University Medical Center of Southern Nevada
Governing Board Human Resources and Executive Compensation Committee
June 15, 2020

UMC ProVidence Suite
Trauma Building, 5th Floor
800 Hope Place
Las Vegas, Clark County, Nevada
Monday, June 15, 2020
2:00 p.m.

CALL TO ORDER

The University Medical Center Governing Board Human Resources and Executive Compensation Committee met at the time and location listed above. The meeting was called to order at the hour of 2:01 p.m. by Chair Jeff Ellis and the following members were present, which constituted a quorum of the members thereof:

Committee Members:

Present:
Jeff Ellis, Chair (via phone)
Laura Lopez-Hobbs (via phone)
Renee Franklin (via phone)
Barbara Fraser – Ex-officio (via phone)

Absent:
none

Others Present:
Mason Van Houweling, Chief Executive Officer (via phone)
Kurt Houser, Chief Human Resources Officer
Brenna Leising, Director Human Resources
Jennifer Wakem, Chief Financial Officer
James Conway, Assistant General Counsel
Lonnie Richardson, Chief Information Officer
Stephanie Ceccarelli, Board Secretary

SECTION 1. OPENING CEREMONIES

ITEM NO. 1 PUBLIC COMMENT

Chairman Ellis asked if there were any persons present in the audience wishing to be heard on the item listed on this agenda.

None present.

ITEM NO. 2 Approval of minutes of the regular meeting of the UMC Governing Board Human Resources and Executive Compensation meeting on February 25, 2020. *(For possible action)*

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

SECTION 2. BUSINESS ITEMS

ITEM NO. 4 Review and discuss the approved Voluntary Separation Program and Voluntary Furlough Program and the intended impact of the programs. (For possible action)

DOCUMENTS SUBMITTED:

- None submitted

DISCUSSION:

Mr. Houser expressed to the Committee the budget and volume challenges that are being faced and the actions that are being taken during these unprecedented times, such as our strategy with the Voluntary Separation Program ("VSP") and the weekly workforce planning committee meetings that are being held. He provided an overview of the of the VSP program and how it is being used to achieve Salaries, Wages and Benefits ("SWB") goals for 2021.

He stated that the target for SWB is 15% of our current budget. We have a self-imposed tax of $65 million within the current budget. The plan is based on staffing needs and a pull-back of services and temporarily closing units due to reduced census.

The first goal is to aggressively increase voluntary measures for staff reductions in order to reduce lay-offs. The Board of County Commissioners and the SEIU have been briefed on these matters. He went on to provide the benefit details of the VSP resolution to the Committee, stating that it will allow employees with 5 or more years of service to receive 1 week of salary for each 2 years of work, plus an additional 25% to pay any marginal taxes. They will also receive 2 years of insurance premiums based on their current employee health plan.

The VSP program was announced on June 1, 2020. Applicants will have until June 31, 2020 to submit applications and their last day of employment would be July 31, 2020. To date, there have been 177 approved VSP applicants and 3 have been denied.

Chair Ellis asked if we are legally bound to accept all applications. Mr. Houser replied no, applications may be accepted based on the financial, budget and strategic needs of the organization. Applications are being reviewed weekly by the Workforce Planning Committee and there is no cap on the number of applications that are received. The SWB goal is to accept 400 applications.

Member Fraser asked if they would still be eligible to receive their PERS and are we offering the 2-year insurance incentive because the County is offering it. Mr. Houser responded that nothing changes in their PERS eligibility. He went on to explain the criteria that must be met to qualify for VSP and he affirmed that we are joined with the County in the resolution to offer insurance for 2 years. The discussion continued regarding the extension of health insurance and potential liabilities.

Chair Ellis inquired if there would be a tax on the Cobra monthly premium. Brenna Leising, Director of Human Resources explained that this was not incorporated in the planning and an amendment to the HPN contract, extending it from 18 months to 24 months. She provided a brief overview of the insurance enrollment process and how payments would be paid on behalf of the employee.

Mr. Houser continued the discussion by informing the Committee that there have been 68 open positions that have been eliminated and each open position is required to be reviewed by the responsible Chief, prior to opening.

He let the Committee know that a staffing specialist was hired to assist in creating staffing standards and targets that are supported throughout the organization. He added that administration is reviewing services that can be combined to increase efficiency.

The conversation continued with a summary of the strategic plan. The targeted timeline to reach the staffing goals and service reductions will be at the end of June.

Chair Ellis asked if a VSP application is rejected, does that mean that the staff member could still be laid off in the future? Mr. Houser said yes and explained that we will not give opportunity to apply for VSP after June.

Chair Ellis asked if the ER and surgery schedules have increased. Mr. Houser stated that they have increased.

Mr. VanHouweling added that there has been an increase in non-COVID-19 cases and the OR has been at 100% capacity. The conversation continued regarding COVID testing provided prior to surgery.

ITEM NO. 5 Discuss and recommend Fiscal Year 2021 Salary, Wage and Benefit (“SWB”) changes. *(For possible action)*

<u>FINAL ACTION</u>:

Mr. Houser stated that employees have participated in the Voluntary Furlough Program, which has saved a total of 1240 hours for the organization in the first two weeks it was offered.

ITEM NO. 6 Update on the UMC Governing Board Human Resources and Executive Compensation Committee’s Fiscal Year 2020 goals (For possible action)

Mr. Houser informed the Committee of the progress of the 2020 goals for the year. We were able to meet and exceed some goals, but some have been delayed or deferred to 2021 due to COVID-19 issues.

1. Develop and implement staffing standards was exceeded this fiscal year.

2. Analyze and act on trends found from exit survey results has been deferred to next year due to staffing constraints.

3. The goal to execute the employment engagement survey with a greater than a 50% response rate has been deferred to next year. The target date was in May, but due to COVID, it has been pushed off to early in 2021. Press Ganey has been made aware that this survey would not be executed a later date.

4. Electronically process HR documents to include personal action requests and annual evaluations. This goal has been met successfully. This process has been a cost savings for the organization and allows evaluations to be processed more quickly and efficiently.

5. The goal to further develop staff skills within the employee development and succession planning program has been delayed due to decreased staffing, as well as social distancing. The department is exploring other options such as holding smaller classes and having remote training for employee development.

6. Develop interdisciplinary participation in major organizational training programs. This program will also be deferred to 2021. Based on current guidelines, there will be more online training.

7. The goal to review and update entry level job descriptions has also been deferred to 2021.

Mr. Houser reiterated that though some of the goals have been met, some have not been done or have been delayed due to COVID-19 issues.

Chair Ellis stated that the Committee will have to decide how goals will be measured or structured due to the extreme change in the environment and the industry due to COVID-19.

ITEM NO. 7 Identify emerging issues to be addressed by staff or by the UMC governing board Human resources and Executive Compensation. Committee at future meetings; and direct staff accordingly.

Member Hobbs wanted to address the subject of performance bonuses and how the performance plan might be leveraged moving forward. She stated that it may be important to direct staff to identify operational goals and efficiencies for next year.

Chair Ellis agreed and he furthered the discussion by suggesting that this may be a good opportunity to examine the market to determine how the bonus goals are structured in the future, as well as operational goals and efficiencies.

Mr. VanHouweling thanked the Committee and staff for their support in everything that is being done in response to COVID-19. He briefed the Committee on the impact that COVID has had on the hospital, as well as productivity. The discussion continued regarding testing turn-around times and the addition of antibody testing capability.

COMMENTS BY THE GENERAL PUBLIC:

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

SPEAKERS(S): None

There being no further business to come before the Committee at this time, at the hour of 2:59 p.m. Chairman Ellis adjourned the meeting.

Approved: October 19, 2020
Minutes Prepared by: Stephanie Ceccarelli