaining to HCA Medicaid Enrollee Family Member Appointments, Section 6.11 regarding Labor and Industries Base Rates of Pay, Section 6.12 concerning Labor and Industries Appointment Minimums, Section 6.13 regarding Labor and Industries No-shows and Cancellations, Section 6.14 pertaining to Labor and Industries Early Completion, Section 6.15 regarding DES Base Rates of Pay, Section 6.16 regarding DES

Appointment Times, Section 6.17 pertaining to DES No show and Cancellations, Section 6.18 regarding DES Travel and Travel Reimbursement, Section 6.19 pertaining to General Application, DSHS and DCYF Services Requiring Simultaneous Interpreting Certification, Article 7, Section 7.2 regarding Payment Timelines and Article 8, Section 8.3.F. concerning an arbitration pilot program.

After receiving certification to proceed to interest arbitration, the parties requested a videoconference hearing be conducted before Impartial Arbitrator Kenneth A. Perea. A videoconference hearing was thereafter conducted on August 5-6, 2026. An official transcript of the proceedings was then prepared by Buell Realtime Reporting and sent electronically to the parties and the Impartial Arbitrator on August 21, 2026. The parties stipulated to the admission of all Joint Exhibits, updated Union Exhibits, and updated State Exhibits offered by the parties.

I. THE HEARING

The above-entitled matter was heard pursuant to agreement of the parties via Zoom on August 5 and 6, 2026. Throughout the course of the hearing, both parties were afforded full opportunity to present sworn testimony, cross-examine witnesses and introduce documentary evidence. A verbatim transcript of the proceedings was thereafter prepared by Nancy M. Kottenstette, RPR, Buell Realtime Reporting, LLC The matter was submitted upon oral closing argument at the conclusion of the hearing.

II. THE APPEARANCES

The Union was represented at the hearing by Edward Earl Younglove, Younglove, Coker & Rhodes, attorneys at law. The appearance on behalf of the State was made Katie Garcia and Cheryl Wolfe, attorneys at law, Washington State Attorney General's Office.

III. THE PARTIES' CONTENTIONS

A. Contentions of the Union

It is always a challenge to bargain when resources are scarce. We all heard the testimony from Robyn Williams from Office of Financial Management regarding the State's budget forecast, and as she indicated, when resources are scarce, the parties need to look at where they can shift things, move resources toward greater priorities. And this case I think really focuses on some of the priorities for the State.

What is important to the public in terms of what the State can provide for their well-being, the principal goal or, the principal object of the State, its most important function, is to provide for the safety and well-being of its citizens.

And in that sense, the language access providers are really vital for the connection between them and, more importantly, between the individuals and citizens in this State that are of low English proficiency in terms of receiving essential State services for their safety and well-being.

Such things as, you have heard about it, medical care for themselves and their children, social and family issues for victims of crime -- for crimes, these are essential services for the State to provide for its citizens, and they can only do it if they can communicate with those people.

The individuals that are the recipients, the beneficiaries of the interpreting services, are frequently immigrants. They are frequently people of limited means who are often receiving medical and life-saving social services. Oftentimes, they are senior citizens or they are receiving those services for their children.

Among State's priorities, safety and well-being are primary above many other budget obligations where moneys can be shifted to those things of greater priority. We all know that there are items within the State budget that can be deferred.

I am sure you can think of many items, but road maintenance for example, those kinds of issues can often be deferred. They may budget to do those items on a frequent basis, but in times like these, the State needs to look a little harder in terms of where it can shift money to meet its priorities. That should be a factor in the State's consideration regarding the bargaining terms for the language access providers' employment.

The overall comparative costs of meeting this should also be a consideration. The State discretionary general fund is nearly 80 billion with a “B” dollars. The State costed the Union's proposals for changes in this contract at 18.9 million, with an “M,” dollars. That makes that amount, the 18 million dollars, 200th of one percent of the State's budget. It is truly a minuscule part of the State's available funds. The State therefore has the ability to fund the Union's proposals if it appropriately prioritizes them.

I do want to address a couple of the provisions in the Union's proposal which have no cost or even provide for a savings to the State. And the first one would be the proposal to add a provision in Article 8, the Grievance Procedure that the parties have, to provide for arbitration by the Public Employment Relations Commission (“PERC)”. This is proposed to be on a trial basis for the contract period. It is proposed to be limited to no more than five grievance hearings being submitted for arbitration to PERC.

The evidence in the record supports the fact that the employees at PERC are experts in the field of labor law in general and, more specifically, experts in the State's labor law, RCW 41.56. The State's position on this proposal by the Union is really hard to understand.

All we have heard over the last two days is that the State has no money. The State protests it cannot afford to put any money toward any of the Union's proposals. And yet, when they are given the opportunity pursuant to the Union’s proposal regarding having PERC provide arbitration services to save money, they have rejected it.

The parties pay an administrative fee to AAA for it to administer arbitration hearings. Essentially, that consists of providing the parties with a list of 11 names from which they can choose an arbitrator by a process of striking names. That money would be saved if PERC was used. That is a small amount, but it has to add up over two years and for all -- for a number of arbitrations hearings.

But more importantly, and I know this might strike a little close to home, but the arbitrator fees can be fairly expensive. It is sometimes several thousand dollars a day. And in order to provide an award, the arbitrator's fees for any particular arbitration can be thousands of dollars. There is, however, no fee for PERC to arbitrate a grievance and to provide the parties with a decision.

So, it is just really hard to understand how the State can say we do not have any money and yet we are going to turn down this opportunity to save money by using a public agency, PERC, that is dedicated to labor relations in the State of Washington and employes experts in the field of labor-management relations.

Ms. Garcia points out that the selection for the arbitrator is a little different when using PERC. When we select an arbitrator through AAA, we do not get to unilaterally pick the arbitrator. I do not have any control over who that last name on a list is going to be. I can maybe whittle it down, but we do not get to unilaterally pick the arbitrator there either. And I think there is no basis for the State to question the qualifications or capability of the staff at PERC to conduct quality arbitration hearings.

So, it is just beyond me how the State can take the position that saving money in this contract is not something that they can agree to.

The other provision is in Article 1, the Recognition clause. First of all, the State has suggested really nonsensically that this contract does not apply to DES, because there is not some statement in the contract, the proposed contract, that says this contract applies to DES.

DES is one of the agencies listed in the statute referenced in Article 1. It is one of the agencies that language access providers provide interpretation services to and are included in the bargaining unit. It is even referenced that when any language access providers are brought into the bargaining unit, that the contract will apply to them as well.

So for all of those reasons, there is no sense to the State's argument that this contract would not apply to DES. Plus, the State even proposes terms for this contract that concern DES. They cannot have it both ways.

The Union has also proposed in that Article 1, as a footnote, include a "me too" provision, and this is -- this is a clause that I think we see not frequently but not infrequently either, particularly in times when resources are scarce like they are now. And particularly where, as here, as Mark Hamilton testified, we are bargaining early in this process. There are many other bargaining tables that have not even met yet.

Now, I am going to be up front. It is unlikely that the State's economic situation, its fiscal situation, is going to turn around, for example, in the next 30 days. But if it did, if it did, all the Union is asking for is that comparable increases be brought into this contract concerning LAPs.

If the finances turn around for the State and later contracts are reflecting a different position than that the State does not have any money, cannot afford any increased costs, if they start agreeing to increases for other employees, it is only fair that these employees who have gone so early in the process would also benefit and get those same increases.

The other provision in Article 1 is in Article 1.3 that would prohibit the State from supplanting the language access providers through the use of AI. There may not be any topic that is any hotter right now than the use of AI. We hear about these AI programs that are escaping and raiding other companies' developments of AI. We hear horror stories about misinterpretations or erroneous applications by AI.

Lawyers are continually advised not to rely on artificial intelligence in terms of legal research, that they need to check that work for hallucinations. There is a reason for that. And maybe someday the situation will be different.

But as of today, the testimony you have heard is that AI is just too risky. When you are talking about performing a medical procedure on somebody, you want to be absolutely certain about the interpretation that is happening there on the operating table, for example, or in the doctor's office.

Union witness Barbara Robertson told us the story about the translation of the phrase "cervical spine" in Swahili and ends up you are talking about both ends of the spine, the cervix and also in the female body parts, I think she indicated. That is just an example of the risk that using AI presents for persons of low English proficiency that are relying on these language access providers to provide an accurate interpretation of what they are attempting to convey, whether it is about their medical condition, their child's medical condition or an issue regarding providing social services for themselves, their parents, or their children.

At this point the provision that the Union is proposing to not allow the State to use AI in replacement of using a language access provider under these various contracts that make them available. It is just too risky. It is too dangerous, and so we are asking that you adopt the Union's position that the State not be allowed to supplant the work of the language access providers through the use of artificial intelligence.

The next Article I want to talk about is Article 7. In her opening statement to you, Ms. Wood indicated what the Union's really overarching goal was for this contract bargaining session, which was to try to find some consistency, some predictability, some parity in the treatment of language access providers regardless of whether they are performing that service, the interpretation service, for one agency or a different agency.

And we have to remember that all these agencies are executive agencies. The statute that Katie cited, 41.56.157, provides that their employer, for purposes of bargaining, is the Governor, the head of these agencies. And they bargain with the employer with regard to the terms of their employment. And, again, in that same statute in the section that Katie mentioned, in 41.56.157, I think it is 2-C, it provides that they are given a right to bargain the manner and the rate of payment.

So both what they get paid and how they get paid, those are specifically called out in the provision for collective bargaining defining what collective bargaining rights these individuals have. And Article 7 addresses a little bit of both. But mainly, it is the manner of payment, specifically consistent with the statutory provision.

I think Katie mentioned in making a decision with regard to the proposals in Articles 6 and 7, that ultimately the Legislature has the final say over funding for this contract, but I do not believe that the Impartial Arbitrator's task is to try to define what the Legislature may or may not do. I believe your task is to try to see if you can help the parties get a contract that is appropriate, that meets their needs within the resources that they have.

And the Legislature is going to do what they do, but I do not think it is really appropriate to ask you to make your decision based on what you think the Legislature may or may not do. The problem that we are dealing with has really been created over time.

You heard brief testimony about how this bargaining unit has come to be what it is. I mean, it started out with language access providers who were performing interpreting services for DSHS, DCYF, and HCA, these social service agencies.

And for many years, that was the situation. That was the bargaining unit that the contract pertained to. And then through the State's labor laws for public employees and specifically for these language access providers, the group of language access providers who

provide services for Labor and Industries were added to the bargaining unit represented by the Union.

And, of course, the situation is that the language access providers, I think it is fair to say probably most of them, certainly many of them, provide interpreting services for all the above agencies of the State. So they are not only now providing interpretation services for DSHS and L&I, but then when more recently DES was added to the bargaining unit, we now have language access providers who are providing interpretation for all of these agencies.

And DES presents the situation where it is providing contracts and vendors for many agencies, including the ones that were already in the bargaining unit, DSHS, HCA, DCYF, and L&I, and doing it through 19 different vendors, with different processes. And those processes are not even known because those vendors take the position that their processes are proprietary, containing confidential information so it is like there is a curtain there. And we do not know what is going on behind the curtain.

One of the primary goals for the Union in this contract negotiation is to try to deal with that patchwork quilt fabricated from the addition of these different agencies into the bargaining unit and the effort to try to provide some consistency and some predictability for the employees that are providing these services to these different agencies.

And right now, it is -- I think the only way to describe it -- is a mess. They are all different, and the goal here is to try to move toward consistency and predictability. The Union's proposals do not pretend to provide a final solution to that patchwork quilt, but they do move in that direction. They do provide greater consistency and greater predictability for all of the bargaining unit members.

And part of the problem here is that all of these agencies, you know, use a middleman to process the work done by the language access providers. All of them use a third party, whether you call it a coordinating entity or a contracting entity. What you call it does not really matter.

It is a third party that post - finds work, puts up work, publishes it, offers it basically to language access providers to take, gets the invoice from the language access provider after they have done the work and bills the payer.

And, again, we cannot get too hung up on these terminologies, because the payer can be, you know, a different type of entity. For example, L&I is a great example. Even within L&I, you have both the State Worker's Compensation system where L&I is the payer, but you also have large companies in this State, the self-insured employers, and they are the payer.

So in this scheme, this middleman is dealing with different payers, insurers, agencies, and they bill for the language access providers' work to the payer. And then when they get paid by the payer and they then pay the language access provider.

But the time limits, the manner of payment, the process is wild and varied, and the statute provides that one of the things that language access providers are entitled to bargain is the manner of their payment. And the request is to try to move the manner of payment for these people using this middleman structure toward one that is more consistent so they get paid at a predictable time, that they get paid at a predictable frequency, and they get paid at a fair and fairly consistent amount.

The work that they are performing is the same regardless of which agency they are performing it for. There is no difference whatsoever in their interpreting services, and yet the compensation that they receive for the work is different.

Mark Hamilton went over in his testimony, again, what the process is with L&I. So in the L&I process, there is right now a 20-day period at the front end for the third-party to get the last invoice and get it to the payer. But then by statute, there is a 60-day period in there that we cannot do anything about. But then at the other end in terms of paying the LAP, the coordinating entity, the third-party middleman right now has a contract that says 15 days.

Well, the Union's proposal is to try to streamline that process to some extent. And instead of 20 days at the front end, it should not take 20 days for a company whose business is processing these invoices and payments, the proposal is to reduce that 20 days to 10 days for them to get the bill to the payer, to the insurance company, to either L&I or the self-insured employer. And it should not take an additional 15 days after they get the money to pay the language access provider.

We are just proposing that it be reduced to 10 days, a five-day reduction. So now we have taken over a three-month period from when the LAP does the work and gets their invoice to the middleman until they get paid. We've reduced that from 95 days to 80. And it is not exactly a huge change, but it is significant. It does reduce the amount of time that the language access provider has to wait before they get paid for the work they did.

The thing I would also like to point out about Article 7, because it is about process, it is not about the amount of payment. It is about process. It does not cost the State anything. The changes the Union proposed to Article 7, there is no cost attributed by the State.

There's nothing in what Courtney Potter testified to or in the Exhibit, I think it's in Employer's Exhibit No. 3, that provides any cost allocated to the provisions of the Union's Article 7 proposal. It is just making the process more efficient, requiring the State to get things done in a fairly predictable manner.

And I really did not understand James Dannen's testimony about why the language access providers were any different than any other employee, including employees of the State, in terms of whether they should be able to know when they are going to get paid, with what kind of frequency they are going to get paid. Those seem to be some of the most basic terms of any employment relationship.

And it is not just how much are you going to pay me, but when are you going to pay me? When am I going to get it, and how often am I going to get it? The language access providers,

just like any other employees, have financial obligations that they have to meet, personal obligations they have to plan for.

And when they do not know when they are going to get paid or how frequently they are going to get paid, that makes it really difficult. That is a hardship on the individual. But we believe that the process provisions in Article 7, which do not cost the State, are appropriate for inclusion in this bargaining unit.

The last provision is Article 6, and that is the economic compensation for the language access providers. This Article and Article 7, which I just talked about, are generally kind of based off of the processes and rates of the original agencies -- DSHS, DCYF, and HCA. And, you know, we are trying to layer basically L&I and DES over that to get this consistency.

So the Union's rate increase was two percent and two percent, consistently, did not matter which agency, except for L&I. And L&I, the general base rate increase was one and one and a half. And the reason was because L&I pays a little higher rate, and, therefore, the Union could afford to offer up a lesser increase for L&I. The goal still being to get the parity.

And I disagree with Katie. I do not think the appropriate way to get the parity is to lower somebody's wages, but to gradually take into consideration the difference and try to minimize that difference as you move forward to the point where they are finally equal.

So here that is what we are doing, raising the rates for the other agencies by two percent both years and L&I a little bit less, moving toward that goal of consistency and parity.

There are several proposals that are extremely important to the language access providers that have to do with what we have labeled lost opportunity, and these are the no-show/cancellation provision and the appointment ending early. And those provisions are in the provisions applicable to the original contracting parties, DSHS, HCA, and DCYF. They are not in the provisions currently for L&I or DES.

And one of the objects is to get comparable provisions for no-show and cancellation and appointments ending early in L&I and in the DES contract. And, again, the reason is because there is no difference in the lost opportunity that the LAPs experience when they are taking a job and they took a job for L&I and the person does not show up and they do not get paid.

There is no difference in that situation and the fact that they have dedicated that time to do that job, that interpreting, and lost the opportunity to do something else when it cancels. It is the same impact regardless of whether you are talking about someone doing an interpreting session for DSHS or for DES or L&I.

The only problem with the provision applicable to DSHS, DCYF, and HCA is that the -- make sure I get this straight -- the $250,000 cap is for – that is for the appointments that end early, and the problem is that that money is gone within about six months. And so it is just kind of -- I hope this is not an inappropriate term -- it is kind of a crapshoot whether you get paid or not. It depends on when your appointment ended early occurred. Did it occur early in the contract or late?

That seems very arbitrary. It seems like if you are going to recognize that someone who set aside the time to do a job and was asked to commit a certain amount of time to it and did and then is not paid for that amount, the job does not last that long so they do not make as much, that they are not compensated for that lost opportunity, the time that the appointment ended early, that they do not otherwise get paid for.

And it seems arbitrary that it be totally dependent on the existence of a fund that everyone knows is not going to last through the year. It is not going to last through the contract term. And so about half the time, they are not going to get paid.

The only economic increase that the State has offered in this bargaining session is for simultaneous interpreting, and where they were at zero for everything else, they went to 30 percent for simultaneous interpreting, which seems like it should raise the question of why

would they do that? Why would they offer zero for everything else but 30 percent for simultaneous interpreting?

And the reason is because it is really rare, and so -- and they have not even costed it because it is so rare. They do not have any data. The only reason they offered it is because it is – they are not going to have to pay it because it happens so rarely. It is a hollow promise.

And even in their simultaneous interpreting proposal, they do not bring in the other issues surrounding simultaneous interpreting, which is that it is really hard to do. And so the court rule, General Rule 11, provides you usually have a team and you provide for breaks because it is really difficult to do both.

I mean, you are listening and translating, but you are also speaking. And you are doing all of this at the same time. So it is a difficult task. It is arduous, and it probably should be paid more. But it is pretty rare. But even the State's proposal does not compensate for the difficulties of performing that type of interpretation.

The Union submits that the goal that it has presented in this arbitration of consistency and predictability is worthwhile, and we -- and it recognizes that we are not going to get there overnight. It is not a proposal to make everything consistent and everything equal in this contract.

But it is a proposal to move in that direction. These employees are performing the same work for each of these agencies. There is absolutely no reason that the manner and rate in which they are paid should be different.

B. <u>Contentions of the State</u>

In making a determination about the issues certified for arbitration, you must consider the public policies contained in RCW 41.56.501 found in Joint Exhibit 8 and the factors enumerated in RCW 41.56.530, Subsection 1, and RCW 41.56.157, Subsection 2-D-i, which can

be found in Joint Exhibits 4 and 5, respectively. These include the Page 401 constitutional and statutory authority of the Employer and the financial ability of the State to pay.

Looking at the proposals from the parties with these factors in mind, I would like to discuss Article 6. At the outset, the State has serious concerns with the Union's proposed "me too" language found at the bottom of Page 1 in Joint Exhibit 17.

Not only is the provision extremely vague as written, but including this language would create bad policy by imposing a parity clause on a public employer without taking into account the variables that are occurring at other tables or the differences in how other contracts are funded.

More importantly, though, the State contends that this request falls outside of the scope of what an arbitrator may consider under RCW 41.56.530, Subsection 1.

The Union's proposed changes to Article 6.2 comprise their rate increase request for the 2027-2029 biennium for social service and Medicaid appointments for all three modalities. In Subsection A, the Union proposes a two percent increase to the base rates of pay in the first year of the biennium and an additional two percent increase in the second year of the biennium. For in-person appointments -- both those are for in-person appointments.

In Subsection B, the Union seeks an additional ten percent increase to the rate of pay for block appointments in the first year of the biennium as well as a two percent increase to the rate of pay for block appointments in the second year of the biennium.

In Subsection C, the Union proposes a one percent increase to over-the-phone interpreting permanent rates in the first year of the biennium and an additional three percent increase to the OPI permanent rates in the second year of the biennium.

This proposal also includes a two percent increase for the first ten minutes of video remote appointments with an additional one percent increase for every minute thereafter in the

first year of the biennium. And in the second year of the biennium, the VRI rates would increase by an additional two percent and three percent, respectively.

As you heard over the last two days, the current Agreement between the parties includes payments for no-shows and cancellations for social service and Medicaid appointments. In Article 6.5-A and B of the Union's proposal, the Union also seeks to increase what the State spends on those fees.

And in Article 6.5-G, which the Union has renumbered as Article 6.6, the Union would also like you to increase the cap from $100,000 to $250,000. This proposal increases the cap by 67 percent.

That is just a summary of the increases the Union is requesting for social service and Medicaid appointments.

The Union's proposed changes to Article 6.11 comprise their rate increase requests for the 2027-2029 biennium for Labor and Industry appointments. The Union proposes a one percent increase to the base rates of pay in the first year of the biennium and an additional 1.5 percent increase in the second year of the biennium for all three modalities.

On top of the rate increase, the Union also proposes adding appointment minimums, no-show and cancellations payments, and early completion payments to L&I appointments in Articles 6.12, 6.13, and 6.14, respectively.

The Union claims it wants this additional language to reach parity between the agencies for the rules within the Agreement but does not ask for that parity to extend to the rates which would require lowering the L&I rates.

As you heard from Cristina Miller, although LAPs do receive -- do not receive no-show/cancellation or early completion fees for L&I appointments, they are paid significantly higher rates than the social service and Medicaid appointment rates. Without reducing the L&I

rates to the rates for social service appointments, there is no real parity in the Agreement if these fees are added to L&I.

To incorporate appointments scheduled through the Department of Enterprise Services' statewide contracts to the current Agreement, the Union proposes adding new language to Article 6, while the State's proposed language can be found in Appendix C.

As my colleague explained in her opening statement, the State's proposed Appendix C language can be incorporated into Articles 6 and 7 of the Agreement. For example, the no-show and cancellation language proposed by the Union in Article 6.17 can be substituted with the State's proposed language found in Section 6 of Appendix C.

Under both Article 6.15-A of the Union's proposal and Section 5, Subsection 1 of the Appendix C, the parties agree that the base rates for interpreter services for social service, Medicaid, and Labor and Industry appointments should match the Agreement rate for that agency.

Where the parties differ is that the State requests to use the social service rates for all other State agencies, thus creating parity, which the Union claims is important, while the Union asks that appointments for any non-Agreement agency be assessed with the rates created in Appendix C-1.

So the State would ask that you substitute the Union's Article 6.15-B language with the State's proposed language found in Section 5, Subsections 2 and 3 of Appendix C.

For the court-credentialed appointment rates, James Dannen testified the State used a different approach. It looked at a study provided by the Office of Administrative Courts as the foundation and determined that figure could have conceivably represented the rate for the end of the '23-'25 bargaining cycle had a court rate been included in the Agreement.

The State then applied a three percent increase per year to that rate. To finalize the proposal, the State rounded up in the Union's favor and increased its proposal to $70 an hour.

In contrast, Mark Hamilton testified that the Union's proposed rate of $75 an hour is arbitrary.

Robyn Williams testified that the status of the State's budget is very severe. Her office created projection scenarios, and all of them resulted in a $5 to$ 8 billion dollar deficit over the next five years. As she explained, just in the first year of the next biennium, there is a projected budget deficit that is approximately $1 billion.

And as seen in State's Exhibit 4, a letter from the director of the Office of Financial Management to all State agency directors, this year's revenue forecast will likely not provide sufficient support for the maintenance of current programs, let alone any expansions. Given the economic forecast, the State is unable to provide any rate increases.

As noted in RCW 41.56.157, subsection 2-D-ii, which can be found in Joint Exhibit 5, the arbitration decision is not binding on the Legislature, and the Legislature is not required to approve the necessary funds to implement.

Financial feasibility is as critical to whether an award will be funded, and no collective bargaining agreement or arbitration award exists in a vacuum. Each agreement and award is reviewed through the lens of the overall state budget and in consideration of all other agreements and awards resulting from other bargaining groups in the State.

The State must balance the competing needs and obligations across all State agencies to meet its balanced budget requirement. In balancing all of the needs and demands required of the State budget, the State does not have the ability to pay for the Union's proposed increases, which total almost $19 million for what we can calculate.

Before I discuss the remainder of the Union's proposed changes, it is important to remember that in interest arbitration, the parties seeking to change the status quo bears the burden of showing a compelling need for the -- that the change exists. In Federation of Oregon, Parole and Probation Officers, Arbitrator Harris stated: This principle is based on the idea that the status quo represents stability and that changes to the status quo are more appropriately

made by the parties themselves through the mechanism of collective bargaining rather than through adjudication by third-party neutrals.

Looking at the remainder of the Union's proposals with this principle in mind, I would like to discuss Union's Article 6.5 proposal for no-shows and cancellations for social service and Medicaid appointments.

Todd Slettvet testified HCA has serious concerns about whether CMS would approve the changes proposed by the Union. He explained CMS typically does not approve payment for services that are not provided. In 2017 HCA requested that CMS grant approval for partial reimbursement if an in-person appointment resulted in a cancellation or no-show by the individual requiring interpretation services.

What CMS approved is reflected in the current contract language under Article 6.5. For HCA to use Medicaid fund for payments, the agency would have to seek a CMS review, which comes with a risk that CMS could deny funds not only for that request, but also for what is already established in the Agreement.

He indicated that if CMS does not approve Medicaid funding, the money to cover those costs would need to come from State funding, which the State does not have.

The last thing I want to discuss with Article 6 is the State's requested change in Article 6.3-A-1-F., RCW 41.56.030(11) and RCW 41.56.157(1) found in Joint Exhibit 7 and 5, respectively read together states: That LAPs are independent contractors who are public employees solely for the purpose of collective bargaining.

Kathryn Templet testified that nothing in the Agreement prohibits an LAP from signing up for another appointment when an appointment ends early. The State's proposed language merely seeks to eliminate the potential for the State to pay for the same appointment time twice.

I would now like to discuss Article 7, Economic Process. In the Article 7 proposal, the Union proposes adding DES to the current Agreement language in Article 7.2. As James

Dannen testified during bargaining, the Union did not raise any concerns with DES' current economic practices.

On top of that, Natalie Lavinsky explained that because DES does not use a coordinating entity, the Union's proposal, as written, is not feasible. To cure this problem, the State proposes adding Section 3 language from Appendix C to Article 7.2-C of the Agreement.

Similarly, the Union proposes changes to Article 7.2-B-4 and C-2 to change the processing deadlines for the Department of Labor and Industries' coordinating entity. During her testimony, Cristina Miller explained that these changes could increase the cost to L&I while also reducing the quality and accuracy in the billing process.

If accuracy is impacted, she testified that payments could be delayed to the LAPs to cure those errors. Currently, 99 percent of invoices are being paid to LAPs within the cutoff. Based on the fact that adding this language could harm the primary concerns of the LAPs, the State would ask that you keep the language in Article 7 for L&I unchanged.

The Union also proposes changes to Article 1. Mark Hamilton testified their Article 1 proposal could result in loss of bargaining unit work without any supporting evidence that the State is using AI at appointments. As James Dannen testified, the State's concerns with the term "artificial intelligence" is ambiguous in the Union's proposal.

But should the Union establish that some form of artificial intelligence will impact the services provided by the LAPs at State appointments, Article 10 of the Agreement already requires the State to provide notice and an opportunity to bargain. So the Union already has protections in place.

Finally, in Article 8, the Union proposes adding a new subsection, Subsection F to Article 8.3. Under this proposal, the parties would be required to use the Public Employment Relations Commission for arbitration in up to five grievances instead of the current practice of going

through AAA. Mark Hamilton testified this proposal would save costs, but there have only been three grievance arbitrations filed between the parties in the last five years.

During his testimony, James Dannen testified about the current process with AAA, which is used under all Federation collective bargaining agreements. As you know, AAA provides the parties with a list of potential arbitrators. Each party can review the selection options and independently decide whether a particular arbitrator is a good fit to hear the facts of that case. As arbitration is binding with no right to appeal, the ability to eliminate arbitrators that might be better suited to a different set of facts is an important consideration each party makes when selecting an arbitrator.

Those options are removed under WAC 391-65-070, which can be found in Union Exhibit 3. Under that WAC, if the parties were to agree to use PERC to decide grievance arbitration cases, PERC would appoint a PERC staff member as the arbitrator without input from the parties. The WAC prohibits the parties from selecting a grievance arbitrator from a list of PERC staff members or exercising a right of rejection on appointments. This would be a substantial deviation from the current bargaining process without much cost savings.

But more importantly, WAC 391-65-070 requires the parties to agree to use PERC for grievance arbitration. It specifically states in the absence of concurrence, the agency will notify the receiving party of the lack of concurrence and close the case. The State does not concur. Based on this and the fact that the Union has failed to provide compelling evidence, the State would ask you reject the PERC pilot program language in the Union's Article 8 proposal.

Keeping in mind the arbitrator's role is to determine what the parties would have agreed to had they continued bargaining, interest arbitrators generally do not award breakthroughs during interest arbitration and grant a party which it would not likely have secured through voluntary collective bargaining and negotiation.

Based on the budget forecast, the State has offered a 30 percent premium for simultaneous interpretating certifications in its Article 6.11 proposal and would ask that you award its proposed premium increase as financial compensation in lieu of a rate increase this biennium for social service appointments.

It asks that you adopt the rate language set forth in Appendix C for DES appointments into Articles 6 and 7, which would eliminate the need for the State's Article 1 proposal and not increase rates for Medicaid or L&I appointments.

The State also requests you adopt the language proposed by the State in Article 6 to eliminate double pay and adopt only the language the parties agreed upon in Article 8.

The State agrees LAPs provide an important and critical service that should be paid a fair rate for the services they perform. But what is proposed by the Union is not financially feasible this cycle and does not create consistency. The State must have a balanced budget, and no arbitration award can be implemented if it is not found financially feasible.

If an agreement is not found financially feasible, the whole agreement is set aside by the legislature and the parties are required to return to the bargaining table.

VII. DISCUSSION AND CONCLUSIONS

State of Washington, Office of Financial Management (hereafter "Employer" or "State"), and Washington Federation of State Employees, AFSCME Council 28 (hereafter "Union") are parties to the above-entitled interest arbitration proceedings regarding a successor collective bargaining agreement governing certain terms and conditions of employment for language access providers ("LAPs"). LAPs are independent contractors who provide spoken language interpreter services for various State agencies, injured workers, and victims of crimes during appointments arranged through the State's Department of Labor and Industries ("L&I"), Medicaid enrollee appointments and State agency social service appointments (RCW 74.04.025).

The Union and the Employer were provided full opportunity to present opening statements, introduce documentary evidence, examine and cross-examine sworn witnesses, and make verbal closing arguments in lieu of post-hearing briefs following conclusion of all testimony presented over the course of a two-day hearing before the Impartial Arbitrator conducted on August 5 and 6, 2026.

The hearing was thereafter declared closed following receipt of the verbatim transcript of the proceedings prepared by RPR, CCR Nancy M. Kottenstette, Buell Realtime Reporting, LLC on August 21, 2026.

A. Background

The Union represents a bargaining unit composed of LAPs who provide spoken language interpreter services for the State's Health Care Authority ("HCA"), Department of Health and Social Services ("DSHS"), and Department of Children, Youth & Families ("DCYF"). LAPs providing spoken language interpreter services for the State's L&I were added to the bargaining unit in September 2023.

LAPs are independent contractors, but are statutorily declared to be public employees "solely for the purposes of collective bargaining and as expressly limited under subsections (2) and (3)" of RCW 41.56.510. Appointments for language interpreter services are arranged through a web portal administered by a scheduling entity. The work of LAPs is defined in RCW 74.04.025. LAPs perform an essential role in assuring individuals with limited English proficiency ("LEP") are not denied, or are unable to obtain/maintain, full services and benefits because of their difficulty in speaking and understanding English (RCW 74.04.025). All interpretive services must be performed by LAPs who are certified or authorized by the State or national certification boards, unless a certified or authorized LAP is unavailable.

Spoken language interpreter services are delivered either in-person, by telephone, or by videoconference, referred to as "modalities". Requests for in-person appointments have

significantly increased in recent years and are preferred by healthcare providers and vendors utilized by State agencies.

Simultaneous interpretation occurs when a LAP is interpreting a speaker at the same time when a speaker is speaking. Consecutive interpretation occurs when a speaker has finished speaking and a LAP is then providing interpretation. LAPs interpret spoken language as well as translate written language on documents shared with LEP individuals. Different compensation rates and scheduled time periods have been negotiated in the Agreement for each modality of interpretation services provided. While the Union and State were able to resolve many bargaining issues during their negotiations, they were unable to bridge gaps between their proposals regarding certain terms in Articles 1, 6, 7 and 8 of the successor Agreement.

Healthcare providers, social service vendors, and State agency staff post available language interpretive appointments on a web portal used by the particular State agency which indicate the time frame and modality requested for services. LAPs then log into the web portal and select LAP appointments they are able and willing to fill.

Some LAP appointments require consecutive onsite sessions of blocks of time at a particular location ("Block Appointments"), while other appointments involve multiple family members requiring interpretive services for the same appointment ("Family Member Appointments" or "FMA").

LAPs have belonged to a statewide bargaining unit since 2010, and are treated as State employees for collective bargaining purposes only (RCW 41.56.060 and 41.56.510). The scope of bargaining for LAPs is limited to economic compensation, professional development and training, labor-management committees, grievance procedures, health and welfare benefits, and other economic matters (RCW 41.56.510 (2)(c)). The State's Governor is named as the public employer for LAPs, rather than a specific State agency, for purposes of collective bargaining (RCW 41.56.510(1).

Specific factors listed in RCW 41.56.465 to be considered by an arbitrator in preparing an interest arbitration award are as follows:

(a) The constitutional and statutory authority of the employer;

(b) Stipulations of the parties;

(c) The average consumer prices for goods and services, commonly known as the cost of living, Consumer Price Index, or "CPI";

(d) Changes in any circumstances under (a) or (c) above during the proceedings; and

(e) Other factors that are normally taken into consideration to determine wages, hours, and conditions of employment (e.g., comparisons with like positions).

In addition to the above factors listed in RCW 41.56.465, an interest arbitrator must consider the financial ability of the State to pay for the compensation and benefit provisions of a collective bargaining agreement for LAPs (RCW 41.56.510 (2)(d)(i)). With the addition of L&I LAP bargaining unit members, an interest arbitrator must consider the statutory and regulatory requirements governing the operations of Department of Labor & Industries with respect to LAPs.

B. Article 1 – Union Recognition

The Union proposes adding language to Article 1 to address the erosion of bargaining unit work due to the introduction of artificial intelligence in the work of LAPs. The State responds the Union's proposal addressing a loss of bargaining unit work due to artificial intelligence is presented without any supporting evidence the State is using artificial intelligence for LAP appointments. According to the State, Article 10 of the Agreement already requires it to provide notice to the Union and an opportunity to bargain regarding artificial intelligence so the Union already has protections in place in that regard.

The Impartial Arbitrator concludes the Union's proposal regarding Article 1 addressing the erosion of bargaining unit work due to the introduction of artificial intelligence is a

reasonable addition to the parties' Agreement and provides prospectively a measure of job security which is not currently available to bargaining unit LAPs.

C. Article 6-Economic Compensation

The Union's "me too" clause proposed for inclusion in Article 6, providing that should the State's Office of Financial Management ("OFM") agree to more favorable economic terms with respect to any general government bargaining or higher education bargaining unit, the percentage increase to the general wage rates shall automatically apply to the rates for LAPs and thus provide parity in wages. The Union's "me too" proposal, however, does not consider how other collective bargaining agreements with bargaining units are funded as well as other economic items in those agreements. For this reason, the Impartial Arbitrator must conclude the Union's proposal regarding a "me too" clause is not reasonable.

Regarding the Union's wage increase proposals, credible testimony presented by the State furthermore indicates that a State-budget deficit of five-to-eight billion dollars is projected over the next five years. Furthermore, in the first year of the next biennium, there is a projected budget deficit of approximately one billion dollars. Finally, according the correspondence from the OFM to all State agency directors, this year's revenue forecast will likely provide insufficient support for maintenance of current programs and is thus insufficient to provide support for any expansion of those rates as proposed by the Union for increased LAPs base rates of pay.

It must therefore regrettably be concluded the State is unable to provide any rate increases for LAPs in the successor collective bargaining agreement at issue in these proceedings.

With regard to the Union's proposed payment for "no-shows" and cancellations for social service and Medicaid appointments, due to the requirement the State must seek CMS approval for payment of services that are not actually provided, such as in the case of no-shows and cancellations of appointment, while the Union's proposal in this regard appears equitable, the

Impartial Arbitrator concludes CMS could potentially deny the request for both no-show and cancellation payments to LAPs as well as other funding for Article 6.5 under the current Agreement. Finally, the State seeks to amend Article 6.3 A.1.F. of the Agreement, in order eliminate potential double payment for the same appointment times. The State's proposal to amend Article 6.3 A.1 F., however, is presented without any reliable basis from which to conclude the foregoing potential for double payment is an actual problem which has occurred must be remedied by amendment to the successor collective bargaining agreement.

D. Article 7 – Economic Process

Turning the to Article 7, Economic Process, it must be noted the Union failed to raise any concerns regarding DES' current economic practices during negotiations with the State over the successor agreement. The Impartial Arbitrator therefore concludes a need to change the current status-quo regarding DES' economic practices has not been demonstrated by the Union in this case.

Furthermore, while the State argues the Union's proposed changes to Article 7.2, B-4 and C-2 amending the processing deadlines for the Department of L&I's coordinating entity would entail increased risk of error and potential increased costs in order to do so, the State's arguments in this regard are speculative regarding the actual costs and any potential reduction in quality and accuracy in the billing process in doing so.

E. Arbitration Procedures Utilizing PERC

Finally, the Union has proposed adding Subsection F to Article 8.3 which would allow the parties' use of the PERC for arbitration in up to five grievance arbitrations instead of the current practice of using AAA. The Impartial Arbitrator notes the Union's proposal in this regard is limited to no more than five grievance arbitrations and would thus allow the parties an opportunity to evaluate and compare the current AAA procedures to the administration of grievance arbitrations using PERC's staff.

The Impartial Arbitrator concludes that if prudently utilized and monitored, there is a potential monetary benefit to the parties in using PERC procedures over AAA procedures with no requirement to continue use of PERC procedures should they prove less beneficial.

INTEREST ARBITRATION AWARD

Following review of the parties' respective proposals regarding the matters in dispute and their arguments in support thereof, the Impartial Arbitrator hereby awards the following proposed terms for the parties' 2027-2029 successor collective bargaining agreement:

ARTICLE 1
UNION RECOGNITION

1.1 Recognition

The Washington Federation of State Employees, AFSCME, Council 28, AFL-CIO (Union) is recognized as the sole and exclusive representative of LAPs who provide spoken language interpreter services for within the statutory definition in RCW 41.56.030(11).

This CBA shall also apply to any LAPs who are added to the bargaining unit by unit clarification, accretion and/or agreement of the parties.

1.2 Posting of Agreement

A. The State will post the current Agreement electronically on the Office of Financial Management/State Human Resources/Labor Relations & Compensation Policy Section (OFM/SHR/LR&CP) website.

B. The Department of Enterprise Services (DES) will post the OFM/SHR/ LR&CP webpage address to the current CBA on the DES webpage that contains information on vendor contracts impacted by this CBA.

C. Coordinating Entities will post the OFM/SHR/LR&CP webpage link to the current CBA on the webpage that is the primary interpreter access point.

1.3 Artificial Intelligence

Both the State and the Union agree that the use of Artificial Intelligence will not supplant the services provided by LAPs.

ARTICLE 6
ECONOMIC COMPENSATION

6.1 DCYF, DSHS, and HCA Medicaid Enrollee Definitions

A. In-person interpreting (IPI) appointments are defined as appointments where a Language Access Provider (LAP) provides interpreter services face to face for individuals with Limited English Proficiency (LEP). This excludes Block Appointments as defined in the next Subsection 6.1B.

B. Block Appointments are defined as in-person DCYF or DSHS appointments scheduled on-site for a specific time period rather than for specific individuals with LEP.

C. Over-the-phone interpreting (OPI) appointments are defined as appointments where an LAP provides interpreter services via a phone or call system for individuals with LEP and excludes Block Appointments.

D. Video remote interpreting (VRI) appointments are defined as appointments where an LAP provides services via visual/video technology for individuals with LEP and excludes Block Appointments.

E. HCA Medicaid Enrollee Family Member Appointment (FMA) definition and provisions are set forth in Section 6.9, HCA Medicaid Enrollee Family Member Appointments.

6.2 Base Rates of Pay

A. DCYF, DSHS, and HCA Medicaid Enrollee IPI Appointments and HCA Medicaid FMA Appointments

1. Effective July 1, 2027, LAPs will be paid a minimum of fifty dollars and sixty cents ($50.60) per hour.

2. Effective July 1, 2028, LAPs will be paid a minimum of fifty dollars and sixty cents ($50.60) per hour.

These IPI rates include:

- The mileage that was incorporated into the IPI base rate as part of the 2015-2017 Collective Bargaining Agreement; and
- A contribution towards LAPs' health and welfare expenses, that was incorporated into the IPI base rate as part of the 2023-2025 Collective Bargaining Agreement ~~in recognition of LAPs having a variety of health and welfare plans and expenses~~ and in compliance with ~~RCW 41.56.510(2)©~~ RCW 41.56.157.

B. DCYF and DSHS Block Appointments

For DCYF and DSHS Block Appointments (which are only in-person)

1. Effective July 1, 2027, LAPs will be paid a minimum of forty dollars ($40.00) per hour.

2. Effective July 1, 2028, an LAP will be paid a minimum of forty dollars ($40.00) per hour.

C. DCYF, DSHS and HCA Medicaid Enrollee OPI and VRI Appointments (not applicable to DCYF or DSHS Block Appointments)

Effective July 1, 2027, LAPs will be paid a minimum of seventy-two cents ($0.72) per minute for OPI appointments

Effective July 1, 2028, LAPs will be paid a minimum of seventy-two cents ($0.72) per minute.

Effective July 1, 2027, LAPs will be paid a minimum of three dollars and forty-five cents ($3.45) per minute for the first ten (10) minutes of the appointment. LAPs will be paid seventy cents ($0.70) per minute for every minute thereafter for VRI appointments.

Effective July 1, 2028, LAPs will be paid a minimum of three dollars and forty-five cents ($3.45) per minute effective for the first ten (10) minutes of the appointment. LAPs will be paid seventy cents ($0.70) per minute effective for every minute thereafter.

These OPI and VRI rates include:

- A contribution towards LAPs' health and welfare expenses, in recognition of LAPs having a variety of health and welfare plans and expenses and in compliance with RCW 41.56.510(2)(c).

D. Social Service IPI Appointment Premium
IPI services for DCYF and DSHS appointments, excluding Block Appointments will be paid an additional hourly premium of two dollars ($2.00).

6.3 Appointment Times

A. DCYF, DSHS, and HCA Medicaid Enrollee Appointment Times

1. Minimums/Durations

a. For IPI appointments scheduled for HCA authorized requestors, with the exception of FMAs as set forth in Section 6.9: An LAP will be paid for a minimum of one (1) hour for each completed appointment, regardless of the number of individuals with LEP present and served during each appointment.

b. For IPI appointments scheduled for DCYF or DSHS: An Lap will be paid for a minimum of ninety (90) minutes for each IPI appointment, regardless of the number of individuals with LEP present and served during each appointment.

c. For a family member appointment (FMA), provisions are set forth in Section 6.9 of this Article.

d. Block Appointments will be scheduled for a minimum of two (2) hours, and LAPs will be

paid for the duration of the scheduled Block Appointment.

e. IPI, FMA, or Block Appointments lasting longer than the minimum will be paid in fifteen (15) minute increments with any fraction of an increment rounded up to the nearest fifteen (15) minute increment.

f. An LAP will be paid a minimum of five (5) minutes when they provide OPI services and a minimum of fifteen (15) minutes when they provide VRI services. When an LAP provides OPI or VRI services longer than for the minimum, the LAP will be paid in one(1) minute increments, with any fraction of a minute rounded up to the nearest one (1) minute increment. If a LAP provides another OPI or VRI appointment within the prescribed minimum, the remaining minimum will be deducted from the new call.

g. There is no requirement for prescheduling with an LAP to provide interpreter services via telephonic technologies or VRI. The State's third parties will use the first available DSHS authorized/certified/-recognized LAP, except when an authorized requestor is unable to schedule an appointment at least twenty-four (24) hours before the start of the appointment due to an urgent or unforeseen need, or when the appointment is unfilled twenty-four (24) hours before the start of the appointment. Preference will be given to those located within the states of Washington, Idaho, or Oregon.

2. <u>Start Times</u>

The start time of the appointment will be the scheduled start time or the time the LAP arrives, whichever is later. If the authorized requestor, individuals with LEP, and LAP all agree to begin earlier than the scheduled start time, the LAP will be paid from when they begin providing interpreter services.

B. DCYF and DSHS Scheduled Breaks for Block Appointments

An authorized requestor may include no more than a one (1) hour unpaid break within a single request for services, and only if the total duration of the appointment, including the unpaid break, is three (3) or more hours. The break duration must be clearly indicated in the requested scheduled time. Comments in a "note" section of an online request for services will not be considered as a scheduled break. Block Appointment breaks/lunch shall be flexible and taken when practicable and in accordance with DCYS' and DSHS' business needs.

6.4 DCYS, DSHS, and HCA Medicaid Enrollee Refusal of Services

If the LAP arrives for the appointment and individual(s) with LEP or an authorized requestor refuses interpreting services, but is present for the appointment, the LAP shall be paid per Section 6.5, No Shows and Cancellations.

6.5 DCYF, DSHS, and HCA Medicaid Enrollee No-shows and Cancellations (Excluding OPI, VRI and FMA Appointments)

A. If individual(s) with LEP or an authorized requestor fails to show for in-person interpreting services or cancels six (6) hours or less before the start of the appointment, including in cases or error on the part of the requestor, Agency, or Coordinating Entity/third party, the LAP will be paid thirty (30) minutes or seventy-five percent (75%), whichever is greater. The process for rounding to fifteen (15) minute increments set out in this Article 6.3 will apply.

B. If the authorized requestor cancels twenty-four (24) hours or less and greater than six (6) hours before the scheduled start of the appointment, including in cases of error on the part of the requestor, Agency, or Coordinating Entity/third party, an LAP will be paid fifty percent (50%) of the time requested or thirty (30) minutes, whichever is greater. The process for rounding to fifteen (15) minute increments set out in this Article 6.3 will apply.

C. The twenty-four (24) hours for determining canceled appointments shall not include weekends or state recognized holidays.

D. Cancellation and no-show provisions for HCA family member appointments (FMA) are set forth in Section 6.9.

E. If an LAP accepts a new appointment that overlaps a canceled or no-show appointment, payment for the cancellation or no-show appointment will be reduced by the replacement work under this Agreement, during the time for which the canceled or no-show job was scheduled. Under no circumstances shall an LAP be paid twice for the same period of time.

F. If an LAP accepts a job more than four (4) hours from the scheduled start time and it is then canceled within thirty (30) minutes of being accepted by the LAP, the LAP will not be eligible for payment as a no-show or cancellation.

G. DCYF, DSHS and HCA Medicaid Enrollee Early Completion

If an appointment ends earlier than the originally scheduled appointment length, an LAP will be paid for seventy-five percent (75%) of the originally scheduled length, or the completed appointment time, whichever is greater. Payment related to this section shall be capped at one-hundred and fifty thousand dollars ($150,000) per fiscal year for each year of this CBA. The payment minimums described in Section 6.3 continue to apply.

6.6 DCYF, DSHS and HCA Medicaid Enrollee Extended Services

If asked by an authorized requestor, an LAP may choose, but not be required to stay beyond the scheduled end time of an appointment. If the LAP chooses to stay at the request of the authorized requestor, the LAP will be paid based on the check-in and check-out times and in accordance with the applicable rate(s) in this Section 6.2.

6.7 DCYF, DSHS, and HCS Medicaid Enrollee Double Booking

If two (2) or more LAPs are scheduled for the same appointment, the LAP with the earliest documented appointment confirmation date and time will complete the appointment, unless otherwise agreed by the LAPs. When

more than one (1) LAP shows up for an appointment, the Coordinating Entity/third party will pay the LAP who does not fulfill the appointment at the no-show and cancellation rate specified in Subsection 6.5A above.

6.8 DCYF, DSHS, and HCA Medicaid Enrollee Travel Reimbursements

All parking, ferry, and toll costs for travel to the scheduled appointment and returning to the LAP's home or place of business for an IPI or FMA appointment will be reimbursed upon submission of a receipt at the time the appointment is approved by the LAP for submission to the Coordinating Entity for payment. Reimbursements claimed will be for the sole purpose of providing services to DCYF, DSHS or HCA individuals with LEP/Medicaid eligible patients/clients. Block Appointments are excluded from these reimbursements.

6.9 HCA Medicaid Enrollee Family Member Appointments (FMA)

A. An HCA Medicaid enrollee FMA is an appointment where the same authorized requestor schedules two (2) or more consecutive and/or concurrent appointments to see multiple family members and allows one (1) interpreter to service all the appointments. FMA appointments may be scheduled under any of the three modalities (IPI, OPI, or VRI).

B. Each family member must have a separate appointment and its own unique identifier (job number).

C. Each appointment must be linked within the series, allowing the LAP ability to identify linked appointments.

D. The LAP must accept all family member appointments in the series.

E. The LAP will be paid from the start time of the first appointment in the series through the actual end time of the last completed appointment in the series, or a minimum of one (1) hour, whichever is greater.

F. At no time will an LAP be paid twice for the same time period.

G. If any appointment within the series of family

member appointments is a late cancellation or the client with LEP or the authorized requestor fails to show, the LAP will be paid for thirty (30) minutes. The total payment for cancellations within other completed appointments will not exceed the actual requested time.

H. If an LAP accepts an appointment more than four (4) hours from the scheduled start time and it is then canceled within thirty (30) minutes of being accepted by the LAP, the LAP will not be eligible for payment as a no-show or late cancellation.

I. If an authorized requestor for an appointment series cancels twenty-four (24) hours or less and greater than six (6) hours before the scheduled start of the appointment, including in cases of error on the part of the requestor, the Agency, or the Coordinating Entity/third party, a LAP will be paid fifty percent (50%) of the time requested or thirty (30) minutes, whichever is greater. The process for rounding to fifteen (15) minute increments set out in this Article 6.3 will apply. The total payment for cancellations within other completed appointments will not exceed the actual requested time.

J. If an authorized requestor for an appointment series cancels with less than six (6) hours before the scheduled start of the appointment, including in cases of error on the part of the requestor, the Agency, or the Coordinating Entity/third party, an LAP will be paid seventy-five percent (75%) or thirty (30) minutes, whichever is greater. The process for rounding to fifteen (15) minute increments set out in this Section 6.3 and 6.5 will apply. The total payment for cancellations within other completed appointments will not exceed the actual requested time.

K. The twenty-four (24) hours for determining canceled appointments shall not include weekends or state recognized holidays.

L. Each FMA is billed separately and based on the check-in and check-out times and in accordance with the applicable rate(s) in this Article.

6.10 Labor and Industries Base Rates of Pay

A. Effective July 1, 2027, the FY27 Agency Interpreter Service Fee Schedule for IPI, OPI and VRI rates will remain unchanged. (See Appendix B-1)

B. Effective July 1, 2028, the FY28 Agency Interpreter Service Fee Schedule for IPI, OPI and VRI rates will remain unchanged. (See Appendix B-2)

6.11 DES Base Rates of Pay

A. LAPs providing Spoken Language Interpreter Services for HCA, DCYF, DSHS, or L&I through a DES contract will be compensated in accordance with the provisions set forth in Article 6 and Article 7 of the Agreement.

B. LAPs providing DES Spoken Interpreter Services for any State Agency will be compensated in accordance with the compensation rates in effect for DSHS-administered spoken-language interpreter services for comparable work.

If the service provided by an LAP requires a court credential, the LAP will be compensated at a minimum of seventy dollars per hour ($70/hour).

6.12 DES Appointment times

A. For IPI, LAPs will be entitled to a minimum of two (2) hours of compensation at their quoted hourly rate regardless of whether the assignment lasts the entire two (2) hours.

B. For OPI and VRI, pre-scheduled LAPs shall be entitled to a minimum of thirty (30) minutes of compensation at their quoted minute rate regardless of whether the assignment lasts the entire thirty (30) minutes.

6.13 DES No Show and Cancellation

A. If a requestor or client cancels within 24 hours of the start time of a DES Spoken Interpreter Services appointment for a CBA Agency, the LAP will be compensated in accordance rates set forth in Article 6 of the Agreement for the CBA Agency who requested the service.

B. If a requestor or client no-shows to a DES Spoken Interpreter Services appointment for a CBA Agency, the LAPs will be compensated in accordance with the No Show rates set forth in Article 6 of the Agreement for the CBA Agency who requested the service.

C. If a requestor or client cancels within 24 hours of the start time of a DES Spoken Interpreter Services appointment for a State Agency, the LAP will be compensated in accordance with the cancellation rate in effect for DSHS-administered spoken-language interpreter services for comparable work.

D. If a requestor or client no-shows within 24 hours of the start time of a DES Spoken Interpreter Services appointment for a State Agency, the LAP will be compensated in accordance with the no-show rate in effect for DSHS-administered spoken-language interpreter services for comparable work.

6.14 DES Travel and Travel Reimbursements

A. At the requestor's discretion LAP shall be entitled to tolls, parking and mileage reimbursement. Reimbursement rates shall be based on the Washington State Office of Financial Management (OFM) per diem rates.

B. At the requestor's discretion time traveled shall be compensated at the interpreter Hourly Service Rate, in 15-minute increments.

6.15 DSHS and DCYF Services Requiring Simultaneous Interpreting Certification

A. Will receive a premium of thirty percent (30%).

B. Any required equipment will be provided at the location of the service by the requestor.

ARTICLE 7
ECONOMIC PROCESS

7.1 Punitive Fines

Brokers, language agencies and/or Coordinating Entity(ies) will not issue punitive fines to LAPs for alleged infractions.

7.2 Payment Timelines

A. Billing the Agency

1. Coordinating Entity
Once the Coordinating Entity receives properly completed work order form(s) and any applicable supporting travel-related documentation for all appointments from a given day from the LAP, the Coordinating Entity must remit it to either HCA within ten (10) business days, or include it on an invoice to be received by DCYF or DSHS by the tenth (10th) day of the subsequent month.

DES: Once the Coordinating Entity receives properly completed work order form(s) and any applicable supporting travel-related documentation for all appointments from a given day from the LAP, the Coordinating Entity must remit it to the requesting state Agency within ten (10) business days.

2. Language Agency
The language agency must remit properly completed work order forms and any applicable supporting travel documentation for services provided in the previous month or earlier to DSHS to be received by the tenth (10th) day of the subsequent month.

B. Remittance to Coordinating Entity or Language Agency

1. For DCYF, DSHS and DES Appointments

Once the invoice is received from the Coordinating Entity, or the language agency, DCYF, DSHS or the requesting state Agency will remit funds necessary to pay for an LAP's services to the Coordinating Entity or the language agency within thirty (30) calendar days.

2. For HCA Appointments

Once the invoice is received from the Coordinating Entity, HCA will generally remit funds necessary to pay for an LAP's services to the Coordinating Entity within thirty (30) calendar days. In some instances, it may be necessary for HCA to take more time than thirty (30) calendar days to process remittance to the Coordinating Entity. The HCA shall be in compliance with this Article if:

a. Remittance to the LAP for ninety percent (90%) of all submitted payable invoices in the prior month is provided to the Coordinating Entity within thirty (30) calendar days of the HCA's receipt of the invoice;

b. Remittance to the LAP for ninety-nine percent (99%) of all submitted payable invoices in the prior month is provided to the Coordinating Entity within ninety (90) calendar days of the HCA's receipt of the invoice; and

c. Remittance to the LAP for all other submitted payable invoices is provided to the Coordinating Entity within one hundred and eighty (180) calendar days of the HCA's receipt of the invoice.

For purposes of this Article, a payable invoice means an invoice that can be processed without obtaining additional information from the provider of the service or from a third party. A payable invoice includes an invoice with errors originating in an Agency's claim system. However, a payable invoice does not include an invoice based on a work order submitted by an LAP who is under investigation for fraud or abuse.

3. Regular Report of HCA Appointments

HCA will provide a report to the Union by the tenth (10^{th}) day of the month that includes:

a. The total number of invoices submitted to HCA in the prior month;

b. The total number of invoices for which remittance was already submitted to the Coordinating Entity; and

c. For all invoices for which remittance was not submitted to the Coordinating Entity the following:

i. Date of the job on the invoice;
ii. Job number;
iii. Date submitted to HCA by the Coordinating Entity;
iv. Amount of payment or reimbursement requested on each invoice;
v. The LAP who is requesting payment or reimbursement for each invoice; and
vi. The reason for any denied or delayed payment for the invoice submitted by the LAP to the Coordinating Entity.

4. L&I

Once the Coordinating Entity receives properly completed work order(s) from a given LAP, they must bill the insurer within ten (10) days.

Per RCW 51.36.080, the insurer has sixty (60) days to pay for properly billed services on approved workers' compensation claims. If the fees are determined not allowable, the Coordinating Entity will be required to bill the provided/requester for the services.

C. Remittance to LAP

1. Re: DCYF, DSHS, DES, and HCS
All payments will be remitted to the LAP in accordance with Section 7.3.

a. Coordinating Entity
The Coordinating Entity will remit payment to the LAP on the fifth (5th) and twentieth (20th) days of each month. If either the fifth

(5th) or the twentieth (20th) day of the month falls on a Saturday, Sunday or recognized State Holiday, the date for distribution of payment shall be the prior business day if the date falls on a Saturday and subsequent business day if the date falls on a Sunday or recognized State Holiday. All funds received by the Coordinating Entity from the State on the first (1st) to the fifteenth (15th) calendar day will be remitted to the LAP on the twentieth (20th) day of the same month. All funds received by the Coordinating Entity from the State on the sixteenth (16th) to the last calendar day of the month will be remitted to the LAP on the fifth (5th) day of the following month.

b. Language Agency
The language agency will remit payment to the LAP within seven (7) business days of receiving payment from DSHS.

2. Re: L&I
The Coordinating Entity must distribute all payments to LAPs (partial or full) within ten (10) days of receiving payment from L&I, the self-insured employers or their TPAs, the Crime Victims Compensation Program, or the requestor.

a) If the tenth (10th) day falls on Saturday, the designated pay date will be the Friday before.
b) If the tenth (10th) day falls on Sunday, the designated pay date shall not be later than the following Monday.
c) If the tenth (10th) day falls on a Holiday, the designated pay date shall be the last working day before the holiday.
d) The coordinating entity shall publish a payment schedule by November 30th for the next calendar year's LAP designated pay dates.

7.3 Payment Delivery Method

LAPs will have the option of receiving their paychecks directly through the postal service, or by direct deposit, or

through another mutually agreed upon process, at no cost to the LAPs.

7.4 Pay Sheets or Pay Stubs

A. All remittances to LAPs will indicate the total deductions per Article 12, Dues and Other Voluntary Deductions and Status Reports, and describe the deductions as "union member dues" or "PEOPLE donation" or "voluntary deduction."

B. All remittances to LAPs will indicate the total for that remittance and the calendar year-to-day totals of the following items: gross pay, any authorized travel reimbursements, per Section 6.8, and any deductions per Article 12, Dues and Other Voluntary Deductions and Status Reports.

C. Each remittance will include the total hours worked; a list of invoices paid by the remittance; and any workers' compensation deductions.

7.5 Overpayment Collection Process

A. For an Overpayment of Two Hundred Dollars ($200.00) or less

1. When an Agency or the Coordinating Entity/third party contractor(s) determines that an LAP has been overpaid, the Agency or the Coordinating Entity/third party contractor(s) will deduct the overpayment from the subsequent distribution of payment after providing ten (10) business days' electronic notice to the LAP of the upcoming deduction. In the event the subsequent distribution of payment is less than the overpayment amount, the amount will be deducted from additional payments to the LAP until the overpayment is recovered.

2. At the time the overpayment is withheld from the payment distribution, the LAP will be supplied with the amount of the overpayment, the job number(s), and a brief comment explaining the basis.

B. For an Overpayment of more than Two Hundred Dollars ($200.00)

1. When the State or the Coordinating Entity/third party contractor(s) determines that an LAP has been overpaid, the State or the Coordinating Entity/third party contractor(s) will provide electronic notice to the LAP which will include the following items:

   a. The amount of the overpayment;
   b. The basis for the assessment of an overpayment;
   c. The job number(s); and
   d. The LAP's rights under the terms of this Agreement.

2. Method of Repayment
   a. Within thirty (30) calendar days of receiving the written notice, the LAP must choose whether to pay back the overpayment through deductions of subsequent payments or by a one-time payment made directly to the Coordinating Entity/third party contractor.
   b. Deductions to repay an overpayment amounting to two hundred dollars ($200.00) or more will take place over the subsequent six (6) pay periods, with equal payments each pay period.
   c. The parties can mutually agree to a shorter period of time to repay the overpayment through deductions.
   d. For overpayments amounting to two hundred dollars ($200.00) or more, if the LAP fails to choose between a one-time payment or equal payments over six (6) pay periods, the Agency will authorize the Coordinating Entity/third party contractor(s) to make deductions from the LAP's paycheck in equal payments over six (6) pay periods.
   e. If after eight (8) pay periods since the date of the electronic notice, the overpayment has not been paid in full, the LAP must repay the

Coordinating Entity/third party contractor the outstanding overpayment amount by check within thirty (30) calendar days. In the event the LAP does not repay the third party contractor, the third party contractor may seek other lawful methods to recover the outstanding amount.

C. Appeal Rights

Nothing herein prohibits the Union from grieving the determination or method of the overpayment collection per Article 8, Grievance Procedure of the CBA between the parties.

ARTICLE 8
GRIEVANCE PROCEDURE

8.1 The Union and the State agree that it is in the best interest of all parties to resolve disputes at the earliest opportunity and at the lowest level. The Union and the State encourage problem resolution between LAPs, the State/Agencies and/or Coordinating Entities/third-parties and are committed to assisting in resolution of disputes as soon as possible. In the event a dispute is not resolved in an informal manner, this Article provides a formal process for problem resolution.

8.2 Terms and Requirements

A. Grievance Definition

A grievance is a dispute regarding the meaning or implementation of the provisions of this Agreement. The term "grievant", as used in this Article, includes the term "grievants". The Union may not grieve issues outside the scope of this Agreement.

B. Filing a Grievance

Grievances may be filed by the Union on behalf of an LAP or on behalf of a group of LAPs. If the Union does so, it will set forth the name of the LAP(s).

C. Computation of Time

The time limits in this Article must be strictly adhered to unless mutually modified in writing. Days are calendar days and will be counted by excluding the first day and including the last day of timelines. When the last day falls on a Saturday, Sunday or State recognized holiday, the last day will be the next day which is not a Saturday, Sunday or State recognized holiday. Transmittal of grievances, appeals, and responses will be in writing, and timelines will apply to the date of receipt, not the date of postmarking.

D. Failure to Meet Timelines

Failure by the Union to comply with the timelines will result in an automatic withdrawal of the grievance. Failure by the State or an Agency to comply with the timelines will entitle the Union to move the grievance to the next step of the procedure.

E. Contents

The written grievance must include the following information so that the grievance can be processed in a timely and efficient manner:

1. A statement of the pertinent facts surrounding the nature of the grievance;

2. The date upon which the incident occurred;

3. If known and applicable, job number(s) and date(s) service was provided;

4. The specific Article(s) and Section(s) of the CBA;

5. The steps taken to informally resolve the grievance and the individuals involved in the attempted resolution;

6. The specific remedy requested;

7. The name(s) of the grievant(s); and

8. The name and signature of the Union representative.

If known, the Union will specify the State Agency (DCYF, DES, DSHS, HCA, or L&I) involved in the grievance; however, exclusion of this information shall not be the basis for dismissal of the grievance.

F. Resolution

If the State/Agency provides the requested remedy or a mutually agreed upon alternative, the grievance will be considered resolved and may not be moved to the next step.

G. Withdrawal

A grievance may be withdrawn at any time.

H. Resubmission

If terminated, resolved or withdrawn, a grievance cannot be resubmitted.

I. Consolidation

The State or Agency and the Union may mutually agree to consolidate grievances arising out of the same set of facts.

J. Bypass

Any of the steps in this procedure may be bypassed with mutual written consent of the parties involved at the time the bypass is sought.

K. Alternative Resolution Methods

Any time during the grievance process, by mutual consent, the parties may use alternative mediation methods to resolve a grievance. If the parties agree to mediation, the time frames in this Article are suspended. If mediation does not result in a resolution, within fifteen (15) calendar days of the last mediation session, the Union may return to the grievance process and the timeframes resume. Any expenses and fees of mediation will be shared equally by the parties.

The proceedings of any alternative dispute resolution process will not be reported or recorded in any manner, except for agreements that may be

reached by the parties during the course of the meeting. Statements made by or to any party or other participant in the meeting may not later be introduced as evidence, may not be made known to an arbitrator or hearings examiner at a hearing, and may not be construed for any purpose as an admission against interest, unless they are independently admissible.

L. Meeting Platforms

Participants at meetings referenced in this Article may attend in-person and/or via remote platforms, such as by telephone or web conferencing, at each of the participant's preference.

8.3 Filing and Processing

A. Time Requirements for Filing

A grievance must be filed within forty-five (45) calendar days of the occurrence giving rise to the grievance or the date the grievant knew or could reasonably have known of the occurrence ("the occurrence/knowledge date"). If an LAP chooses to use an informal dispute process of a State's Coordinating Entity, and the Coordinating Entity's decision through their informal dispute process is issued more than thirty (30) calendar days from the occurrence/knowledge date, the timeline for filing a grievance shall be extended for fifteen (15) calendar days from when the Coordinating Entity issues a decision. The Union may file a formal written grievance at Step 2 any time while the LAP is using the informal dispute process.

B. Processing

Step 1 – Informal Resolution:

Prior to filing a written grievance, the Union may confer with the State's or Agency's designated representative and attempt to resolve the issue informally.

Step 2 – Written Grievance:

If the issue is not resolved informally, the Union may present a written grievance to the applicable Agency's LAP labor relations point of contact within

the time frame described in Section 8.3 A. The Agency or the Agency's designated representative will meet with a Union steward and/or staff representative and the grievant within twenty (20) calendar days of receipt of the grievance, and will respond in writing to the Union within fifteen (15) calendar days after the meeting.

Step 3 – Pre-Arbitration Review Meetings:

If the grievance is not resolved at Step 2, the Union may request a pre-arbitration review meeting (PARM) by filing the written grievance including a copy of the Step 2 response and supporting documentation with the OFM/SHR/LRS within thirty (30) calendar days of the Union's receipt of the Step 2 decision. Within fifteen (15) calendar days of the receipt of all the required information, the LRS will discuss with the Union:

1. If a PARM is to be scheduled with the OFM/SHR/LRS designee, the Agency's or each Agency's (if multiple agencies are involved in the grievance) designated representative, and the Union's staff representative, to review and attempt to settle the dispute.

2. If the parties are unable to reach agreement to conduct a PARM, the LRS designee will notify the Union in writing that no PARM will be scheduled.

   If a PARM is to be scheduled, the meeting will be conducted at a mutually agreeable time. The meeting will be scheduled within thirty (30) calendar days of the receipt of the request.

   The proceedings of the PARM will not be reported or recorded in any manner, except for agreements that may be reached by the parties during the course of the meeting. Statements made by or to any party or other participant in the meeting may not later be introduced as evidence, may not be made known to an arbitrator or hearings examiner at a hearing, and may not be construed for any purpose as an admission

against interest, unless they are independently admissible.

Step 4 – Arbitration:

If the grievance is not resolved at Step 3, or the LRS designee notifies the Union in writing that no PARM will be scheduled, the Union may file a request for arbitration. The demand to arbitrate the dispute must be filed with the American Arbitration Association (AAA) within thirty (30) calendar days of the PARM or receipt of the notice that no PARM will be scheduled.

C. Selecting an Arbitrator

When the Union has elected to file with AAA the parties will select an arbitrator by mutual agreement or by alternately striking names supplied by the AAA and will follow the Labor Arbitration Rules of the AAA, unless they agree otherwise in writing.

D. Authority of the Arbitrator

1. The arbitrator will:

   a. Have no authority to rule contrary to, add to, subtract from, or modify any of the provisions of this CBA;

   b. Be limited in their decision to the grievance issue(s) set forth in the original written grievance unless the parties agree to modify it; and

   c. Not make any award that provides an LAP with a greater rate of payment than would have resulted had there been no violation of this CBA.

2. The arbitrator will hear arguments on and decide issues of arbitrability before the first day of arbitration at a time convenient for the parties, through written briefs, immediately prior to hearing the case on its merits, or as part of the entire hearing and decision-making process. If the issue of arbitrability is argued prior to the first day of arbitration, it may be argued in writing or via a meeting, at the discretion of the arbitrator.

Although the decision may be made orally, it will be put in writing and provided to the parties.

3. The decision of the arbitrator will be final and binding upon the Union, the State/Agency and the grievant.

E. Arbitration Costs

1. The expenses and fees of the arbitrator, and/or any the cost of the hearing room, will be shared equally by the parties.

2. If the arbitration hearing is postponed or canceled because of one party, that party will bear the cost of the postponement or cancellation. The costs of any mutually agreed upon postponements or cancellations will be shared equally by the parties.

3. If either party desires a record of the arbitration, a court reporter may be used. If that party purchases a transcript, a copy will be provided to the arbitrator free of charge. If the other party desires a copy of the transcript, it will pay for half of the costs of the fee for the court reporter, the original transcript and a copy.

4. Each party is responsible for the costs of its staff representatives, attorneys, and all other costs related to the development and presentation of their case. The Union is responsible for paying any travel or per diem expenses for its witnesses, the grievant and the Union steward.

F. To assess the efficacy and cost savings of PERC arbitrations for the 2027-2029 term of agreement the parties will create a Step Four pilot program where the Union will have the ability to file no more than five (5) grievances to PERC for arbitration if it elects to do so.

8.4 Successor Clause

> Grievances filed during the term of this CBA will be processed to completion in accordance with the provisions of this CBA.

The Impartial Arbitrator hereby retains jurisdiction regarding the above Award to be exercised upon the request of either party.

Dated: September 27, 2026
Del Mar, California

Kenneth A. Perea

KENNETH A. PEREA
IMPARTIAL ARBITRATOR