



Training Proposal for:
Integrated Healthcare Holdings, Inc. of California dba
Western Medical Center Santa Ana
Agreement Number: ET15-0171

Panel Meeting of: June 27, 2014

ETP Regional Office: San Diego

Analyst: M. Ray

PROJECT PROFILE

Contract Attributes:	SET Priority Rate Retrainee Job Creation Initiative Medical Skills Training	Industry Sector(s):	Healthcare Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Orange	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: 3,120	U.S.: 3,120	Worldwide: 3,120
Turnover Rate:	14%		
Managers/Supervisors: (% of total trainees)	N/A		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$516,400		\$40,500 15%	\$0		\$475,900

In-Kind Contribution:	100% of Total ETP Funding Required	\$1,035,400
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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 SET Priority Rate Medical Skills Training	MS Didactic, MS Clinical with Preceptor, Computer Skills, Continuous Improvement	300	8 - 200	0	*\$765	\$30.12
				Weighted Avg: 50			
2	Retrainee SET Priority Rate Medical Skills Training Job Creation Initiative	MS Didactic, MS Clinical with Preceptor, Computer Skills, Continuous Improvement	80	8 - 260	0	\$3,080	\$30.12
				Weighted Avg: 154			

*Reflects Substantial Contribution

Minimum Wage by County: SET Statewide Priority Industry Wage: \$20.32

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

Although employer provides health benefits, they are not being used to meet Post-Retention Wage.

Wage Range by Occupation		
Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1:		
Registered Nurse		300
Job Number 2:		
Registered Nurse		40
New Graduate Registered Nurse		40

INTRODUCTION

Integrated Healthcare Holdings, Inc. of California dba Western Medical Center Santa Ana is held under Integrated Healthcare Holdings, Inc. of California (www.ihhioc.com), a publicly traded hospital management company that was formed in 2003. It owns and operates four hospitals in Orange County. This project is for Western Medical Center Santa Ana (Western Medical). It is the third ETP project for this hospital in the last five years. Western Medical is eligible for ETP funding under Special Employment Training (SET) for frontline workers.

A 282-bed facility, Western Medical is one of only two acute care hospitals located within the city of Santa Ana and one of three designated Regional Trauma Centers located in Orange County. The Hospital is designated as a burn center; neurosurgical receiving center; stroke

receiving center; paramedic base station and receiving center; and open-heart surgical center that provides emergency and scheduled neurosurgical care and cardiac surgical services to economically depressed area population. The Hospital also maintains Intensive Care Units for adults and pediatrics and a Neonatal Intensive Care Unit. The Hospital has approximately 750 physicians and 1,450 nurses and support staff.

Western Medical's most recent ETP project was completed in November 2013. The main focus of training was to enhance the competencies of the Hospital's RNs, Therapists, and Technicians by providing Medical Skills training in Critical Care, Patient Care & Assessment, and Stroke Prevention. In addition, the Hospital provided a considerable amount of Computer Skills training in the initial rollout of its McKesson Electronic Medical Records (EMR) Application skills for all nurses.

Some of the nurse training provided in the previous Agreements will also be provided in this training plan. However, it will not be delivered to the same incumbent workers. In addition, the proposed project will train several newly hired nurses. The proposed training differs from and/or expands on training delivered in the past. The training for this project is primarily driven by several new initiatives: Evidence-Based Healthcare; EMR upgrades; train inexperienced Nurses; and maintain certifications. Training will help the Hospital improve its programs and services.

PROJECT DETAILS

The Hospital reports it is faced with overwhelming and complex regulatory changes with the implementation of the Affordable Care Act. The new healthcare reform will result in an increase of insured patients within the primary service area of the Hospital. In addition, the healthcare law will reduce medical reimbursement from Medicaid and private insurance companies as well as reduce Medicare payments to hospitals that provide lower-quality service or have high readmission rates. The significant effects of the Affordable Care Act regulations will result in an increase in patient population, staffing requirements, and cost levels. Consequently, the Hospital must adopt new and upgraded programs and services to remain in compliance while maintaining high level of patient care and patient satisfaction.

The proposed training is designed to help the Hospital achieve its objectives of maintaining a high performance workplace, promoting advanced employee skills, and improving patient care. To meet the challenges of the Affordable Care Act, Western Medical has identified the following changes in its quality reporting standards, practices, and nursing culture that are driving the current need for training:

- Evidence-Based Health Care – Western Hospital is moving towards use of current best evidence practice in conjunction with clinical expertise and patient values to guide health care decisions. Implementation of evidence-based safety practices will require nurses to make decisions about patient care that are based on the best evidence produced by well-designed clinical research. Consequently, nurses will need the expertise to carry out this safety practice to reduce patient complications and decrease healthcare costs.
- EMR Upgrade – the Hospital's EMR software system upgrades was first installed in 2013. In addition to the Hospital's current EMR training, ETP-funded training will supplement phases of the upgrades which will continue through 2014. Western Medical continues to invest heavily in training for successful system-wide implementation of an electronic medical records system. This upgrade is necessary to improve chart quality, reduce medical errors, increase productivity, reduce paperwork, and enhance communication.

- Hire, Train, and Retain Nurses – the job market for healthcare positions continues to grow quickly in the rebounding economy; however, filling key positions remains a struggle. The relatively small pool of available skilled healthcare professional forced the Hospital to promote a pilot project to hire, train, and retain New Graduate and novice nurses rather than the experienced nurses. Western Medical has continued to modify its system of hiring inexperienced nurses including New Graduate nurses to maintain sufficient staffing ratios to support increased patient population and fill positions being vacated by retired nurses.

In addition, the Hospital will need to continue to maintain certification requirements to support continuous quality healthcare improvements. Western Medical must maintain its designation as a: 1) Level II Trauma Center; 2) Primary Stroke Center; and 3) STEMI (heart attack) Receiving Center. Western Medical is the only facility in Orange County to provide these advanced skills. The Hospital also projects to expand its Maternal Child Health program as well as open an Acute Rehabilitation Unit.

Medical Skills Training (70%)

Approximately 380 Registered Nurses (RNs), including 40 New Graduate RNs, will participate in Clinical Preceptor and Didactic training classes. This training will address deficiencies in specific skills to ensure that trainees are competent in advanced medical procedures.

Computer Skills (15%) - Training will be offered to all occupations. Training topics in Microsoft Office/Excel (Intermediate and Advanced) and PBAR Tracking skills will enhance efficiency, reduce errors, and improve customer service. ETP-funded EMR upgrade training will improve chart quality and patient history accuracy that will enable nurses to more accurately administer medication, complete clinical information at the point of care.

Continuous Improvement (15%) - Training will be offered to all occupations. Topics in Customer Service, Communication Skills, and Conflict Resolution training will focus on performance and quality of care improvements. Charge Nurse Training/Frontline Leadership training will provide frontline leaders with skills necessary to ensure they are effective in their role, are responsible, and accountable to enhance patient/family experience by ensuring excellent quality care.

Training Hours Limitation

Retraining hours are capped at 200 per trainee. However, Western Medical is requesting a modification to allow 260 hours for approximately 40 New Graduate Registered Nurses (Job Number 2) who may require more extensive theory training and practical, clinical knowledge to support the Hospital's overall quality healthcare improvements.

In a competitive labor market, the Hospital must hire inexperienced graduate nurses who are not prepared to assume sole responsibility for patient care. In order to fulfill nurse/patient ratios to fully support the aforementioned increased services and new departments, Western Medical has committed to extend its preceptorship for its New Grad training program. Previously, a New Grad RN received up to 560 hours of training. In the proposed training plan, the Hospital has developed an extensive New Grad training program that will require an additional 300 one-on-one preceptor training outside ETP training.

Retrainee - Job Creation

In support of job creation, the Panel is offering incentives to companies that commit to hiring new employees. Under the Retrainee-Job Creation program, training for newly hired employees will be reimbursed at a higher rate, and trainees will be subject to a lower post-retention wage.

To prepare itself for an increased influx of patients due to the Affordable Care Act, Western Medical has committed to hiring 80 new employees (40 New Graduate RNs and 40 experienced RNs) as shown in Job Number 2. The trainees must be hired within the three-month period prior to Panel approval or during the term of contract in order for contractor to earn reimbursement for these trainees.

Substantial Contribution

Western Medical is a repeat contractor with payment earned in excess of \$250,000 at the Santa Ana facility within the past five years. (See Prior Projects Table) Accordingly, reimbursement for incumbent worker trainees at the Santa Ana facility in Job Number 1 will be reduced by 15% to reflect the Company's \$40,500 Substantial Contribution to the cost of training. The Substantial Contribution requirement does not apply to Retrainee – Job Creation trainees (Job Number 2).

Commitment to Training

The Hospital's current annual training budget is approximately \$100,000 per facility and covers EMR training, new hire training, ongoing education for recertification in BLS, ACLS, and PALS. In addition, Western Medical also provides annual skills update training for all staff on a regular basis.

ETP funds will be used to train nurses in Medical, Computer, and Continuous Improvement skills training to ensure new workers are qualified to replace retiring nurses, maintain Trauma certifications, increase patient satisfaction scores, and meet changing regulatory requirement climate.

Western Medical represents that ETP funds will not displace the 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.

Impact/Outcome

Western Medical is continuously graded on patient satisfaction. ETP-funded training will help improve overall scores, and the long-term improvement of such scores. In addition, nurses who work in the Trauma Center Advanced Trauma Life Support will acquire in-depth knowledge and technical skills in preparation for recertification in BLS, ACLS, and PALS. Select Emergency Room nurses will participate in Trauma Nursing Core Course education that will require successful completion of the course and skills validation.

RECOMMENDATION

Staff recommends approval of this proposal.

PRIOR PROJECTS

The following table summarizes performance by Western Medical under ETP Agreements that were completed within the last five years:

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET12-0299	Santa Ana	2/6/12 – 2/5/14	\$325,752	\$278,102 (85%)
ET10-0201	Santa Ana	10/5/09 – 10/4/11	\$249,480	\$200,306 (80%)

ET12-0299: The last day of ETP training was 11/5/13. Western Medical has documented 13,977 eligible training hours to equal \$278,102 in potential earnings for 203 trainees. The contract closeout invoice is currently being processed by ETP.

DEVELOPMENT SERVICES

National Training Systems, Inc. (NTS) in Ladera Ranch assisted with development for a flat fee of \$11,951.

ADMINISTRATIVE SERVICES

NTS will also perform administrative services for an amount not to exceed 10% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum

Class/Lab Hours

8 – 200 Job Number 1

8 – 260 Job Number 2 (New Graduate RN only)

Trainees may receive any of the following:

MEDICAL SKILLS TRAINING – DIDACTIC

- Acute Psychiatric Care
- Acute Myocardial Infarction
- Advanced Cardiac Life Support (ACLS)
- Arterial Blood Gas (ABG) Interpretation
- Behavioral Health Nursing
- Basic Life Support (BLS)
- Body Mechanics
- Care of Bariatric Patient
- Care of the Cardiac Patient
- Care of the Burn Patient
- Care of the Neurosurgical Patient
- Care of Pediatric Patients (Intensive Care)
- Care of the Stroke Patient
- Case Management
- Central Lines Management
- Chest Tube Care & Management
- Code Blue Response & Procedures
- Critical Care Nursing
- Decontamination Procedures
- Diabetes Care & Management
- Dysrhythmia Recognition & Interpretation
- Educating the Patient & Family
- EKG & Cardiac Monitoring
- Electronic Fetal Monitoring (Beginning & Advanced)
- Emergency Care of the Burn Patient
- Emergency Room Nursing
- Equipment Skills (IV pumps, cardiac telemetry, vital signs, pulse-oximeter, ventilators, specialty beds and mattresses, etc.)
- Evidence-Based Practices
- Gastrointestinal Assessment and Management
- Hemodynamic Monitoring
- Infection Control
- Intra-Aortic Balloon Pump Therapy (IABP)
- Intra-Cranial Pressure Monitoring & Ventriculostomy
- Intravenous (IV) Insertion & Therapy
- Kinetic Therapy
- Labor, Delivery and Postpartum Nursing
- Medical/Surgical Nursing
- Medication Administration & Management
- Moderate Sedation
- Neonatal Advanced Life Support (NALS)
- Neonatal/Infant Pain Scale (NIPS)

- Neonatal Intensive Care Unit (NICU) Nursing
- Neonatal Nursing
- Neonatal Resuscitation Provider (NRP)
- New Graduate Nursing
- Nurse Orientation Training* **(for New Grad RNs only)**
- Nursing Diagnosis
- Nursing Process
- OB Trauma
- Oncology Nursing
- Orthopedic Nursing
- Ostomy & Continence Care
- Pain Management (Acute & Chronic)
- Patient Assessment & Care
- Patient Fall Prevention
- Pediatric Advanced Life Support (PALS)
- Peri-Operative Nursing
- PICC Line Insertion
- Pre and Post-Operative Care
- Psychiatric Nursing
- Psychotropic Medications
- Rapid Response
- Renal Assessment & Management
- Respiratory Assessment & Care
- Restraints
- Surgical Nursing
- S.T.A.B.L.E.
- Telemetry Nursing
- Total Parenteral Nutrition (TPN)
- Transfer Techniques
- Triage Nursing
- Trauma Nursing
- Ventilator and Tracheotomy Care
- Versant New Graduate Program
- Wound & Skin Care

MEDICAL SKILLS TRAINING – CLINICAL WITH PRECEPTOR

- **Burn Center Unit Training**
 - Emergency Care of the Burn Patient
 - Patient Assessment & Care
 - Care of the Burn Patient
- **Emergency Department Training**
 - Emergency Room Nursing
 - Emergency Care of the Burn Patient
 - OB Trauma
 - Trauma Nursing
 - Triage Nursing
 - Care of Pediatric Patients
- **Intensive Care Unit/Critical Care Unit Training**
 - Critical Care Nursing
 - Patient Assessment & Care
 - Intra-Aortic Balloon Pump (IABP) Therapy
 - Intracranial Pressure Monitoring & Ventriculostomy

- Hemodynamic Monitoring
- Pre and Post-Operative Care
- Care of Trauma Patient
- Ventilator & Tracheotomy Care

- **Medical/Surgical Unit Training**
 - Patient Assessment & Care
 - Medical/Surgical Nursing
 - Pre and Post- Operative Care
 - Orthopedic Nursing
 - Oncology Nursing

- **Neonatal Intensive Care Unit (NICU) Training**
 - Patient Assessment & Care
 - Neonatal Resuscitation Provider (NRP)
 - Neonatal Advanced Life Support
 - Neonatal Intensive Care Unit (NICU) Nursing
 - Neonatal/Infant Pain Scale (NIPS)
 - Palliative Care

- **Obstetrics Unit Training**
 - Patient Assessment & Care
 - Antepartum, Labor, Delivery and Postpartum
 - Neonatal Nursing
 - S.T.A.B.L.E.
 - Advanced & Electronic Fetal Monitoring
 - Neonatal Resuscitation Provider (NRP)
 - Neonatal Intensive Care Unit (NICU) Nursing

- **Operating Room and Post-Anesthesia Care Unit (PACU) Training**
 - Patient Assessment & Care
 - Trauma Nursing
 - Care of the Burn Patient
 - Peri-Operative Nursing
 - Pre and Post-Operative Care

- **Pediatric Intensive Care Unit Services Unit**
 - Care of Pediatric Patients (Acute Care, Intensive Care)
 - Patient Assessment & Care
 - Pre & Post-Operative Care
 - Critical Care Nursing Skills
 - Intracranial Pressure Monitoring & Ventriculostomy
 - Hemodynamic Monitoring
 - Care of Trauma Patient
 - Ventilator & Tracheotomy Care

- **Rehabilitation Services Unit Training**
 - Patient Assessment & Care
 - Medical/Surgical Nursing
 - Pre and Post-Operative Care
 - Post-Orthopedic Surgery Nursing
 - Post-Trauma Injury Nursing
 - Post-Neurological Injury Nursing

- **Telemetry Unit Training**
 - Care of the Cardiac Patient
 - EKG & Cardiac Monitoring
 - Dysrhythmia Interpretation
 - Telemetry Nursing
 - Pre and Post-Operative Care
 - Care if the Neurosurgical Patient
 - Intravenous (IV) Therapy
 - Oncology Nursing

COMPUTER SKILLS

- Microsoft Office/Excel (Intermediate and Advanced)
- Patient Billing and Accounts Receivable (PBAR) tracking
- Electronic Medical Records Application

CONTINUOUS IMPROVEMENT

- Discharge Planning
- Charge Nurse Training/Frontline Leadership
- Communications Skills
- Conflict Resolution
- CORE Measures
- Crisis Prevention Intervention (CPI)
- Critical Thinking
- Culturally Appropriate Care
- Customer Service
- Documentation
- Lean Six Sigma
- Organization and Time Management
- Patient and Family Centered Care
- Preceptor Skills (train-the-trainer)
- Performance and Quality Improvement and Procedures
- Team Building
- Utilization Review

Note: Reimbursement for retraining is capped at 200 total training hours per trainee, regardless of the method of delivery.
Exception: For New Grad Registered Nurse (Job Number 2), the reimbursement for retraining is capped at 260 total training hours per trainee, regardless of the method of delivery.