University Medical Center of Southern Nevada
Governing Board Human Resources and Executive Compensation Committee
May 24, 2016

UMC ProVidence Suite
Trauma Building, 4th Floor
800 Rose Street
Las Vegas, Clark County, Nevada
Tuesday, May 24, 2016
9:00 a.m.

CALL TO ORDER

The University Medical Center Governing Human Resources and Executive Compensation Committee met in the ProVidence Suite, UMC Trauma Building, 4th Floor, Las Vegas, Clark County, Nevada, on Tuesday, May 24, 2016, at the hour of 9:00 a.m. The meeting was called to order at the hour of 9:00 a.m. by Chair Laura Lopez-Hobbs and the following members were present, which constituted a quorum of the members thereof:

Committee Members:

Present:
Laura Lopez-Hobbs, Chair
Renee Franklin
Harry Hagerty
John White

Others Present:
Mason VanHouweling
John Espinoza, Chief Human Resources Officer
Terra Lovelin, Board Secretary

SECTION 1. OPENING CEREMONIES

ITEM NO. 1 PUBLIC COMMENT

Chair Lopez-Hobbs asked if there were any persons present in the audience wishing to be heard on any item on this agenda.

Speaker(s): None

ITEM NO. 2 Approval of minutes of the regular meeting of the UMC Governing Board Human Resources and Executive Compensation meeting on March 15, 2016. *(For possible action)*

FINAL ACTION: A motion was made by member White that the minutes be approved as recommended. Motion carried by unanimous vote.

ITEM NO. 3 Approval of Agenda *(For possible action)*

FINAL ACTION: A motion was made by member Hagerty that the agenda be approved as recommended. Motion carried by unanimous vote.

SECTION 2. BUSINESS ITEMS

ITEM NO. 4 Review changes to the UMC Management Compensation Plan document and recommend approval to the UMC Governing Board. (For possible action)

DOCUMENT SUBMITTED:
- UMC Management Compensation Plan July 1, 2016

DISCUSSION: Mason VanHouweling explained that the current M-Plan has not been updated since 2003. This plan applies to Management and above only, and is in need of some modernization.

The team looked at the County plan and tried to conform our plan to theirs, along with a net reduction to UMC.

John Espinoza, Chief Human Resources Officer explained that part of the intent is to offset some of the costs which are budgeted in the next fiscal year. The most notable change is in the categories of management. Employees will be grandfathered in if they are already in the MPlan 1 category but now it will only encompass the C-Suite and General Counsel. There should be approximately seven people in the MPlan 1 category, 70 in the MPlan 2 and 40 in the MPlan 3 category.

The car allowance has been eliminated except for instances where the CEO finds that the person's job involves a significant amount of driving.

The bonus structure will also be revised so we can provide more of an incentive similar to the Board's plan with the CEO's position. This allows Mason to give up to a certain percentage based on what tier the employees are in. This is more commensurate to what is going on in the market related to health care management.

Member Franklin commented that the Board should have the final say on the allocation of dollars. She is also assuming it will go to the Audit and Finance Committee for their say.

Mr. VanHouweling asked for some leeway with regards to the bonus structure.

Member Hagerty commented that Audit and Finance has no knowledge of the bonus pool in FY17.

Stephanie Merrill responded that they did allocate some dollars knowing that this was coming forward.

Member White said there is a potential for redundancy in the bonus structure. He thinks it is important to not create a soft spot of what management is making and to think about the circumstances of which bonuses would be available.

Mr. Espinoza assured Mr. White that they have been very transparent with the union regarding the totality of what management gets versus employees. He will be happy to continue those discussions to ensure the union representatives understand.

A few more changes to the plan include the elimination of the annual comprehensive physical. Our health insurance providers provide this same benefit so this could be eliminated with no impact. Also, there is a revision to the cash out for extended illness bank hours based on years of service. Under the revision it's a tiered process consistent with the county that will save UMC money over time.

Member Hagerty asked when the full plan will be effective and Mr. VanHouweling said they would not be able to start it until July 2017 for next year. This will also go before the Governing Board for review.

FINAL ACTION: A motion was made by Member Franklin that staff approve the changes to the MPlan document. Motion carried by unanimous vote.

ITEM NO. 5 Receive an updated report on UMC's collective bargaining activities with the Service Employees International Union (SEIU), Local 1107; and International Union of Operating Engineers (IUOE), Local 501. (For possible action)

DOCUMENTSUBMITTED:
- None submitted

DISCUSSION: Doug Spring, Director of HR Operations gave a brief summary on the ongoing negotiations. (Both contracts expire June 30, 2016)

-SEIU: We have been successful over the last two negotiation sessions and we continue to do that this time while being very open and transparent. We have met with SEIU multiple times and a few accomplishments are highlighted below.

-Bereavement Article: Bereavement is now based on hours worked so a .9 FTE gets 36 hours of bereavement leave, a 1.0 FTE get 40 hours of bereavement.

-Posting of Vacancies: We will now have the opportunity to make job offers immediately for open, competitive positions.

-Probationary/Qualifying Period: We will now have qualifying periods for employees who move from one cost center to another or promote to a new classification; this will now be 6 months to a year, which is the same time allotment as probationary.

-Per Diems: Part time employees now have precedent over per diem employees when a full time position comes available. Part-time employees

previously had to wait behind a per diem employee when a full time position came up.
-Acting Pay: A selection process was needed so those interested were given the opportunity.
-Floating: (Nursing specifically) Minimal change to the article involving making sure the nurse is properly trained in the area they are floating to.
-Attendance and Tardies: This is an ongoing topic

They have been using Lavonne Ritter as the Facilitator and she is doing an excellent job.

- 501 Group: They are more traditional in their process and staff have met with them three times. They are looking at their contract and making some modifications to some of the easy language. One point of interest is that the NRS statute requires that the union must give notice by Feb. 1 that they are interested in opening up the contract for negotiation, they did not do that. UMC however, chose to meet with them anyway as we want to make sure they know they understand our intent in finalizing an agreement.

Member Hagerty asked how we ensure future union stewards are as passionate about UMC as the current occupants of the current positons.

Mr. Espinoza replied that they will continue to use the same kind of approach from the management perspective on how we deal with the union. They have found that the more information they provide, the less friction there is.

<u>FINAL ACTION</u>: None taken.

ITEM NO. 6 Receive an updated report on UMC Vacancy and Turnover metrics, including classifications vacated voluntarily: and direct staff accordingly. (For possible action)

<u>DOCUMENTS SUBMITTED</u>:
- Comparison FY15 to FY16 to date
- Turnover and Vacancy 2016 and 2015

<u>DISCUSSION</u>: Mr. Espinoza updated the committee on some positive metrics.

The overall turnover rate projected for the first quarter is 11.8%, which compared to 2015, was 12.5%. The bigger change is with management; we were looking at an annual turnover rate of 33% and the first quarter projected would take us to a 13.9%. Our vacancy rate is at 6.6% rate, compared to 7.1% last year.

The voluntary separation list numbers are smaller in Feb and March and types of separations are more varied.

With regards to nursing turnover vacancy rates, we were looking at 13.8% and for the first three months we are at 8.6%, which is the lowest number Mr. Espinoza has ever seen and the vacancy rate is still going down.

The RN turnover rate nationally is 17.5% and the RN vacancy rate nationally is 8.5%. UMC is beating the national average with both of these metrics.

Chair Lopez-Hobbs asked what Mr. Espinoza attributed these positive changes to and he replied, a stable CEO and CNO at the helm, UMC's finances, recruiting efforts and an improved image.

We are currently conducting an employee engagement survey and this is the first time in years we are doing one. Feedback will be provided back to the employees this time and to the board members after the survey concludes in June.

Brenna Leising, Assistant Director of Human Resources, broke out different segments of the recruitment process and noted that there was a 10% reduction in the time frame from when the positon was posted to when the employee was hired. The time frame for requisition approval to actual start date has also dropped significantly.

A lot of our focus lately has been with specialty positions, like PEDS ICU since these are harder to find. We do recruit out of market, almost 30% of new hires were relocated here to Las Vegas. A statistic that Ms. Leising is very proud of her team for is that UMC has already exceeded the number of total hires to date in FY16 than we did in all of FY15.

FINAL ACTION: None taken

ITEM NO. 7 Identify emerging issues to be addressed by staff or by the Human Resources and Executive Compensation Committee at future meetings; and direct staff accordingly. ***(For possible action)***

Deb Fox, CNO delivered an update on continuing changes and challenges in nursing.

We are currently using a very antiquated model of nursing at the bedside. One of the biggest dissatisfactions was that nurses felt like they were unable to spend time at the bedside, doing the things that they were educated to do. They were relying on other individuals and they didn't have the kind of high touch experience that we are trying to give our patients and families.

Currently on 5NO and 5SO, where we have high acuity, a new nursing model is underway called the Triad Model. This is a 90 day trial where we are piloting a new care delivery model, a hybrid model which is a combination of team nursing and pod nursing. We assign patients to these teams within a certain geographic location. There are four triads in each unit/pod with each team comprised of two registered nurses with a CNA, this is a triad. Together they manage and coordinate care for ten patients.

We have a fourth triad that is composed of the unit clerk, the nurse leader on shift and two rover positions that are without an assignment, a rover CNA and a rover RN.

Call lights have dropped ¾ of what they were prior to this model and response time is within thirty seconds based on tracking. Patient satisfaction scores have gone up, nurses and CNA's are happier and people's perception of their work environment have gone up.

The intent is to spread this model to Med Surge, Maternal Child and other Nursing departments. This model is why we are seeing less turnover in her opinion. The next unit that will go live is 4NO and 4SO, hopefully in September.

In FY17 we are looking at an addition of over 200 FTEs in nursing. The plan is to have final titles and job descriptions by June 6.

Chair Lopez-Hobbs asked what the employee reaction has been.

Ms. Fox thinks the biggest frustration is coming from the nurse manager layer and from the charge nurse layer. However, most will acknowledge that the change needs to happen and most employees are willing to see what happens next.

Chair Lopez-Hobbs commented on what a huge undertaking this is and very aggressive. She was very impressed with Ms. Fox's energy and wants to support her. She offered the committee's assistance in any way.

COMMENTS BY THE GENERAL PUBLIC:

At this time, Chair Lopez-Hobbs asked if there were any persons present in the audience wishing to be heard on any items not listed on the posted agenda.

SPEAKER(S): None

There being no further business to come before the Committee at this time, at the hour of 11:37 a.m. Chairman Lopez-Hobbs adjourned the meeting.

Approved: September 20, 2016
Minutes Prepared by: Terra Lovelin