



RETRAINEE - JOB CREATION

Training Proposal for:

Covenant Care California, LLC

Agreement Number: ET16-0381

Panel Meeting of: February 26, 2016

ETP Regional Office: Sacramento

Analyst: K. Smiley

PROJECT PROFILE

Contract Attributes:	Retrainee Job Creation Initiative Priority Rate SET HUA	Industry Sector(s):	Healthcare Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Fresno, Stanislaus, Ventura, Orange, Yolo, San Joaquin, Los Angeles, San Diego, Santa Cruz, Santa Clara	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 3,877	U.S.: 6,601	Worldwide: 6,601
Turnover Rate:	22%	See Project Details	
Managers/Supervisors: (% of total trainees)	N/A		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$749,900		\$0	\$0		\$749,900

In-Kind Contribution:	100% of Total ETP Funding Required	\$780,000
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TRAINING PLAN TABLE

Job No.	Job Description	Type of Training	Estimated No. of Trainees	Range of Hours		Average Cost per Trainee	Post-Retention Wage
				Class / Lab	CBT		
1	Retrainee Priority Rate SET	Business Skills, Commercial Skills, Computer Skills, Cont. Imp.	300	8-200	0	\$432	\$21.28
				Weighted Avg: 24			
2	Retrainee Priority Rate SET HUA	Business Skills, Commercial Skills, Computer Skills, Cont. Imp.	400	8-200	0	\$432	*\$11.70
				Weighted Avg: 24			
3	Retrainee Job Creation SET	Business Skills, Commercial Skills, Computer Skills, Cont. Imp.	500	8-200	0	\$500	*\$12.77
				Weighted Avg: 25			
4	Retrainee Job Creation SET HUA	Business Skills, Commercial Skills, Computer Skills, Cont. Imp.	395	8-200	0	\$500	*\$10.00
				Weighted Avg: 25			

*It will be made a condition of contract that the trainees in this Job Number will never be paid less than the State or local minimum wage rate as in effect at the end of retention (Final Payment) regardless of the wage expressed in this table. The highest minimum wage rate will prevail.

Minimum Wage by County: Job Number 1 (SET/Priority Industry): \$21.28 per hour
 Job Number 2 (SET/HUA): \$11.70 – San Joaquin, Fresno, Stanislaus and Santa Cruz counties
 Job Number 3 (Job Creation): \$12.77 – Ventura and Yolo counties; \$13.72 – San Diego County;
 \$13.73 – Los Angeles County; \$13.76 – Orange County; \$14.19 - Santa Clara County
 Job Number 4 (Job Creation/HUA): \$10.00 – San Joaquin, Fresno, Stanislaus and Santa Cruz counties

Health Benefits: Yes No This is employer share of cost for healthcare premiums – medical, dental, vision.

Used to meet the Post-Retention Wage?: Yes No Maybe

Up to \$2.70 per hour may be used to meet the Post-Retention Wage for Job Number 1; Up to \$1.70 per hour for Job Number 2; and up to \$4.12 per hour for Job Number 3.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1		
Registered Nurse		150
Licensed Vocational Nurse		115
Clinical Support Staff		25
Administrative Staff		10

Job Number 2		
Administrative Staff		40
Licensed Vocational Nurse		35
Nursing Support Staff		300
Facility Support Staff		25
Job Number 3		
Registered Nurse		150
Clinical Support Staff		30
Facility Support Staff		25
Administrative Staff		40
Licensed Vocational Nurse		70
Nursing Support Staff		185
Job Number 4		
Facility Support Staff		90
Administrative Staff		50
Licensed Vocational Nurse		70
Nursing Support Staff		185

INTRODUCTION

Founded in 1994 and headquartered in Aliso Viejo, Covenant Care California, LLC (Covenant Care) (<https://www.covenantcare.com/>) employs over 5,000 professionals (throughout California and the Midwest) who provide 24-hour in-patient care ranging from short-term skilled nursing and rehabilitative care to long-term assisted living, custodial, hospice and respite care. The California facilities operate a significant portion of Covenant Care's business, employing over 3,000 employees at 30 locations statewide. Of the 30 California facilities only 22 will participate under this Agreement. Training under this proposal will only include employees located in California.

PROJECT DETAILS

This will be Covenant Care's second ETP contract in the last five years. Under the previous Agreement, Covenant Care began training staff on its new Electronic Medical Record (EMR) system.

This proposal will build upon the previous training and support a comprehensive training plan to increase quality-of-life for patients and promote a work/life balance for staff. Covenant Care is participating in The Advancing Excellence in America's Nursing Homes Campaign. This national campaign strives to improve the quality of care and quality of life for more than 1.5 million residents of America's skilled nursing homes. To achieve this goal, Covenant Care is offering training to encourage, assist and empower skilled nursing staff.

Due to changes in the healthcare industry, Covenant Care has seen a 20% increase in patients experiencing severe illness. Patients who would typically reside longer in acute hospitals have been reassigned to the skilled nursing environment, taxing the physical abilities and

competencies of its staff. Training is needed to allow staff to accommodate and manage the increase in clinical acuity.

Covenant Care has planned additional training on its EMR system. This system was fully implanted in January 2015, but requires on-going training on updates and changes.

Retrainee - Job Creation

In support of job creation, training for newly-hired employees will be reimbursed at a higher rate and trainees will be subject to a lower post-retention wage. The date-of-hire for all trainees in the Job Creation program will be within the three-month period before contract approval or within the term-of-contract. The Company also represents that these trainees will be hired into "net new jobs" as a condition of contract.

Covenant Care has committed to hiring 895 new employees (Job Numbers 3 & 4). These trainees must be hired within the three-month period prior to Panel approval or during the term of the Contract.

In 2015, Covenant Care acquired Focus Home Health. Focus Home Health is a medical home care provider. The expansion into this new market requires Covenant Care to hire additional nursing staff to accommodate growth.

Training Plan

Business Skills (13%): Training will be provided to all occupations to enable staff to communicate and manage information. Training will allow Covenant Care to operate more cost effectively and increase patient satisfaction. Topics will include Business Leadership, Building Networks, and Leverage and Case Management.

Commercial Skills (65%): Training will be provided to all occupations to enhance trainees' clinical knowledge and skills. Enhancing employee skills will enhance employee retention and offer workplace promotional opportunities. Topics will include Clinical Assessment, Physician Communication and Linen Handling.

Computer Skills (20%): Training will be provided to all occupations to ensure that trainees can properly use various programs required by Covenant Care. Topics will include Sigma Care, Incident Tracking System and Salesforce.

Continuous Improvement (2%): Training will be provided to all occupations. Training will increase patient satisfaction and service, improve performance and quality, and increase problem-solving skills. Topics will include Quality Data Analysis, Infection Surveillance and Regulatory Updates.

Turnover Rate

The ETP program is designed to fund training for stable, secure jobs. Thus, the employer's turnover rate cannot exceed 20% annually for the facility where training is requested. The Panel may accept a higher turnover rate if the employer provided evidence that the proposed training will significantly decrease the turnover, or if the employer experienced a singular reduction in workforce, or if industry data supports a higher turnover rate. The Panel may, or may choose not to, impose a "turnover penalty" when the company crosses this 20% threshold.

Based on a nationwide Nursing Care Facility Staffing report published in October 2013 by the American Health Care Association the industry turnover rate is 40.6%. Turnover rates were high nationally: 45.8% for Nursing Assistants, 44.4% for Registered Nurses, and 30.8% for Licensed

Vocational Nurses. Covenant Care is well below the state average at 22%. Thus, staff recommends approval of the Company's 22% turnover rate with no penalty imposed.

Special Employment Training/High Unemployment Area

Under Special Employment Training (SET), the participating employer is not required to demonstrate out-of-state competition. To qualify under SET, trainees must be earning at least the statewide average hourly wage at the end of the retention period.

Some trainees in Job Numbers 2 and 4 work in High Unemployment Areas (HUA), with unemployment exceeding the state average by 15%. The company's locations in San Joaquin, Stanislaus, Fresno and Santa Cruz qualify for the ETP Minimum Wage rather than the Statewide Average Hourly Wage. The Panel may modify the ETP Minimum Wage for these trainees by up to 25% if post-retention wages exceed the start-of-training wages.

For Job Number 2 retrainees, Covenant Care is requesting a wage modification from \$15.60 to \$11.70 for 400 incumbent staff. For Job Number 4, Covenant Care is requesting a wage modification from \$12.77 to \$10.00 for 395 newly hired trainees.

Commitment to Training

Covenant Care has an annual training budget of \$815,000 for its California facilities. Training includes new hire orientation, staff development, and educational classes to maintain current certifications. Covenant Care also provides quarterly disaster preparedness, annual OSHA and CDC in-service training programs for hazard communications, tuberculosis management and blood borne pathogen control.

Covenant Care represents that ETP funds will not displace their existing financial commitment to training. Safety training is, and will continue to be, provided in accordance with all pertinent requirements under state and federal law.

➤ Training Infrastructure

Covenant Care has a detailed training plan and trainers familiar with ETP record keeping. In Addition, Covenant has four staff members dedicated to monitoring this project.

Covenant Care will use a combination of internal and external subject matter experts in the healthcare industry.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by Covenant Care under an ETP Agreement that was completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET13-0246	Aliso Viejo	2/4/13 – 2/3/15	\$569,700	\$569,700 (100%)

DEVELOPMENT SERVICES

N/A

ADMINISTRATIVE SERVICES

N/A

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab Hours**

8 - 200

Trainees may receive any of the following:

BUSINESS SKILLS

- Business Leadership
- Business/Census Development
- Sales & Marketing Concepts/Principals
- Marketing from Within (Internal)
- Effective Advertising/Social Media
- Building Networks & Leverage
- Business Metrics
- Public Relations
- Conducting Effective Tours
- Effective Public Speaking
- Strategic Business Planning
- Case Management
- Managing Managed Care Relationships
- Flash Analysis – Labor Management
- Case Management – Profitability Calculator
- Financial Projections
- Healthcare Reform
- Bundled Payment
- Accountable Care Organizations
- Effective Hiring
- Staff Recruitment
- Employee Retention Strategies
- Employee Morale Building
- Conducting Performance Appraisals
- Coaching and Mentoring
- Reducing Employee Turnover
- Worker's Comp Management
- Implementing and Effective IIPP

COMPUTER SKILLS

- Computer 101: IT Orientation for Everyone
- Optimizing MS Outlook (Advanced/Intermediate)
- SigmaCare
- Vocollect
- Accucare
- Point-Click-Care
- SmartLinx System
- SmartLinx Employee Services
- SalesForce
- Education Campus
- Incident Tracking System
- Survey Tracking System
- Acute Re-Hospitalization Tracking System
- Pinnacle Survey System

- Revenue Cycle Management & MDS System
- Benefits Management System (HR)
- ADP Migration to ADP Hosted Environment (Payroll)
- ePAN
- HMO Profitability Calculator
- Responding to Technical Failure
- Referral Tracking System
- TigerText
- Health Gorilla
- Report Smith
- NetIMPAC
- Protracking
- DSSI/iSave
- Payroll Based Journal
- PASRR Level I Online Screening
- PASRR Technical Issues
- ICD-10
- Effective Billing and Collection Practices

COMMERCIAL SKILLS

Clinical Skills

- Clinical Assessment
- Mental Status Assessment
- Cardiac Assessment
- Respiratory Assessment
- Change-of-Condition Management
- Clinical Care Pathways
- SBAR
- Physician Communication
- Stop & Watch
- Clinical/Disease Management
- Vocational Skills Training/Competency
- First Response: Emergency Care, First Aid, Code Blue
- Nursing Rehabilitation
- Nursing Diagnosis and Care Planning
- IV Certification
- IV Therapy
- Central Line/PICC Management
- Safe Medication Pass Practices
- Medication Error Prevention Training
- Pharmacology
- Pain Management
- Patient Teaching/Teach-Back Method

Specialty Care

- Advanced Wound Care
- Pressure Ulcer Care
- Surgical Wound Care
- Life Vest/LVAD Care

- Tracheostomy Care
- Cardiac Care
- COPD Management
- CHF Program
- CHF Certification Training
- End-of-Life/Hospice Care
- Palliative Care
- Anger/Grief Management
- Dementia Care
- Delirium
- Diabetes Care & Management
- Hypoglycemia/Hyperglycemia Management
- Stroke Care
- Dysphagia Care
- Anticoagulant Therapy
- Enteral Care and Management
- Dialysis Care
- Orthopedics Care
- Oxygen Safety
- Oxygen Therapy
- BiPap/C-Pap Therapy
- Inhalation Therapy
- Sepsis
- Urinary Tract Infection – Prevention/Assessment/Management
- Foley Catheter Care
- PCA Pump
- iSTAT
- CoaguCheck
- Rehabilitation Programs
- Specialty Equipment: Adaptive, SCDs, CPM etc.
- Admission Preparatory Training – Special Needs

Clinical Risk Assessment/Care Plan Development/Implementation

- Advanced Care Planning
- Injury Risk & Management: Falls, Elopement, Behavior, Abuse etc.
- Weight Loss Risk & Management
- Cognitive Decline Assessment & Differentiating Diagnosis
- Dehydration Risk & Management
- Pressure Ulcer Risk & Management
- Incontinence Risk & Management
- Contracture Risk & Management
- ADL Decline Risk & Management
- Preventing Acute Re-Hospitalization
- IDT Walking Rounds
- Discharge Planning
- Resident Assessment Instrument Director Training Program

Customer Service/Public & Workplace Relations

- Charge Nurse Training
- Leadership/Supervisor Training for Nurses
- Customer Service Training
- Team Building Motivating Staff for Nurses
- Accountability and Teamwork
- Employee Relations and Recognition for Nurses
- Providing Constructive Feedback to Others
- Dealing with Nursing Home Challenges
- Managing Challenging Behaviors
- Mentoring Staff/Train-the-Trainer
- Conflict Resolution
- Effective Communication
- Communicating with Difficult Families
- Corporate Compliance
- Culture Change
- Preventing Workplace Injuries
- Hospitality
- Promoting Workplace Pride
- Staffing/CMS 671 Reporting
- Time Management
- Stress Management
- Conducting Objective and Unbiased Internal Investigations

Infection Control

- Infection Preventions Training
- Hand Hygiene
- Isolation Practices
- Personal Protective Equipment
- Glove Use
- Linen Handling
- Equipment Disinfection
- Enhanced/Standard Precautions
- Infection Surveillance
- Infectious Disease Management
- Managing MDRO's: MRSA, VRE, *c.difficile*, ESBL, etc.
- Outbreak Management: Influenza, Scabies, Gastroenteritis, etc.
- Tuberculosis
- Equipment Disinfection
- Environmental Cleaning Practices
- Preventing Cross-Contamination
- Immunizations/Communicable Disease Prevention
- Laundry Worker Linen Handling Practices
- Laundry Worker Infection Prevention

Resident Care/Improving Quality

- Placing Residents Rights First
- Admission, Transfer and Discharge Practices
- AMA versus Elopement

- Mental Capacity Decision-Making
- Resident Behavior and Facility Practices
- Abuse Prevention Training
- Behavior Management
- Wanderguard System
- Bathing and Hygiene Programs
- Quality-of-Life Programs
- Privacy and Dignity
- Centralized Placement Programs
- Using the Resident Assessment Instrument
- Quality-of-Care Programs
- Positioning Programs
- Medical Records Maintenance
- Pharmacy Practices
- Automated Medication Dispensing Systems
- Pharmacist Audit Remediation Training
- Pharmacology
- Drug Storage
- Dietary Services Training
- Dining Enhancement
- Promoting Optimal Oral Intake
- Calculating Accurate Meal Percentages
- Intake and Output Monitoring
- Weights and Vital Signs
- Kitchen Sanitation
- Kitchen Safety
- Meal Production
- Meal Distribution
- Rehabilitation Programs
- Restorative Nurses Aid Training Program
- Maintaining an Optimal Physical Environment
- Staff Preparedness: Stressors of External Surveys and Audits
- Expanded Disaster Preparedness (Including Technology)
- Disaster Management
- Fire Prevention and Management
- Federal/State/Local Laws/Reporting Requirements
- Clinical Documentation Standards
- Clinical Care Planning
- Patient Confidentiality
- Introduction to Covenant Care's HIPAA Program
- HIPAA Sanctions Policy
- HIPAA Breach Notification

CONTINUOUS IMPROVEMENT

- Quality Management Program
- Resident Safety Management Program
- Performance Improvement
- Data Tracking and Surveillance
- Quality Data Analysis

- Root-Cause Analysis
- Performance Metric Evaluation
- QAPI
- Quality Data/Performance Metrics: Surveillance & Analysis
- CMS 5-Star Interpretation and Management
- CMS Quality Measures Interpretation and Management
- Policy and Procedure Training - 1:1 Remedial
- Mock Survey Analysis & Remedial Planning
- Regulatory Updates
- Significant Incident Management
- Safety Committee Training Initiatives
- Infection Surveillance
- Hazard Communication
- SDS
- Job Hazards
- Hazardous Chemicals
- Biohazard Waste Management
- Sharps Safety and Management
- Direct Patient Care Bedside Skills Training
- Medication Pass Skills Training
- Safety Equipment Use & Demonstration
- Clinical Competency Assessment and Performance Coaching
- Clinically Complex - Bedside Care
- Mock Survey Regulatory Training Program

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.