

**SUBMITTAL TO THE BOARD OF SUPERVISORS
COUNTY OF RIVERSIDE, STATE OF CALIFORNIA**

270



FROM: Human Resources Dept.

SUBMITTAL DATE:
August 21, 2006

SUBJECT: Classification and parity study recommendations for the Registered Nurse Per Diem classification, and Amend Ordinance No. 440 pursuant to Resolution No. 440-8678 submitted herewith.

RECOMMENDED MOTION: 1) Adopt the recommendations in the attached Resolution No. 440-8678, adding new classifications to the Per Diem series; 2) Adopt the revised Educational Support Program Policy C-7 (Attachment "B") to include Per Diem employees in specified options of the program; and 3) Direct the Auditor-Controller to adjust appropriations and estimated revenues as provided in Attachment "A".

BACKGROUND: Riverside County Regional Medical Center (RCRMC), like all healthcare facilities, is facing the challenge of providing quality health care, complying with State mandated staffing ratios and controlling escalating personnel and contract labor costs, i.e. nurse registries. The Human Resources Department, through its Temporary/Medical Assignment Programs, currently provides 302 Per Diems to RCRMC, resulting in \$ 3,826,800 savings over the estimated cost through outside nurse registries.

Departmental Concurrence

Ronald W. Komers
Asst. County Executive Officer/Human Resources Dir.

FINANCIAL DATA	Current F.Y. Total Cost:	\$ 479,640	In Current Year Budget:	No
	Current F.Y. Net County Cost:	\$ 0	Budget Adjustment:	Yes
	Annual Net County Cost:	\$ 0	For Fiscal Year:	2006/07

SOURCE OF FUNDS: RCRMC Departmental budget. TAP salaries for Per Diems shall be reimbursed by the Department's State and Federal grant programs.	Positions To Be Deleted Per A-30	<input type="checkbox"/>
	Requires 4/5 Vote	<input checked="" type="checkbox"/>

C.E.O. RECOMMENDATION: **APPROVE**

County Executive Office Signature

FISCAL PROCEDURES APPROVED
ROBERT E. BYRD, Auditor-Controller
BY 8/23/06
Deputy

Policy
 Policy
 Consent
 Consent

Dep't Recomm.:
 Per Exec. Ofc.:

Prev. Agn. Ref.: | District: | Agenda Number: 3.43

BACKGROUND continued:

RCRMC has experienced a 30% increase in contract labor costs in FY 2005/06 and requested that Human Resources evaluate the pay structure of our Temporary Assignment Program (TAP) Per Diem Registered Nurses (RNs), so that we can increase the use of TAP and further reduce registry expenses. Because the County continues to be unable to keep up with the demand for qualified RNs, a comprehensive study was conducted to evaluate the current compensation strategy and to determine if the County's total compensation package is competitive with other healthcare facilities and nurse registries.

The elements of the study included base hourly rates, health benefits, bonus or incentive pay, retirement, and educational benefits. A total of 18 registries and six (6) independent hospitals throughout the Southern California region were included in the study, with the following results:

Salary:

The TAP Registered Nurse I – Per Diem (less than five years of experience) salary is 6.9% above the registry average salary; TAP Registered Nurse III – Per Diem (five or more years of experience) salary is 1.4% below the registry average salary.

Benefits:

TAP Per Diem employees are eligible to purchase medical benefits after 90 days of work, provided they work a minimum of 20 hours per pay period. Per Diems can only enroll in the Exclusive Care medical program and the employee pays the total cost. Of those registries surveyed, 89% provide medical, dental and vision coverage, at no charge to the employee, providing they work three 12-hour shifts per week.

Bonus Pay:

TAP Per Diem employees do not receive bonus pay. Referral bonuses are offered by 72% of the registries, 33% offer retention bonuses, and 22% offer sign-on bonuses.

Retirement and Social Security Benefits:

In lieu of Social Security, TAP Per Diem employees contribute 3.75% of pay to a 401(a) defined benefit retirement plan and the County contributes 5% of pay to the plan. Registered nurses employed by registries are generally required to pay into Social Security at a rate of 6.2% of pay. A voluntary 401(k) with an employer matching contribution is a benefit provided by 100% of the registries in the survey.

Education Reimbursement:

The County does not currently offer these benefits to TAP Per Diem employees. Continuing Education Units (CEUs) are provided at no cost to the employee by 22% of the registries and 17% of the registries offer tuition or license renewal reimbursement.

The survey suggests a trend by nurse registries to provide wide-ranging benefits, which previously were offered only to full-time employees. The County does not currently offer many of these benefits.

RECOMMENDATIONS

The recommendations below apply only to Per Diem Nursing classifications at RCRMC unless otherwise specified.

Salary:

We recommend a new salary structure based on an individual's years of full-time experience as a Registered Nurse, and the number and type of shifts worked as an as needed (AN) or regularly scheduled (RS) employee. In order to qualify for the highest rate of pay, Per Diem nurses must adhere to the regular scheduling practices of the unit assigned and work every other weekend and a major holiday rotation. The breakdown is as follows:

Class Title/Schedule	Experience Requirement	Shift Requirement(s)	Weekend Work Requirement	Rate of Pay*
Registered Nurse – Per Diem I – RS				
Regularly Scheduled	0 - 1 year	Three 12-hr shifts per week + major holiday rotation	Every other weekend	\$38.00 per hour*
Registered Nurse – Per Diem II – AN – RS				
As Needed	1 - <5 year(s)	Four 12-hr shifts per month	2 shifts/month	\$38.00 per hour
Regularly Scheduled	1 - <5 year(s)	Two or more 12-hr shifts per week + major holiday rotation	Every other weekend	\$40.00 per hour*
Registered Nurse – Per Diem III – AN – RS				
As Needed	5 > years	Four 12-hr shifts per month	2 shifts/month	\$40.00 per hour
Regularly Scheduled	5 > years	Two or more regularly assigned 12-hr shifts per week + major holiday rotation	Every other weekend	\$42.00 per hour*

**To qualify for this hourly pay rate, the employee can have no more than six weeks of planned or unplanned unavailability during a six-month period.*

Benefit Cash Equivalent Eligibility:

Nurses in the Registered Nurse – Per Diem (RN-PD) II/III RS categories who work a minimum of three 12-hour shifts per week (full-time) will receive a \$2 per hour premium in recognition that outside registries provide health benefits coverage to their employees who work in a full-time status. This premium is being provided because Per Diems are precluded from receiving County-paid health benefits under our existing agreement with CalPERS. All Per Diems will continue to have the option of purchasing Exclusive Care coverage at their own expense.

Retention Bonus Program:

The retention of every Registered Nurse is an important goal of the County, therefore the Per Diem Retention Bonus Program is recommended.

Semi-annual bonus pay: In order to qualify for this bonus, regularly scheduled Per Diem nurses must work at least two (2) 12-hour shifts per week according to the scheduling practices of the unit assigned and every other weekend and major holiday rotation as described in the RN-PD II/III

RECOMMENDATIONS (continued)

classifications beginning September 1, 2006. The bonus for the in-house Registry Nurse* will be paid to all RN Per Diems in the RN-PD II/III categories who work a minimum of 725 hours in a paid status during the six-month period. Upon the completion of each six (6) month period, a \$1000 bonus will be paid out in March and September of each year.

Annual bonus pay: In order to qualify for this bonus, a Registered Nurse** must have five or more consecutive years of service with RCRMC through TAP or as a regular county employee prior to receiving this bonus. Upon the completion of each year beginning January 2008, a \$1000 bonus will be paid for the prior calendar year to qualified Per Diem employees in accordance with their accumulated hours worked annually.

The payment is as follows:

- Employees who have accumulated a minimum of 520 hours and up to a maximum of 1039 paid hours annually receive 50% of the bonus;
- Employees who have accumulated a minimum of 1040 hours and up to a maximum of 1499 hours annually receive 75% of the bonus;
- Employees who have accumulated a minimum of 1500 hours or more for the year receive 100% of the bonus.

**TAP Registry Nurses who qualify for 6 month Retention Bonus, must be regularly scheduled to work at RCRMC main campus, Arlington campus or Detention Health. The bonus would be charged to the using department as a pass through cost with no markup from TAP.*

***TAP Registry Nurses, full-time or part-time, to qualify for the annual bonus must be regularly assigned to work at the RCRMC main campus, Arlington campus or Detention Health. The bonus would be charged to the using department as a pass through cost with no markup from TAP.*

Educational Support Program:

The Educational Support Program was established to address the increasing demands for educated employees in various professions. The program currently provides County support for regular employees to continue their education to prepare for designated occupations. The proposed revision to the Educational Support Program allows Temporary and Per Diem employees to participate in this program as an incentive to attract and retain qualified employees already working in the nursing field. All expenses are charged to the department where the employee works.

Eligible Employees:

Any temporary or Per Diem employee working in a nursing classification or as a Certified Nursing Assistant, in any County Department, who works a minimum of 520 hours in any fiscal year, may take advantage of the Educational Support Program. Temporary or Per Diem employees regularly scheduled to work less than 36 hours per week may receive a pro-rata level of reimbursement.

Program Eligibility:

Tuition & Textbook Reimbursement
20-20 Work-School Program
Fast-Track Education Options

RECOMMENDATIONS (continued)

All other Policy C-7 program requirements apply. The revised policy is included as Attachment "B".

Employee Referral Program:

The County's Employee Referral Program allows regular employees to receive a referral bonus equivalent to approximately 1% of the annual salary for Difficult-To-Recruit classifications when a referral is made which results in regular employment. This expansion of the Employee Referral Program will allow regular, Per Diem, and temporary employees to refer individuals for designated regular, temporary, and Per Diem classifications. The referral bonus will be paid out of the hiring department's budget.

The referring employee will receive compensation for referring a qualified candidate who meets all of the program's requirements, once the referred employee completes 520 hours of service.

Classification Additions: TAP

In order to implement the salary recommendations, it is recommended to add the following new classifications:

- Registered Nurse I – Per Diem - RS at salary plan/grade EXE 242
- Registered Nurse II – Per Diem – AN - RS at salary plan/grade EXE 243
- Registered Nurse III – Per Diem – AN - RS at salary plan/grade EXE 248

This request is to add these new classifications to the Class and Salary Listing; therefore there is no cost impact at this time. An increase in appropriations and revenue is requested for the TAP budget in anticipation of hiring more Per Diem nurses in place of registry expenses currently paid by RCRMC.

ATTACHMENT "A"

	Fund-Dept ID-Acct.	Account Description	Amount
Human Resources			
Increase in Appropriation	47000-11318-00000-510240	Per Diem Salaries	479,640
	Total		<u>\$479,640</u>
Increase in Estimated Revenue	47000-11318-00000-777540	Reimbursement of Salaries	479,640
	Total		<u>\$479,640</u>

ATTACHMENT "B"

COUNTY OF RIVERSIDE, CALIFORNIA
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Policy:

A. Through the Departments

It shall be the policy of the Board of Supervisors that an employee may be reimbursed the actual cost of tuition or registration fees upon successful completion of a course offered by an institution of higher learning, training facility, or following attendance of a workshop, seminar or institute, providing that such training is designed to improve the employee's effectiveness in performing his or her currently-assigned duties.

Subject to the availability of funds, reimbursement for such training may be authorized as follows:

Sec. 1. By the Department Head

- A. When the tuition or registration fee is \$500.00 or less.
- B. When the cost of training, in any amount, is reimbursed from funds administered by State or Federal agencies.

Sec. 2. By the Human Resources Department and Chief Executive Office

- A. When the tuition or registration fee is more than \$500.00 (for all training except training referred to in Sec. 1.(B) above).
- B. Such approval shall be obtained prior to the commencement of the training.

B. Through the Educational Support Program

In addition to reimbursement for training required in an employee's current position, support for education will be provided through the County's Educational Support Program, as described herein:

- Sec. 1 PURPOSE: To encourage and facilitate career development through a program whereby employees of the County are:

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- A. Reimbursed for the costs of textbooks, tuition, registration, and laboratory fees for courses required to obtain an undergraduate or graduate degree, or a license or certification in an approved career development plan;
- B. Provided with a reduced work schedule while continuing to be paid as a full-time employee, to allow time to complete training or educational requirements for a degree or certification within an approved career development plan; or
- C. Provided with alternative support to achieve educational and training goals within an approved development plan.
- D. Provided with educational loan repayment assistance as a hiring or retention incentive under Section 127 of the Internal Revenue Service (IRS) Code.

Sec. 2 ELIGIBLE EMPLOYEES: Regular full-time employees and part-time employees (on a pro rata basis) who have completed their initial probationary period, or have been hired for a position designated by the Human Resources Director as difficult to recruit and retain, are eligible to participate in this program. In addition, any temporary or Per Diem employee working as a Certified Nursing Assistant or nursing classification in any County Department who works a minimum of 520 hours in any fiscal year, may take advantage of the Educational Support Program. Temporary or Per Diem employees regularly scheduled to work less than 36 hours per week are eligible for a pro-rata level of reimbursement.

Sec. 3 PROGRAM ENTRY & PARTICIPATION: For the Educational Loan Repayment Program, employees will complete an application along with documentation of their loan. For all programs that provide support while the employee completes coursework, the following procedures apply:

- A. Employees who wish to receive support or participate in the program will complete applications and may be evaluated to determine aptitudes and personal value orientations related to the chosen field.
- B. Where appropriate, participants in the Educational Support Program will be interviewed and receive a Career Development Guide outlining the jobs to which they are most suited, availability of such jobs within the County organization, and requirements for job eligibility.

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- C. A counselor will assess which jobs would be the best fit for the employee and counsel him/her how to achieve education, training, or experiential requirements for specific jobs. This plan will then be formalized in a proposed personal Career Development Plan.
- D. The sponsoring department(s) and the Human Resources Department will review the applicants and their proposed plan for suitability prior to admittance to the program. Only those judged likely to succeed will be admitted, and placement will be on a first-come, first-served basis.
- E. Participating employees will be responsible for attending periodic counseling sessions, approximately every ninety days, to monitor progress in meeting the goals of their personal Career Development Plan.

Sec. 4 COURSES ELIGIBLE: The following criteria will be used in determining eligibility for reimbursement:

- A. Undergraduate and graduate coursework is eligible for reimbursement only if courses are required to obtain a degree, license, certificate or other qualification approved through the Educational Support Program.
- B. Courses must be satisfactorily completed. A grade of "C" or its equivalent is required for reimbursement.
- C. Courses must be offered by an accredited educational institution that has been approved by the Human Resources Director or designee.
- D. Review courses may be eligible if approved by the Human Resources Director. or designee.

Sec. 5 COURSES NOT ELIGIBLE FOR REIMBURSEMENT:

- A. Those which are not required by an approved Career Development Plan.

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- B. Those which duplicate training the employee has already received.
- C. Those which are not offered through an accredited educational institution that has been approved by the Human Resources Director or designee.

Sec. 6 TUITION & TEXTBOOK REIMBURSEMENT:

- A. Tuition & Textbook Reimbursement – The County will provide for one hundred percent (100%) reimbursement of tuition for job-related, or approved career-related courses, up to an annual maximum equal to the annual fees published by the University of California - Riverside for their degree coursework for each academic year, in accordance with the provisions of this program. Required textbooks and laboratory fees will also be reimbursed at cost.
- B. Advanced Reimbursement – Reimbursement may be made to employees prior to the beginning of the coursework. New employees, however, will not be reimbursed in advance until they have completed their initial probationary period of employment with the County. If the course is not satisfactorily completed, the employee will reimburse the County immediately for all monies received. If an employee terminates prior to completion of the course, the monies must be reimbursed to the County immediately. Unpaid amounts will accrue interest at the legal rate as determined by the Human Resources Director until paid. Temporary and Per Diem employees are not eligible for reimbursement in advance of completion.

Sec. 7 20-20 WORK-SCHOOL PROGRAM

- A. Basic Structure of 20-20 Program – This program consists of an agreement that the County will provide paid release time for up to three years while the employee attends school full-time and continues working at the County for 20 hours per week. In exchange, the employee signs an agreement to continue working at the County on a year-for-year basis after completion of their degree or certification. The rules regarding eligibility, program entry, and eligible coursework apply to this program as well.

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- B. Department Commitment – The department where the employee is currently working will be reimbursed from the Educational Support Program Fund for the paid release time provided to the employee. The department will be able to use companion positions or temporary employees through TAP to fill behind those in the 20-20 program.

Sec. 8 OTHER FAST-TRACK EDUCATION OPTIONS

Other fast-track programs in partnership with accredited colleges, including focused programs held on-site at the County's facilities, will be developed within the Educational Support Program where possible. Participation in one of these programs may involve a 20-20 schedule, payment of tuition and books, or another combination of monetary support and schedule accommodation, as determined by the Human Resources Director with the school and sponsoring departments.

Sec. 9 COSTS NOT COVERED: In terms of both time and money, the following costs are not covered by this program:

- A. Courses are generally taken on the employee's own time, on compensatory time, vacation time, or annual leave approved in advance by the department/agency head. Department heads are encouraged to adjust schedules whenever possible to allow employees to attend classes during regular work hours when necessary, including flextime hours. The 20-20 program and certain fast-track programs are exceptions to this general rule.
- B. Neither transportation nor mileage reimbursement are provided for by this program.
- C. Parking fees, meals, and other costs not specifically covered in this program will not be paid by the County.
- D. Costs for which reimbursement is received from other sources are not reimbursable from the County.
- E. Conventions, seminars, workshops and conferences, not qualifying as a required degree related course, are not covered by this reimbursement program.

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Sec.10 EDUCATIONAL SUPPORT PROGRAM ADMINISTRATION: The Human Resources Director will implement and administer this program, and will have the authority to administratively interpret its provisions. Approval of the Human Resources Department and preparation of an approved Career Development Plan are required conditions for reimbursement. Applications for reimbursement should be received by the Human Resources Director prior to the first class session. An official record of grades and receipts must be received by the Human Resources Director within ninety (90) days after the last class session. New employees will not be reimbursed until they have completed thirteen (13) biweeks of County employment. The Human Resources Director may develop such forms and additional procedures which are deemed necessary to accomplish the intent of this Educational Support program. Any or all sections of this program may be amended or discontinued at any time.

Sec. 11 MANAGEMENT/EMPLOYEE PARTICIPATION CONDITIONS: In an effort to reasonably accommodate management and the participating employees, the following conditions will apply:

- A. The employee is responsible for performing current job assignments in addition to participating in the program.
- B. The employee must select the most cost effective educational program which will be approved by County Human Resources prior to enrollment.
- C. The Department/Agency will determine reasonable flextime hours and course loads to meet both the Department/Agency and employee needs. Employees may be permitted to change their regular work hours if this practice does not negatively impact the Department/Agency's ability to accomplish work objectives.
- D. Employees are required to remain in County service for a minimum of one year, or prorated portion thereof, in exchange for each year of support provided to them while studying for the approved degree, licensing, or certification. A minimum of one year of County service is required subsequent to the completion of the class or program that generated the

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expenditure, with the exception of the Work-Study Program and the Educational Loan Repayment Program.

- E. If an employee leaves County employment for any reason, except as set forth in Section 11G herein, before satisfying the requirements of Section 11D herein, s/he will reimburse the County for that prorated portion of the program expenditures that the employee did not exonerate through continued County employment.

The entire amount owed by the employee will be due and payable at the time s/he leaves County service. Any amount not paid at that time will accrue interest at the legal rate until paid in full, and will be subject to collection activity, including small claims court if necessary.

- F. If the employee does not complete the entire degree, licensing or certificate program, s/he will not be required to reimburse the County for any program expenditures so long as s/he remains in County service for the same length of time as required under Section 11D to satisfy the program obligations.
- G. Participants are not exempt from normal disciplinary action should work performance become unsatisfactory. Participants terminated for cause are required to reimburse program expenses upon termination on a prorated basis.
- H. If a reduction in force or permanent disability which prevents the employee from gainful employment occurs, resulting in the loss of County employment, or if death occurs, the participant is not obligated to reimburse program expenses.
- I. Participants who voluntarily terminate County employment are required to reimburse program expenses using one of the following options: (1) lump sum payment of balance due; or (2) monthly payments of balance due which include interest at the prevailing rate as determined by the Human Resources Director. The County will pursue collections, including filing a claim in Small Claims Court, if necessary, to recoup amounts owed.

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- J. Upon completion of the required degree, license or certification, the Department/Agency Head(s) will coordinate with the Human Resources Department to establish eligibility for placement in available positions for which the employee now qualifies.

Sec. 12 EDUCATIONAL LOAN REPAYMENT PROGRAM: In addition to the methods of educational support provided above, the County will provide assistance to regular employees to repay student loans on a monthly basis. Temporary and Per Diem employees are not eligible for this program.

- A. Hiring Incentive - The County will pay an amount equal to the monthly payment on a student loan as an incentive to join the County workforce, and the monthly nature of the payment would become a retention incentive as well.
- B. Retention Incentive – For current County employees with outstanding student loans, this benefit will be available as a retention incentive.
- C. Eligibility – This program would be limited to Nursing, Baccalaureate, and Master's degree graduates employed in a position that has been designated as difficult to recruit or retain. Approval by the hiring department and Human Resources is required.
- D. Maximum Benefit – The benefit is limited to \$5,250 per year, and will be established under Section 127 of the IRS Code, to ensure its non-taxability.

Reimbursement for travel expenses associated with employee training shall be authorized in accordance with Division 3 of the County's Code of Administrative Regulations.

Reference:

- Minute Order 3.13 dated 11-1-83
- Minute Order 3.21 dated 3-8-83
- Minute Order 3.16 dated 9-24-85
- Minute Order 3.18 dated 4-25-06