



RETRAINEE - JOB CREATION

Training Proposal for:

Alta Newport Hospital, Inc. dba Newport Specialty Hospital

Agreement Number: ET15-0377

Panel Meeting of: January 22, 2015

ETP Regional Office: San Diego

Analyst: M. Ray

PROJECT PROFILE

Contract Attributes:	SET Job Creation Initiative Priority Rate Retrainee Medical Skills Training	Industry Sector(s):	Healthcare Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Orange	Repeat Contractor:	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
Union(s):	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		
Number of Employees in:	CA: 2,354	U.S.: 3,500	Worldwide: 3,500
Turnover Rate:	0%		
Managers/Supervisors: (% of total trainees)	N/A		

FUNDING DETAIL

<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Program Costs</td></tr> <tr><td style="text-align: center;">\$307,966</td></tr> </table>	Program Costs	\$307,966	-	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr> <td style="text-align: center;">(Substantial Contribution)</td> <td style="text-align: center;">(High Earner Reduction)</td> </tr> <tr> <td style="text-align: center;">\$0</td> <td style="text-align: center;">\$0</td> </tr> </table>	(Substantial Contribution)	(High Earner Reduction)	\$0	\$0	=	<table border="1" style="width: 100%; border-collapse: collapse;"> <tr><td style="text-align: center;">Total ETP Funding</td></tr> <tr><td style="text-align: center;">\$307,966</td></tr> </table>	Total ETP Funding	\$307,966
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In-Kind Contribution:	100% of Total ETP Funding Required	\$477,275
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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	37	8 - 200	0	\$918	\$20.55
				Weighted Avg: 51			
2	Retrainee SET Priority Rate Medical Skills Training Job Creation Initiative	MS - Didactic, MS - Clinical with Preceptor, Computer Skills, Continuous Improvement	100	8 - 300	0	\$2,740	\$13.35
				Weighted Avg: 137			

Minimum Wage by County: Job Number 1 (SET Priority Industry): \$20.55 per hour

Job Number 2 (Job Creation): \$13.35 per hour for Orange County.

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 \$2.55 per hour may be used to meet the Post-Retention Wage for Job Number 1 and up to \$1.35 for Job Number 2.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Job Number 1: Incumbent		
Registered Nurse (RN)		16
Licensed Vocational Nurse (LVN)		21
Job Number 2: Retrainee – Job Creation		
Registered Nurse (RN)		22
New Graduate Registered Nurse (New Grad RN)		16
Licensed Vocational Nurse (LVN)		22
New Graduate Licensed Vocational Nurse (New Grad LVN)		12
Certified Nursing Assistant (CNA)		9
Respiratory Therapist (RT)		12
Surgical Technician		4
EKG Technician		3

INTRODUCTION

Acquired by Alta Hospitals System, LLC (Alta) (www.altacorp.com) in May 2014, Alta Newport Hospital, Inc. dba Newport Specialty Hospital (Newport Hospital) is licensed to operate as a general acute care facility to provide services to the patient population in Orange County. Alta, founded in 1998 and headquartered in Los Angeles, operates a network of facilities in Los Angeles, Hollywood, Van Nuys, and Norwalk. Although each hospital operates autonomously, all facilities are currently participating in an active ETP project (ET14-0231 – approved December 2013 Panel) under Alta. This will be Newport Hospital's first ETP project and is targeted for Newport Hospital only.

Prior to the acquisition, Newport Hospital operated as a long-term acute care facility with a pediatric sub-acute care unit. In April 2013, the Hospital's previous owner, Pacific Health Corporation (Pacific Health), announced closure of its three Southern California hospitals including Newport Hospital. Pacific Health eliminated 147 workers as it closed Newport Hospital's long-term acute care services; however, kept its Pediatric Sub-Acute Unit open and operational to continue providing sub-acute care to 32 pediatric patients until the acquisition was completed.

Now, Newport Hospital's 177-bed facility's primary function will be to provide short-term acute care services such as inpatient diagnostic and therapeutic services for a variety of medical conditions, both surgical and non-surgical, to more than 75,000 residents of Tustin, Santa Ana, Orange, and surrounding communities. As the only provider of pediatric sub-acute care within a 40-mile radius, Newport Hospital will also continue to provide respiratory, educational, and rehabilitative services to children with multiple, complex, or profound disabilities that cannot be cared for in a less restrictive environment.

Newport Hospital is eligible for ETP funding under Special Employment Training (SET) for frontline workers.

PROJECT DETAILS

Newport Hospital anticipates re-opening its closed acute care services in late January 2015. The majority of the new Hospital's patient volume will be short stay, acutely ill patients. To support patient demands, the Hospital plans to expand their range of services offered to include services in general acute care, nuclear medicine, occupational therapy, physical therapy, respiratory care, social, speech pathology, general surgery, medical-surgical, diagnostic, outpatient, cardiology, rehabilitation, and pediatric sub-acute care.

As the Hospital transitions into a fully operational acute care facility, Newport Hospital must undergo major internal changes to better serve the community. To this end, the Hospital has developed the following strategic action plan including an extensive recruitment plan, technological advances, and process improvements that will necessitate comprehensive training for both incumbent and newly-hired workers:

- Newport Hospital invested approximately \$1.7M in the implementation of new equipment that will include: hospital-wide integrated monitoring system, "Smart" intravenous (IV) pumps, automated external defibrillator (AED) monitors, non-heat sterilizers, endoscope sterilizers, anesthesia machines/monitors, endoscopes, and bronchoscopes. The Hospital is also revamping its interior landscape including installation of new computer work stations as well as new hospital beds in critical care and medical-surgical units with overbed and bedside tables. The implementation of new equipment has started and will

incrementally continue over the next 8 to 12 months to ensure fluid transition to newer technologies.

- Attract, train, and retain adequate supply of healthcare workers to meet healthcare needs for every patient. The relatively small pool of available skilled healthcare professionals forced the Hospital to promote a pilot project to train and retain new graduate and novice nurses rather than experienced nurses. The Hospital has developed an extensive New Graduate Program for its new graduate RNs and LVNs to address the ongoing shortages of skilled healthcare workers in California.

This project will train 37 incumbent RNs and LVNs (Job Number 1), and 100 newly-hired RNs, (including New Graduate RNs), LVNs (including New Graduate LVNs), CNAs, RTs, Surgical Technicians, and EKG Technicians (Job Number 2) to enhance the quality of patient care and increase the ability of the Hospital to meet the healthcare demands of the community.

The Panel has established a higher reimbursement rate (\$22) for nurse upgrade training, recognizing the higher cost of delivery for the Clinical Preceptor model. This rate applies to both the Didactic and Preceptor modes of delivery. The standard class/lab rate for priority industries (\$18) will apply to Computer Skills and Continuous Improvement training. (See Curriculum)

Retrainee - Job Creation

In support of job creation, the Panel offers 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. The trainees in Job Number 2 must be hired within the three-month period prior to Panel approval or during the term of contract. As a condition of contract, Newport Hospital represents that these trainees will be hired into "net new jobs."

Newport Hospital currently employs 54 full-time employees to support its existing Pediatric Sub-Acute Unit. With the opening of the Hospital's acute care services, Newport Hospital is committed to hiring 100 new employees (Job Number 2). These new employees will support the new Medical-Surgical, Telemetry, Intensive Care, Emergency, Laboratory, Radiology, and other specialty units of the Hospital.

Training Plan

Medical Skills Training (75%): All trainees will need significant MS training specific to facility protocols for multiple areas of patient care in the short-term acute care environment. For this project, approximately 137 will participate in Medical Skills (MS) training. Trainees will utilize one or both didactic and clinical with preceptor training methodologies as it pertains to their job function. All trainees will receive one or more modules of MS Didactic training in advanced medical care to understand clinical processes to ensure competency and maximize patient safety.

New Graduate RNs and LVNs as well as newly-hired experienced nurses are projected to participate in MS Clinical with Preceptor training. Incumbent nurses will also receive this training as they have previously been limited to assignment in the Pediatric Sub-Acute Unit, the last remaining department left open upon the demise of Pacific Health. This training will enable the incumbent nurses to upgrade their skills and abilities to function in an acute care hospital environment with patients of varying ages and illnesses. Trainees will be assigned to a specific hospital unit where they will complete Clinical with Preceptor Skills training under an assigned

“preceptor.” This training is critical to ensure nurses have clinical hands-on skills prior to being assigned their own patients.

Computer Skills (12%): Training for the Hospitals’ EMR software system will be provided to all newly-hired and incumbent trainees. This training is vital for healthcare staff to perform their job duties as all patient data must be entered into the system, and staff must be able to competently navigate this complex software. Training will provide trainees with skills to use the system to its fullest level of functionality and maximize productivity. Training topics in Microsoft Office/Excel (Intermediate and Advanced) and PBAR Tracking skills will enhance efficiency, reduce errors, and improve customer service.

Continuous Improvement (13%): Training will be provided to all occupations. Topics in Customer Service, Communication Skills, and Conflict Resolution training will focus on performance and quality of care improvements. Teamwork will enable trainees to effectively collaborate with other healthcare professionals within the facility.

Commitment to Training

Newport Hospital 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. This is Newport Hospital’s first year in operation since receiving the license to operate; however, the Hospital projects an annual training budget of more than \$100,000.

➤ Training Infrastructure

Newport Hospital plans to contract with an administrative subcontractor to assist with ETP project administration. In addition, the Hospital will have designated staff members to oversee the training as well as collect and submit training rosters to the administrative subcontractor for data entry into the ETP systems.

Impact/Outcome

ETP funding will be the primary financial catalyst for Newport Hospital to implement an extensive training program for 100 Job Creation newly-hired workers as well as 37 incumbent workers. Funding will improve workforce competency and increase retention of qualified healthcare workforce. Workers will experience increased job satisfaction due to an improved work environment, empowered by education and evidence-based practice. The proposed funding will contribute to the ability of Newport Hospital to sustain its newly awarded licensure as a general acute care hospital, while progressively meeting the healthcare needs of the community.

Special Employment Training

Under 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.

Priority Industry Wage Modification

For trainees employed in a priority industry, the Panel may modify the SET wage up to 25% below the statewide average hourly wage. Newport Hospital requests the wage modification from \$27.40 to \$20.55 for trainees in Job Number 1.

Training Hours Limitation

Retraining hours are capped at 200 hours per trainee. Newport Hospital requests a modification of the cap up to a maximum of 300 training hours for New Graduate RNs and LVNs only. With the shortage of experienced nurses in the community, the Hospital must often hire inexperienced graduate nurses who are typically not prepared to assume sole responsibility for patient care. In order for New Grad RNs and LVNs to meet hospital requirements for patient care and promote the above mentioned strategic plan, these trainees will receive up to 416 hours of training to complete a New Graduate Program (116 hours will be at the Hospital's expense).

Through this program, 22 New Grad RNs and 16 LVNs are expected to train heavily on Medical Skills in Didactic and Preceptor training in Pediatric Advanced Life Support, Basic Life Support, Advanced Cardiac Life Support, Safety for Life, Infection Control, Restraints, EKG and Cardiac Monitoring, Blood Borne Pathogens, Patient Fall Prevention, Suicide Counseling, Universal Protocols, Wound Care, and Point-of-Care Testing as well as various Computer Skills and Continuous Improvement Skills training to ensure competency in the acute care environment.

Previous projects with increased max hours have been approved in the past (Quantum Health, Inc. dba Promise Hospital of San Diego ET12-0293). However, Newport Hospital is also requesting this waiver consideration for the New Graduate LVNs as these trainees must complete the New Graduate Program alongside RNs as discussed above.

Turnover Rate Calculation

Newport Hospital's year-to-date turnover rate is 3%. Given that the Hospital was acquired on 5/6/14, the turnover rate calculation for the last calendar year is not applicable.

High Earner Reduction

The Panel enacted a High Earner Reduction (HER) of new projects for any parent company, including its subsidiaries, divisions, and branches regardless of facility that has earned more than \$1 million in ETP funding over the last five years. The combined proposals of Alta entities within the last five years as reviewed by ETP staff do not reach the \$1 million threshold; therefore, no HER was applied in Job Number 1 funding.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Newport Hospital retained National Training Systems, Inc. (NTS) in Ladera Ranch to assist with development of this proposal for a flat fee of \$16,573.

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

Job Number 1: 8 – 200

Job Number 2: 8 – 200

Job Number 2: 8 – 300 (New Graduate RN and LVN 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 Families & Siblings of Pediatric Sub-Acute Patient
- Care of the Neurosurgical Patient
- Care of Pediatric Patients (Acute Care, Intensive Care)
- Care of the Stroke Patient
- Central Lines Management
- Chest Tube Care & Management
- Code Blue Response & Procedures
- Critical Care Nursing
- Culture Considerations
- Decontamination Procedures
- Dealing with Difficult Personalities (Family & Patients)
- Diabetes Care & Management
- Dysrhythmia Recognition & Interpretation
- Educating the Patient & Family
- Effective Care Planning
- Effective Documentation
- 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
- Identification and Prevention of Aspiration
- Identification and prevention of Urinary Tract Infections
- Identification and Treatment of Sepsis

- Infection Control
- Intra-Aortic Balloon Pump Therapy (IABP)
- Intra-Cranial Pressure Monitoring & Ventriculostomy
- Intravenous (IV) Insertion & Therapy
- Kinetic Therapy
- Labor, Delivery and Postpartum Nursing
- Management of the Renal Transplant Surgical Patient
- 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
- New Certified Nurse Assistant
- Nurse Orientation Training (for New Grads 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)
- Pediatric IV/IO Care
- Pediatric Pharmacology
- Peri-Operative Nursing
- PICC Line Insertion
- Pre and Post-Operative Care
- Psychiatric Nursing
- Psychotropic Medications
- Rapid Response
- Renal Assessment & Management
- Respiratory Assessment & Care
- Responding to Pediatric Emergencies in the Pediatric Sub-Acute Population
- 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

- **Behavioral Health/Psychiatric Acute Care Services Unit**
 - Patient Assessment & Care
 - Acute Psychiatric Care
 - Behavioral Health Nursing
 - Electroconvulsive Therapy (ECT)
 - Care of Pediatric/Adolescent Psychiatry Patient
- **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
 - Management of the Renal Transplant Surgical Patient
 - Ventilator & Tracheotomy Care
- **Long Term Care Unit**
(Sub-Acute, Skilled Nursing, Transitional Care, & Hospice)
 - Patient Assessment & Care
 - Geriatric Nursing
 - Med/Surg Nursing
 - Pre and Post-Operative Care
 - Orthopedic Nursing
 - Oncology Nursing
 - Hospice Nursing
- **Medical/Surgical Unit Training**
 - Patient Assessment & Care
 - Medical/Surgical Nursing
 - Pre and Post-Operative Care
 - Orthopedic Nursing
 - Management of the Renal Transplant Surgical Patient
 - 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 Services Unit**
 - Care of Pediatric Patients (Acute Care, Intensive Care)
 - Integration of the Care Plan
 - IV/IO Skills
 - Medication Administration
 - Pain Management
 - Patient Assessment & Care
 - Pre & Post Operative Care
 - Response to Emergency Situations/Code Blue
 - Ventilator and Tracheostomy Care
 - Wound Assessment & 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

- **Special Care Unit Training**
 - Patient Assessment and Care
 - Critical Care Nursing
 - Ventilator & Tracheotomy Care
 - Hemodynamic Monitoring
 - Total Parenteral Nutrition

- **Surgical Services Unit Training**
 - Patient Assessment & Care
 - Trauma Nursing
 - Surgical Nursing
 - Pre and Post Operative Care

- **Telemetry Unit Training**
 - Care of the Cardiac Patient
 - EKG & Cardiac Monitoring
 - Dysrhythmia Interpretation
 - Telemetry Nursing
 - Pre and Post Operative Care
 - Care of 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
- Electronic Care Planning Order Entry

CONTINUOUS IMPROVEMENT

- Case Management/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 RN and New Grad LVN (Job Number 2), the reimbursement for retraining is capped at 300 total training hours per trainee, regardless of the method of delivery.