

Workers' Compensation Alternative Dispute Resolution Agreement ("ADR")

Between the

INDUSTRIAL, PROFESSIONAL AND TECHNICAL WORKERS INTERNATIONAL UNION, SIUNA, AFL-CIO

And

IRISH COMMUNICATION COMPANY

And

IRISH CONSTRUCTION

This Agreement is made and entered into this 22nd day of November, 2004, by and between the ~~Industrial, Professional and Technical Workers International Union, Siuna, AFL-CIO~~ (hereinafter referred to as "UNION") and Irish Construction ("Irish") and Irish Communication Company ("ICC") (hereinafter collectively referred to as "EMPLOYER"). The term "parties" as used herein shall refer to UNION and EMPLOYER.

ARTICLE I

PURPOSE

1.1 It is the intent of this Agreement to provide employees who claim compensation for personal injuries and occupational diseases (hereinafter referred to as "injuries") under the California Workers' Compensation Law (hereinafter referred to as the "Law") with improved access to high-quality medical care, and to reduce the number and severity of disputes and provide an efficient and effective method of dealing with disputes resulting from such injuries by utilizing the provisions of SB 983, Chapter 117 of the 1993 session of the State of California Legislature (Labor Code Section 3201.5) to establish a system of medical care delivery and dispute prevention and resolution which may be used by any employer who is signatory to a collective bargaining agreement with UNION.

ARTICLE II

SCOPE OF AGREEMENT

2.1 This Agreement, which was negotiated by the parties, shall apply to all firms who sign this Agreement or a memorandum of understanding to be bound by this Agreement. The term "employer" as used herein, shall refer to any such a firm.

2.2 This Agreement shall apply only to injuries as defined by the Law sustained by employees covered by UNION collective bargaining agreements during their employment by an employer in California during the term of this Agreement.

2.3 This Agreement shall remain in effect for a period of one year from the date of its execution by the parties. It shall continue in effect from year to year thereafter unless terminated by either party to the Agreement in the manner provided herein. Either party desiring to

terminate this Agreement must notify the other, and the Labor Management Committee established under this Agreement, in writing, at least 90 days prior to the anniversary date. Upon termination, or withdrawal, any case involving an injury that occurred during the term of the Agreement, or during the term this Agreement was applicable to the withdrawing employer, shall continue and be resolved subject to the terms of this agreement.

2.4 This Agreement represents the complete understanding of the parties with respect to the subject matter dealt with herein.

2.5 In any instance of conflict, the provisions of this Agreement shall take precedence over provisions of the Law, so far as permitted by the provisions of Labor Code 3201.5 of the State of California.

2.6 There shall be a Labor Management Committee (LMC) established consisting of four (4) members. IRISH shall appoint one (1) member of the LMC, ICC shall appoint one (1) member of the LMC, and UNION shall appoint two (2) member(s) of the LMC. The terms of the appointees shall run concurrent with the term of this Agreement. The Committee shall promulgate rules for its operation.

2.7 The parties to this Agreement have developed an exclusive list of vocational rehabilitation providers and said list is comprised of any vocational rehabilitation provider physically located within a reasonable distance of the injured workers' place of residence. A reasonable distance is considered to be not more than 40 miles one direction or one hour's driving distance. The LMC may make changes to the exclusive list of vocational rehabilitation providers, including additions and/or deletions, at any time. The LMC may waive the distance and time requirements of this section at their discretion.

ARTICLE III

AUTHORIZED MEDICAL PROVIDERS

3.1 All medical and hospital services required by employees subject to this Agreement as the result of a compensable injury, shall be furnished by health care professionals and facilities (hereinafter "authorized providers") selected by the employee from the following:

1. The physician that the employee has designated in writing as his or her personal physician, provided the employee has notified his or her employer in writing prior to the date of the industrial injury of the name, address and telephone number of such designated personal physician; or as provided in Exhibit 1
2. Those health care providers attached as Exhibit 1 to this Agreement. This list of authorized providers can be changed, including additions or deletions, at any time by the LMC. All authorized providers shall be certified in their respective specialties, provided such is available in the relevant geographic area.

3.2 In case of emergency when no authorized provider is available, the employee may seek treatment from a health care professional or facility not otherwise authorized by this agreement, to provide treatment during the emergency. The employer or its insurance carrier shall transfer

responsibility for treatment to an authorized provider as soon as possible, consistent with sound medical practices.

3.3 After selecting an authorized provider to furnish treatment for a particular injury, an employee may change once to another authorized provider.

3.4 When referred by the authorized provider to another provider in a particular specialty, the employee may also change once to another authorized provider in such specialty. Additional changes will be made only with written agreement of IRISH and ICC.

3.5 Neither IRISH and ICC nor their insurance carriers shall be responsible for the cost of medical services furnished by a health care professional or facility not authorized pursuant to this Agreement. Nothing in this Article shall be construed to create a right for an employee to receive care at employer expense that is not reasonably required to cure or relieve a work related injury.

3.6 The list of authorized providers shall include, but not be limited to, providers within the following specialties: Cardiology; Chiropractic; Dermatology; General Practice; Internal Medicine; Neurosurgery; Neurology; Occupational Medicine; Oncology; Ophthalmology; Orthopedics; Psychiatry; Pulmonary/Respiratory; Radiology

3.7 The LMC may include providers from additional specialties or providers who are not specialists, on the list of authorized providers. In the event that an authorized provider furnishing treatment to an employee determines that consultation or treatment is necessary from a specialty for which no authorized provider has been selected through this agreement, or in the event that distance makes it impractical for treatment from the authorized provider, the authorized provider and injured employee shall mutually select the additional specialist or the additional provider who offers treatment at a distance not greater than 40 miles in one direction for the employee.

3.8 All prescription medicines required by virtue of injury subject to this Agreement shall be furnished by the employer through a prescription medicine provider within a reasonable distance from the employee's residence, but not greater than 40 miles one direction or one hour's driving distance. The LMC may change the list at any time.

3.9 Both the employer and the employee may request a second opinion from Qualified Medical Evaluator (QME) regarding causation, diagnosis, treatment and evaluation of related injury or injury. Only one such second opinion shall be permitted by either party for any issue. However, the parties may agree to use an Agreed Medical Examiner (AME) to resolve any medical issue(s) at any time.

3.10 Both the employer and the employee shall be bound by the opinion and recommendations of the authorized provider selected in accordance with this agreement. In the event of disagreement with an authorized provider's findings or opinion, the sole recourse shall be to obtain a second opinion from a QME through dispute prevention and resolution procedures established in this agreement and the rules adopted by the LMC.

ARTICLE IV

DISPUTE PREVENTION AND RESOLUTION

The parties hereto acknowledge that the provisions of California law governing the adjudication of disputed Workers' Compensation claims have resulted in delay, increased expense and other inefficiencies which result in undue detriment to employees and employers. In recognition of the foregoing, the parties hereby establish the exclusive alternative dispute resolution system set forth below.

4.1 The dispute prevention and resolution program will consist of three components: (1) Ombudsman; (2) Mediation; (3) Arbitration

4.2 This program shall replace all of those dispute resolution processes, to the maximum extent permitted by law including those authorized pursuant to California Labor Code Section 3201.5, subject to the following exception:

Disputes between a party to this agreement and a person or entity who is not subject to the provisions of this agreement by subscription or law, unless such third party or entity agrees in writing to submit to the jurisdiction of this dispute prevention and resolution program.

Any claim subject to this Agreement filed with the WCAB for resolution will immediately be removed and placed within the program established by this Agreement. This is the sole means of dispute resolution and no dispute shall proceed to the California Workers' Compensation Appeals Board on a Petition for Reconsideration, or for any other reason or purpose, until it has completed the Ombudsman, Mediation and Arbitration processes defined by this agreement.

4.3 The Ombudsman will be selected and paid for by LMC or their designee. The Ombudsman shall receive complaints from employees who have filed claims for Workers' Compensation benefits subject to this Article and upon request of the employee shall assist the employee in attempting to resolve those disputes with workers' Compensation insurer of an employer subject to this Article. The Ombudsman shall, upon request of an employee, assist the employee in filing request for mediation and arbitration related to alleged work-related injuries subject to this Article.

4.4 An employee covered by this Agreement who believes that he/she is entitled to workers' compensation benefits, including medical and hospital services, shall personally notify the Ombudsman of any issues or problems related thereto. The employee and the insurer/employer shall personally cooperate with the Ombudsman in the collection of data and factual information concerning the claim of injury and related issues and problems. If the issue cannot be resolved to the satisfaction of the employee within ten working days, the employee shall apply for mediation on the form provided by the Ombudsman. The Ombudsman shall assist the employee in filing with the mediator. The employee and employer may extend the ten working day period by mutual agreement. No issue will proceed to mediation without first being presented to the Ombudsman. The response of the Ombudsman to the employee shall be explained in terms, which are readily understandable by the employee. The Ombudsman will maintain a log recording all Ombudsman activity, including the date of each notification and the date of each response. The employer shall also be allowed to file disputes with the Ombudsman. A third-

party, not a party to this Agreement, may file a written request with the Ombudsman to assist in resolving a dispute involving either or both of the parties hereto, provided the dispute is related to a claim of industrial injury covered by this Agreement.

4.5 Application for mediation shall be made not more than 60 days after the Ombudsman has responded to the employee or employer's notification. Failure to file the appropriate request for mediation with the LMC will bar any further right to adjudicate the issue(s). Any application for mediation shall be assigned to a mediator within three (3) working days of a receipt of a request. The mediator will contact the parties to the dispute, including the insurance carrier and take whatever steps the mediator deems reasonable to bring the dispute to an agreed conclusion.

4.6 The mediator subject to this Agreement shall be from the list of Mediators and Arbitrators established by the LMC.

4.7 Mediation shall be completed in not more than 10 working days from the date of referral, except that in no event shall an issue be permitted to proceed beyond mediation until and unless the moving party cooperates with the mediator and the mediation process, or if both the employee and the employer mutually agree to an extension.

4.8 Neither party will be permitted to be represented by legal counsel at the Ombudsman stage or the mediation stage. The fact that an employee or employer representative or its workers' compensation carrier's representative has had legal training or is a licensed attorney shall not bar such person from participation in mediation unless he or she seeks to participate on the basis of a lawyer-client relationship. All communications between the mediator and the parties shall be directly with the parties, and not through legal counsel. This provision is not intended to limit any party's right to obtain legal advice. Any party has a right to legal advice at such party's own expense. The participation of legal counsel during any proceedings under this program is limited to the Arbitration, provided a written request for Arbitration has been timely filed with the LMC.

4.9 Within 30 calendar days after completion of the mediation process, any party not satisfied with the outcome shall file with the LMC a written request that the matter be referred for arbitration on a form approved by the LMC. Upon receipt of such a request, the LMC shall immediately refer the matter for arbitration as provided for herein. The arbitration date will be set with sufficient advance notice to permit the parties to retain and/or consult with legal counsel.

4.10 The arbitrator shall have experience and be knowledgeable in the workers' compensation dispute process and shall have been at one time a certified specialist in workers' compensation law or a California Workers' Compensation judge. The arbitrator shall be assigned by the LMC, or its designee for such purpose, from the list of Arbitrators established by the LMC. As needed, this list may be modified by the LMC. In any case which has been regularly assigned to an Arbitrator for hearing hereunder, the Arbitrator shall have full power, jurisdiction and authority to hear and determine all issues of fact and law presented and to issue interim, interlocutory and final orders, findings, decisions and awards as may be necessary to the full adjudication of the case. The decision of the Arbitrator is subject to review by the Workers' Compensation Appeals Board (WCAB) in the manner required by Labor Code Section 3201.5, and shall have the same force and effect as an award, order, or decision of a workers' compensation judge.

4.11 Arbitration will be conducted pursuant to the rules established by the LMC as authorized herein. Unless the parties to the matter otherwise agree, arbitration proceedings shall be completed within 30 days after referral, and an arbitration decision rendered within 10 working days of the completion of the proceedings. The arbitrator's decision shall be written in a form consistent with the WCAB practices.

4.12 No written or oral offer, finding or recommendation made during the mediation process by any party or mediator shall be admissible in the arbitration proceedings except by mutual agreement of the parties.

4.13 The mediator or arbitrator may in his sole discretion appoint an authorized health care professional to assist in the resolution of any medical issue, the cost to be paid by the insurance carrier, unless voluntarily paid by the employer.

4.14 The parties may submit a proposed settlement to the LMC at any time for assignment to an Arbitrator for expeditious issuance of award and/or order. Any such settlement shall be in the form of a Compromise and Release Agreement or in the form of Stipulations with Request for Award. The settlement shall be filed on a pre-printed form approved by the LMC. The LMC may create a separate list of Arbitrators to handle settlements under separate contract (s), and change such list at the discretion of the LMC.

4.15 The costs of mediation, arbitration, disability evaluation specialists and related expenses shall be borne by the insurance carrier providing the workers' compensation coverage for the respective injury claims.

ARTICLE V

Labor Management Committee

5.1 There shall be a Labor Management Committee (LMC) as referenced in this Agreement. The LMC shall be comprised of four (4) member(s), two (2) from UNION and one (1) from IRISH and one (1) from ICC.

5.2 The LMC shall supervise all matters involving implementation and conformity with the provisions of this Agreement and California Workers' Compensation laws and labor codes. The LMC shall have full power and authority to develop and implement any procedures the LMC deems necessary to carry out or effect the purpose and scope of this Agreement. In case of deadlock, the matter in dispute shall be referred to the American Arbitration Association for expedited adjudication. The arbitrator's decision shall be final and binding upon both parties hereto.

5.3 The initial entity providing ombudsman and administration services shall be AMERICAN OMBUDSMAN ENTERPRISES, INC. (AOE) and the LMC shall have the power and authority to terminate the initial provider of ombudsman and administration services generally paid by either Employer or an insurance company. The hiring and termination of subsequent providers of ombudsman and administration services shall be within the discretion of the LMC.

5.4 The parties recognize that adequate funding is essential in assuring the success of this Agreement. The mediators and arbiters appointed pursuant to this Agreement shall serve as independent contractors and there is a need to pay the expenses incurred conducting mediation and arbitration proceedings, recording arbitration proceedings and providing transcripts of those arbitration proceedings. There is need to expedite determination of permanent disability ratings by obtaining the services of independent disability evaluation specialists (commonly referred to as "raters"). The workers' compensation insurance carrier underwriting coverage pursuant to this Agreement shall pay the expenses enumerated in this section.

5.5 The cost and expense of providing ombudsman services as directed by the LMC shall be paid by EMPLOYER. As a condition for participation by other employers in this ADR program, said employer(s) will be required to pay for ombudsman and administration services on the same basis as the initial parties to this Agreement.

5.6 In no event shall the LMC or its members be liable for the expenses of employer, employee, or insurance carrier.

ARTICLE VI

MISCELLANEOUS ISSUES

6.1 All payments required to be made by the employer pursuant to this Agreement shall, in accordance with California law, be made by its workers' compensation insurance carrier. Similarly, all actions required by law to be undertaken by the insurance carrier rather than the employer shall be performed by the employer's workers' compensation insurance carrier.

6.2 Upon termination of this Agreement the parties and the employers shall take whatever steps are necessary to insure that all obligations under this Agreement are fulfilled until all claims subject to this Agreement are resolved.

6.3 On projects where the owner, developer or general contractor supplies a project wrap-around insurance that includes worker' compensation insurance, the employer at his or her option may suspend this Agreement for that specific project.

6.4 In the event of legal action contesting the legality of this Agreement, or any portion of it, the parties shall split the cost of defending this Agreement, and shall actively assist in such defense, and shall solicit the participation and financial assistance of other interested parties in such defense.

6.5 If any provision of this Agreement or its application to any person or circumstance is held invalid, the invalidity shall not affect other provisions or applications of this Agreement that can be given effect without the invalid provision or application, and to this end the provisions of this Agreement are declared to be severable.

6.6 This Agreement shall be governed by and construed according to the laws of the State of California that would apply if all parties were residents of California and the Agreement was made and performed in California.

IN WITNESS WHEREOF the parties have executed this agreement on the dates indicated below.

INDUSTRIAL, PROFESSIONAL AND
TECHNICAL WORKERS INTERNATIONAL
UNION, SIUNA, AFL-CIO
11404 Downey Avenue
Downey, CA 90241-4935

By: Donna M. Walsh

Donna Walsh, International President

Local Union Number: 2

Date Signed: 11-12-2004

INDUSTRIAL, PROFESSIONAL AND
TECHNICAL WORKERS INTERNATIONAL
UNION, SIUNA, AFL-CIO
11404 Downey Avenue
Downey, CA 90241-4935

By: John Larew, Jr.

John Larew, Jr., International Secretary/Treasurer

Local Union Number: 2

Date Signed: 11/12/2004

IRISH CONSTRUCTION

P O BOX 579
ROSEMEAD, CA 91770
Tel: (626) 288-8530

Contractor's License No.: 97962

By: Jerry L. Olmscheid
Signature of Authorized Rep. of EMPLOYER

JERRY L. OLMSCHIED (PRESIDENT)
Print Name and Title of Person Signing

Date Signed: 11-24-04

IRISH COMMUNICATION COMPANY
2649 STINGLE AVENUE
ROSEMEAD, CA 91770
Tel: (626) 288-6170

Contractor's License No.: _____

By: Daniel A. Mitchell
Signature of Authorized Rep. of EMPLOYER

DANIEL MITCHELL PRESIDENT
Print Name and Title of Person Signing

Date Signed: 11-30-04

EXHIBIT "1" TO THE WORKERS' COMPENSATION ALTERNATIVE
DISPUTE RESOLUTION AGREEMENT OF
INDUSTRIAL, PROFESSIONAL AND TECHNICAL WORKERS
INTERANTIONAL UNION, SIUNA, AFL-CIO AND IRISH
CONSTRUCTION

INITIAL AUTHORIZED PROVIDER LIST

HealthCare Partners Medical Group
3144 Santa Anita Avenue
El Monte, CA 91733
Phone: (626) 582-7989

South Valley Health
9460 No Name Uno, Ste. 230
Gilroy, CA 95020
Phone: (408) 842-1544

Concentra Medical Group
2555 S. East Avenue
Fresno, CA 93706
Phone: (559) 445-0606

California Occupational Physicians
1500 Florida Avenue
Modesto, CA 95350
Phone: (209) 572-2114

Sacramento Occup. Medical
5501 Power Inn Road, #140
Sacramento, CA 95820
Phone: (916) 387-6929

Desert Urgent Care
74-990 Country Club Drive
Palm Desert, CA 92260
Phone: (760) 341-8800

North Bay Occup. Health
1101 B. Gale Wilson, #203
Fairfield, CA
Phone: (707) 429-7701

Muir Diablo Occup. Medicine
2231 Galaxy Court
Concord, CA 94520
Phone: (925) 685-7744

US HealthWorks
2101 Tenaya Drive
Modesto, CA 95354
Phone: (209) 527-0080

Concentra Medical
740 Nordahl Road, #117
San Marcos, CA 92069
Phone: (760) 432-9000