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To ensure access to high-quality, patient-centered, cost-effective health care to Los Angeles County residents through direct services at DHS facilities and through collaboration with community and university partners.

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January 28, 2016

TO: Supervisor Hilda L. Solis, Chair
Supervisor Mark Ridley-Thomas
Supervisor Sheila Kuehl
Supervisor Don Knabe
Supervisor Michael D. Antonovich

FROM: Mitchell H. Katz, M.D.
Director

SUBJECT: **QUARTERLY REPORT – SECOND QUARTER ENDING DECEMBER 31, 2015 YEAR 2 IMPLEMENTATION OF THE NURSE STAFFING PLAN**

On April 15, 2014, the Board approved positions recommended by the Chief Executive Officer (CEO) for the Department of Health Services (DHS) Nurse Staffing Plan (NSP), pending provision of additional information from DHS. The CEO, in conjunction with DHS, submitted a response dated May 12, 2014, which was accepted, allowing DHS to initiate NSP hiring in Fiscal Year (FY) 2014-15. The May 12, 2014, report also noted that DHS would submit quarterly reports on the progress of the NSP implementation.

As background, FY 2014-15 is the first year of a four-year NSP plan to address compliance with mandated staffing ratios for licensed nurses and lift teams, and non-mandated staff to address patient safety and operational needs. The NSP was designed to ensure DHS operates efficiently and effectively in both inpatient and outpatient areas.

The FY 2014-15 Final Budget included the addition of 737.0 net budgeted positions for NSP Year 1, as well as 500.0 ordinance only positions, and related funding of $14.1 million. The FY 2015-16 Final Budget included the addition of 357 net budgeted positions for NSP Year 2. Funding for NSP Year 2 of $22.3 million includes: $13.9 million for NSP AB394 positions, offset by overtime, registry and Health Information Management (HIM) position deletions, and $27.4 million annualization of NSP AB394 Year 1. DHS is pleased to provide this report for Year 2 of NSP implementation for the second quarter ending December 31, 2015.

Recruitment and Hiring

DHS Human Resources in collaboration with Office of Nursing Affairs (ONA) and facility Chief Nursing Officers (CNO) continued to conduct multiple successful on-site hiring fairs. Applicants are interviewed and selected by hiring managers in one central location. Selected applicants are given a contingent job offer and live scanned at the hiring fair upon acceptance of the contingent offer. HR also continued to expedite the processing and approval of PARs.

Listed below is a second quarter summary of Year 2 NSP hiring:

Status of Hiring (Selected and offered employment as of December 31, 2015)

Classification	**Percent of items hired onto in Q2 as a percent of total Year 2 Target**
Registered Nurse (RN)	32%
Licensed Vocational Nurse (LVN)	73%
Nursing Attendant	20%; currently interviewing for vacancies
Surgical Techs	0%; exam opening soon
Clerk	17%

Reassignment Update:
All necessary reassignments were completed in collaboration with SEIU Local 721. Staff reassigned to other units or departments were provided hospital orientation and unit and departmental orientation. No further reassignments are planned for Year 2 NSP implementation.

Orientation and Training
All NSP new hires complete facility and role-specific orientations. Additional training is provided for the following workforce members:

- RN specialty units: Training is provided by each facility for staff hired into the Intensive Care Unit (ICU), Emergency Room (ER), and Operating Room (OR).

  For Q2 of FY 15-16, the following specialty nurses were hired:
  OR: 13 RNs hired; 8 completed training; 3 are currently enrolled in the program; 1 did not successfully complete the program; and 1 has prior OR experience and does not need to complete the training program
  ER: 32 RNs hired; 18 completed training program; 14 will start training on March, 2016.
  ICU: 2 RNs hired; 2 has prior ICU experience and does not need the training program

Reduction in Registry and Overtime Costs

The NSP reflects an 80% reduction in overtime and registry expenditures, phased-in the second year of the NSP in FY 2015-16 and continuing through FY 2017-18. FY 2015-16 Budget includes the first phase of the overtime and registry reductions. DHS is estimating to meet the projected savings for overtime and registry. DHS has already established additional expenditure controls and will continue to monitor the facility utilization. For example, overtime assignments require prior authorization and approval by a facility Nursing Director, and registry use requires prior approval by the facility Chief Nursing Officer. Facility use of traveler RNs for extended 13-week assignments requires authorization from the Office of Nursing Affairs. DHS facilities are proactively working to reduce overtime and registry utilization as the NSP hires complete orientation and training. Additionally, the Office of Nursing Affairs has implemented the Internal RN registry program at all hospitals.

Status of Savings	Baseline Expenditure Based on FY 12-13 Data ($ in Millions)	Full Year Estimated Savings As Of 11/2015 ($ in Millions)
Overtime	$28.4	$6.9
Registry	$41.2	$17.4

The NSP is a key element of DHS' strategy to attract and retain patients in the post-Affordable Care Act managed care environment. We appreciate your support in the implementation of this plan. If you have any questions or need additional information, please contact me or Vivian Branchick, Director of Nursing Affairs, at (213) 240-7702.

MHK:vb

c: Chief Executive Office
County Counsel
Executive Office, Board of Supervisors