



Training Proposal for:
Quest Diagnostics Incorporated
Agreement Number: ET15-0444

Panel Meeting of: May 21, 2015

ETP Regional Office: North Hollywood

Analyst: M. Reeves

PROJECT PROFILE

Contract Attributes:	Retrainee Priority Rate	Industry Sector(s):	Services Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Orange, Sacramento, 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: 6,262	U.S.: 39,592	Worldwide: 43,000
<u>Turnover Rate:</u>	9%		
<u>Managers/Supervisors:</u> (% of total trainees)	12%		

FUNDING DETAIL

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	Total ETP Funding
\$424,926		\$0	\$0		\$424,926

In-Kind Contribution:	100% of Total ETP Funding Required	\$651,282
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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	Business Skills, Commercial Skills, Computer Skills, Continuous Impr, HazMat, Mgmt Skills	2,623	8-200	0	\$162	\$17.28
				Weighted Avg: 9			

Minimum Wage by County: \$16.44 per hour for Santa Clara County; \$16.02 per hour for Orange County; \$15.97 per hour for Los Angeles County; and \$15.75 per hour for Sacramento 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

Employer provides health benefits, but they are not being used to meet the Post-Retention Wage.

Wage Range by Occupation

Occupation Titles	Wage Range	Estimated # of Trainees
Laboratory Staff		1,050
Logistics Staff		145
Manager		309
Patient Services/Phlebotomist		975
Support Staff (HR, Revenue Services, Sales)		144

INTRODUCTION

Founded in 1967, Quest Diagnostics Incorporated (Quest) (www.questdiagnostics.com) is headquartered in Madison, New Jersey, and operates facilities in the United States, Brazil, Mexico, United Kingdom and India. For this proposal, the Company plans to provide training to employees at multiple facilities in California: West Hills, Valencia, San Juan Capistrano, Sacramento, and San Jose.

Quest provides diagnostic testing, information and services that patients and doctors need to make better healthcare decisions. The Company also provides a wide range of products and services that benefit, healthcare providers, pharmaceutical medical device companies, life insurance companies, and employers. The Company’s products and services include:

- **Diagnostic Testing Services** – These services range from routine blood tests (total cholesterol, Pap testing, and white blood cell count) to complex gene-based and molecular testing. Quest performs medical tests that aid in the diagnosis or detection of diseases, measure the progress or recovery from a disease, or confirm that an individual is free from disease. The Company has specialized expertise in cancer, cardiovascular diseases, infectious diseases, and neurology.

- **Diagnostic Products** – The Company develops devices, test kits and reagents used by physicians, hospitals, blood collection centers and other laboratories to help detect, characterize, monitor and select treatment for disease.
- **Clinical Trials Testing** – Quest is one of the largest providers of global laboratory services performed in connection with clinical research trials. The Company's services help clients speed the development of new drugs, biologics, and medical devices that improve patient care.
- **Healthcare Information Technology** – Over 200,000 physicians utilize Quest's Care360 suite of connectivity solutions to order lab tests, receive timely test results, share clinical information quickly and securely, and prescribe drugs. The Company's Care360 Electronic Health Record (EHR) system is one of the first EHRs to utilize the Direct Project exchange protocol, which allows physicians to communicate using a secure e-mail format with stakeholders to collaborate more efficiently and patients to receive information about their care.
- **Wellness and Risk Management** – Quest helps employers and insurers improve the health of their workers and reduce illegal drug use in the workplace. By conducting lab testing-based health assessments for common conditions such as diabetes and heart disease, the Company enables people to better manage their health. Quest is the leading provider of risk assessment services to the life insurance industry.

PROJECT DETAILS

Recent and ongoing advancements in medical testing, lab diagnostics, information technology, and research findings all impact the way Quest conducts business and identifies essential training for its employees. Quest uses complex state-of-the-art equipment to perform esoteric testing on samples collected from hospitals and clinical trial sponsors. This specialized work requires knowledgeable individuals who are skilled in screening, diagnostics, genetics, disease/cancer management, and medical risk assessment services.

To remain a competitive leader in the industry, Quest has developed a comprehensive training plan designed to equip employees with the requisite skills and techniques to perform successfully in a complex work environment. Workers will receive training in the key areas of communication, teamwork, computer skills, laboratory processes, problem solving, decision making, customer service, and continuous improvement.

Training Plan

This will be the third Agreement between Quest and ETP, and the first project within the last five years. The proposed training will take place at multiple Quest locations in California and will be delivered by a combination of in-house subject matter experts and outside vendors to be identified during the contract term.

Business Skills (25%) – Training will be offered to all occupations. This training will focus on communication, customer service, and managing change. Trainees will learn to perform business-related tasks with greater efficiency and interact more effectively with internal and external customers.

Commercial Skills (40%) – Training will be offered to all occupations based on job function. Laboratory Staff and Patient Services/Phlebotomists training will cover industry-specific topics

relating to various laboratory and validation procedures. Logistics personnel training will focus on air and ground transport, packout procedures, scanner use, and fleet policy.

Computer Skills (10%) – Laboratory Staff will receive Q-Suite training in the latest updates and reporting features. This training is designed to improve efficiency, reduce common errors, and expand the Company's operational capabilities.

Continuous Improvement (10%) – Training will be offered to all occupations. This training will help the Company improve its internal processes and procedures. Trainees will learn how to make better decisions and take appropriate action in challenging project management situations.

Hazardous Materials (5%) – Training will be offered to Laboratory and Logistics Staff. Training will ensure that workers follow established procedures during the handling and disposal of hazardous waste.

Management Skills (10%) – Training will provide frontline Managers with the leadership, motivation, project management, and communication skills necessary to become more effective leaders in a high-performance workplace.

Commitment to Training

Quest spends more than \$50,000 annually, per facility, on training for its California staff. The Company provides ongoing training in the areas of company orientation, anti-harassment, labor laws and regulations, general equipment use, job-specific and other position/department based training as needed. Quest confirms 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.

➤ Training Infrastructure

Quest has identified a lead person to centralize the management of this project. In addition, the Company will have a project champion at each participating facility to ensure the successful execution of training delivery, scheduling, and reporting. Quest has also retained an outside administrative consultant to make certain that training administration and documentation adheres to ETP requirements.

Recordkeeping

Staff has reviewed and approved the use of a Learning Management System for recordkeeping.

RECOMMENDATION

Staff recommends approval of this proposal.

DEVELOPMENT SERVICES

Automatic Data Processing, Inc. (ADP) in San Dimas assisted with development of this proposal for a flat fee of \$15,000.

ADMINISTRATIVE SERVICES

ADP will also perform administrative services for a fee not to exceed 13% of payment earned.

TRAINING VENDORS

To Be Determined

Exhibit B: Menu Curriculum**Class/Lab & E-Learning Hours**

8 – 200

Trainees may receive any of the following:

BUSINESS SKILLS

- Communicating with Tact & Skill in the Workplace
- Creating a Superior Customer Experience
- Customer Service Training
- How to Get Your Shift Together
- I Can See Clearly Now, Becoming an Employee with 20/20 Vision
- I Hear What You Are Saying But...
- If It Weren't for the Last Minute, Nothing Would Get Done
- Mission Possible: One Team
- Navigating the Choppy Waters of Change

COMMERCIAL SKILLS

- BPT (Best Practice Team) Rollouts/Updates
- Clinical Franchise Rollouts New Tests
- SOPs Annual Rollouts
- Product Training
- Chemistry Lecture Series
- Proficiency Training
- SmartSolve Database Training
- Air Transport Training
- Dry Ice Safety Training
- Fleet Policy
- Hub Packout Training
- New Scanner Training
- Patient Care Gold Standards
- Post Route SOP Training
- Pre Route SOP Training
- RSR (Route Service Representative) Check for Daily Coverage
- Spill Kit
- Care360 Training
- EZ Pay
- Pad Check
- Single Accession Training
- Driving Training - Smith Systems
- On Road SOP Training
- Sales Tools
- Driving Training – Samba
- COC (Chain of Custody) Collections (Policy and Procedure of COC Collections- E-learning and Mock Collections)
- Everyday Excellence Rollout
- Monthly Topic, ex- ABN's (Advanced Beneficiary Notice), Venipuncture, and Managing Patient Needs
- SOP/Equipment Training
- SOP Updates (Updates on existing SOP's, Train on New SOP Rollouts)
- Train the Trainer (New training Rollouts, Updates)

COMPUTER SKILLS

- Q-Suite Training

CONTINUOUS IMPROVEMENT

- QOM Training - Process Improvement

HAZARDOUS MATERIALS

- Hazardous Waste Generator Training

MANAGEMENT SKILLS (For Managers only)

- Performance Management
- Lean Six Sigma
- Operating Model Training
- New Supervisor Training (hands on, Inflows, Time studies, Supply Orders)
- SkillSoft/Leadership Development Training
- Supervisor/Manager Skillport Courses
- Group Lead Training (Enhancement of Group Lead Skills)

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