University Medical Center of Southern Nevada
Governing Board Human Resources and Executive Compensation Committee
Monday, January 31, 2022

UMC ProVidence Suite
Trauma Building, 5th Floor
800 Hope Place
Las Vegas, Clark County, Nevada
Monday, January 31, 2022
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 2:00 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 WebEx)
Laura Lopez-Hobbs
Renee Franklin (via WebEx – logged on at 2:40pm)
Barbara Fraser – Ex-officio (via WebEx)

Absent:
none

Others Present:
Mason Van Houweling, Chief Executive Officer (Via WebEx)
Kurt Houser, Chief Human Resources Officer
Anna Caputo, Manager, Equal Opportunity Program
Ricky Russell, Director Human Resources
James Conway, Assistant General Counsel
Susan Pitz, General Counsel
Jennifer Wakem, Chief Financial 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 November 15, 2021. ***(For possible action)***

FINAL ACTION:

A motion was made by Member Hobbs that the minutes be approved as presented. 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 Receive a briefing on the Americans with Disabilities Act (ADA) accommodations related to COVID-19 vaccinations; and take action as deemed appropriate. *(For possible action)*

DOCUMENTS SUBMITTED:

- None

DISCUSSION:

Mr. Houser, Chief Human Resources Officer, provided background of the approved vaccine policy for UMC and the initial round of accommodation requests. The final accommodation requests were due January 4th and final results were adjudicated after that date. He introduced Anna Caputo, Equal Opportunity Program Manager, to share follow-up results and the impact on the hospital and staff.

Ms. Caputo shared statistics of staff that have been deferred, permanently accommodated and of new hire employees. All accommodated staff are required to ensure constant masking, social distancing and weekly testing. She explained that weekly testing is not required for those who were COVID positive within 90 days. There have been approximately 40 positive COVID testing results since the weekly testing began.

All medical and religious requests were reviewed by Ms. Caputo, administration and the legal department. Medical accommodations were also reviewed by a director level UMC physician to ensure compliance with the CMS guidelines. Statistics regarding the approvals and denials of the requests were provided to the Committee, along with statistics of terminations and resignations.

Requests are still being received from new hires and students, as well as vendors and contractors. Mr. Houser added that because of UMC’s firm commitment to safety for our staff and our patients, UMC is currently 98% vaccinated.

The Committee thanked staff for their tireless efforts. The discussion continued regarding the ratio of vaccinated vs. unvaccinated new hires and the future of the vaccination process.

FINAL ACTION:

None

ITEM NO. 5 Receive an update regarding the FY2022 Market Adjustment changes; and take action as deemed appropriate. *(For possible action)*

DOCUMENTS SUBMITTED:

- Market Adjustment

DISCUSSION:

Mr. Houser, provided a snapshot of UMC's market summary adjustments.

The statistics presented are absent any COLA, merit adjustments or retention bonuses. These are strictly wage/salary adjustments in order to remain competitive in the market. A summary was provided of the salary adjustments, which began in February 2021 to remain competitive in the market and have continued through January 2022.

Since September 2021, there has been approximately $10 million in salary increase for over 1,200 staff members. Salary increases have occurred in job classifications such as medical staff, physicians, PAs and NPs, as well as in various departments including public safety, lab and critical care areas. A breakdown of costs associated with these job classifications was shared. All job classifications are being compared to the Mercer Study.

Market adjustments will continue to address areas of concern. The conversation continued regarding the percentage of salary increase as it relates to the specialty service, job classification and experience scale.

Chair Ellis stated that there is concern that the base cost has changed for the future. He also inquired if any other county departments are dealing with salary adjustments. Mr. Houser commented on the effect the market salary changes have had on UMC staffing.

FINAL ACTION:

None

ITEM NO. 6 Receive an update regarding RN hiring; and take action as deemed appropriate. *(For possible action)*

DOCUMENTS SUBMITTED:

- None

DISCUSSION:

Ricky Russell, Director of Human Resources, provided an update on all hires. Since November 1, 2021 to date, there has been a total of 311 benefitted and per diem new hire staff members hired on at UMC, which includes a total of 91 RNs.

To date, NSI has assisted in recruiting 30 new hires. Interviewing continues, with the goal to fill 60 positions. UMC has 383 openings for various positions. Since November 1st, there have been 130 terms and/or resignations.

Chair Ellis asked if the RN turnover is in the first 90 days. Mr. Russell responded that turnover usually occurs primarily with per diem, first year RN new hires. There was continued discussion regarding this subject matter and staff retention.

FINAL ACTION:

None

ITEM NO. 7 Receive an update on Human Resources staffing changes; and take action as deemed appropriate. ***(For possible action)***

DOCUMENTS SUBMITTED:

- None

DISCUSSION:

Mr. Russell updated the Committee on recent staff resignations. He announced that Aaron Stagg, HR Manager of Org Development has resigned. Rosalind Bob has been hired to fill this vacancy as the new HR Manager, overseeing organizational development, and in the future she will oversee recruitment.

UMC's Org Development Analyst Andrea Brice has also resigned. Leslie Connolly has been promoted into this role. The Student Coordinator for HR is now Dawn Babilonia.

FINAL ACTION:

None

ITEM NO. 8 Receive an update on the status of the UMC Annual HR Goals; and take action as deemed appropriate. ***(For possible action)***

DOCUMENTS SUBMITTED:

- CEO Goals

DISCUSSION:

Mr. Houser provided an update on the 2022 goals and the progress that is being made to meet these goals.

1. **Identify "5-whys" and create an action plan to address departments with the lowest score on the 2021 Employee Engagement Survey.**

   Thirty-six departments have been identified that were below the national average. An action plan will be submitted to departments to address this.

2. **Design the framework for an enhanced leadership program to respond to improvement areas identified in the 2021 Employee Engagement Survey to include improving team and cross departmental engagement**.

   Action items are being developed to improve cross-departmental engagement and to survey department to department to ensure staff support.

3. **Decrease the Average Time to Hire metric to less than 70 days.**

   Right now we are at 68 days. HR is requesting managers to submit applicant's applications as quickly as possible. UMC has an aggressive internal hiring process and when possible, the goal is to recruit and hire from within the organization. He added that there is opportunity for improvement and managers have been encouraged to process applications more efficiently.

4. **Implement market adjustments for the most under-market, and difficult to recruit and retain classifications; using recent Mercer Market Data Survey.**

   Efforts to make adjustments are continually reviewed.

5. **Demonstrate success in moving MPLAN level employees, using the 9-box tool, toward upper level/management succession.**

   All managers and above will be required to complete succession plan this year. The tool will be rolled out at the next Directors meeting.

<u>**FINAL ACTION:**</u>

None

ITEM NO. 9 Discuss proposed changes to the UMC Management Compensation Plan document; and direct staff accordingly. *(For possible action)*

<u>DOCUMENTS SUBMITTED</u>:

- None

<u>DISCUSSION</u>:

Mr. Houser presented the proposed changes to the Management Compensation plan, which addresses the concerns from the Committee has expressed, as well as updates the management plan. He highlighted three main goals:

1. Address the bonus compensation for the CEO and other MPLAN employees;
2. Allows more flexibility in MPLAN compensation and staffing; and
3. To clean up some of the language throughout the document to make it more applicable to approved HR policies.

Mr. Houser next provided more detail as to the changes that were made to the document.

Compensation and Benefit Eligibility - The contracted employee's benefits would be captured in the MPLAN. The category is MPLAN01. There was also cleanup of language.

Compensation Plan - Promotions – Allows more flexibility for the CEO to delegate the CHRO to make pay changes to promotions and to be competitive up to 15%.

Annual Evaluations and Salary Increases – This made clear that MPLAN employees are not eligible for COLA and MPLAN Category 01 incentive bonus was updated. Changes also gives the CEO flexibility to award bonus at a higher percentage.

The Committee would like to know what the industry standard incentive bonus is for Category 1, 2, and 3 employees. Mr. Houser stated that he could bring the Mercer Study data as it relates to MPLAN employees to the next meeting.

Member Hobbs stated that the HR Committee should receive a report on any CEO approved bonus prior to final award. There was continued discussion regarding the bonus as it relates to the overall goals.

Member Franklin added that there should be discussion regarding the level of visibility of the performance of all of the C-Suite and it should be conveyed that there should be differentiation in the award of the merit and bonus based on performance. There was continued discussion regarding compensation structure and building the organization.

Lastly, Mr. Houser noted the changes made to the verbiage to the benefits plan. Staff will finalize the Compensation Plan and update the CEO contract for final approval at the next meeting. The discussion continued with the process moving forward.

FINAL ACTION:

None

SECTION 3. BUSINESS ITEMS

ITEM NO. 10 Identify emerging issues to be addressed by staff or by the UMC Governing Board Human Resources sand Executive Compensation Committee at future meetings; and direct staff accordingly*. (For possible action)*

None

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 3:05 p.m. Chairman Ellis adjourned the meeting.

Approved: March 14, 2022
Minutes Prepared by: Stephanie Ceccarelli