

# Southern California Permanente Medical Group

ET17-0255

Contractor has accepted a 20% Substantial Contribution (SC), rather than a 30% SC recommended by staff, imposed by the Panel with a mutual understanding that a 30% SC will be imposed on the next-in-time contract within the five-year period for SC.



**Training Proposal for:**  
**Southern California Permanente Medical Group**  
**Agreement Number: ET17-0255**

**Panel Meeting of:** October 28, 2016

**ETP Regional Office:** North Hollywood

**Analyst:** M. Webb

**PROJECT PROFILE**

Contract Attributes:	Medical Skills Training Priority Rate Retrainee SET	Industry Sector(s):	Healthcare  Priority Industry: <input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Counties Served:	Los Angeles, Orange, Riverside, San Bernardino, San Diego, Kern	Repeat Contractor:	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Union(s):	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No United Healthcare Workers West; UFCW Local 324		
Number of Employees in:	CA: 143,700	U.S.: 193,000	Worldwide: 193,000
<u>Turnover Rate:</u>	5%		
<u>Managers/Supervisors:</u> (% of total trainees)	N/A		

**FUNDING DETAIL**

Program Costs	-	(Substantial Contribution)	(High Earner Reduction)	=	<b>Total ETP Funding</b>
\$749,520		\$225,897 30%	\$0		\$523,623

<b>In-Kind Contribution:</b>	<b>100% of Total ETP Funding Required</b>	<b>\$1,600,000</b>
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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	Commercial Skills, Computer Skills, Continuous Impr, MST-Didactic	1,041	8-200	0	*\$612	\$21.28
				Weighted Avg: 40			

\*Reflects Substantial Contribution

**Minimum Wage by County:** Statewide (Priority Industry):\$21.28 per hour.**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 \$3.62 per hour may be used to meet the Post-Retention Wage.

**Wage Range by Occupation**

Occupation Titles	Wage Range	Estimated # of Trainees
Administrative Support Staff		100
Clerical Staff		60
Data Processing Staff/Operations Staff		50
Health Care Analyst		40
Licensed Vocational Nurses		120
Patient Care Aides/Assistants		160
Patient Care Support Staff		155
Registered Nurse		150
Technician/Technologists		206

**INTRODUCTION**

Established in 1945, Southern California Permanente Medical Group (Kaiser or Group) ([www.kp.org](http://www.kp.org)) is a for-profit partnership and professional corporation of physicians responsible for providing and arranging medical care. The Group currently serves more than 4.2 million members and employs approximately 6,700 physicians and 23,000 nurses. Kaiser has a total of 221 medical offices and 14 medical centers. The Group was previously registered as a Corporation; however, it has now been restructured into a General Partnership.

**PROJECT DETAILS**

This will be Kaiser's tenth ETP Agreement, fifth in the last five years. The previous Agreement focused training on the effects of the Affordable Care Act (ACA), a coverage plan which affords Californians the opportunity to receive quality health care at reasonable prices.

Due to the ACA, in the last year, membership has grown from 4,104,000 to 4,225,000 individuals. To manage this increase in membership, Kaiser hired approximately 2,000 new nurses and 600 new physicians. This proposal will continue ACA training from the previous Agreement. Training will not be duplicated, since the majority of trainees participating are recent hires (within a year). Training will improve nursing skills, increase awareness of processes, and increase capabilities of these newer employees.

Additionally, methodologies and technology in acute medical care continue to advance. Kaiser will need to continue to incorporate these improvements to the health care services it provides. With these improvements in mind, the Group has developed three objectives:

- 1) Strengthen the skills and competencies of clinical employees so they follow evidence-based protocols, eliminate errors, and improve care.
- 2) Improve the skills and abilities of administrative employees to plan and support patient care.
- 3) Increase the effectiveness of unit-based teams and the Company's Labor-Management Partnership program.

## Training Plan

The training plan is designed to improve staff ability to manage increasing membership and maintain patient satisfaction.

**Commercial Skills (10%):** Training will be offered to all occupations in order to learn Kaiser systems and processes. Training will include patient safety procedures, business literacy, and documentation standards and procedures. Training will increase staff knowledge on new methodologies and techniques being utilized in the healthcare field. With approximately 2,600 newly hired staff members, training will familiarize staff, specifically nursing staff, with proper protocols within their departments (Emergency Room, Cardiology, Neurology, Diagnostic Imaging, General Surgery, etc.). A select group of experienced Nurses will participate in a RN Leadership Program to learn skills in mentoring, training, and coaching.

**Computer Skills (20%):** Training will be offered to all occupations to ensure staff is up-to date on the latest computer software programs. Topic such as Microsoft Access/Excel and Health Connect will help staff access programs for data entry and accurately update patient information.

**Continuous Improvement (25%):** Training will be offered to all occupations to improve staff communication, organization, case management, and problem-solving skills. Courses provided will increase employee knowledge and efficiency in Kaiser medical centers.

**Medical Skills Training (45%):** The Panel has established a "blended" reimbursement rate for nurse upgrade training, recognizing the higher cost of delivery for the Clinical Preceptor model. Training will be offered to Licensed Vocational Nurses, Patient Care Aides/Assistants, Patient Care Support Staff, Registered Nurses, Technicians, and Technologists. Training provided will enhance trainee medical skills and improve medical services provided to Kaiser patients.

## Commitment to Training

SPCMG spends approximately \$10 million dollars annually in training in the Southern California region. The organization will continue to provide management, new hire, and on-the job training for staff.

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

Employees have been assigned to assist with administration of this contract and will be responsible for enrolling trainees, entering data, and scheduling training. Staff is familiar with ETP documentation requirements, due to its experience with the prior Agreements.

### **Special Employment Training/Priority Wage Modification**

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. The Panel may modify the minimum wage requirement for companies in priority industries, such as healthcare up to 25% below the state average hourly wage (\$21.28). Kaiser is requesting this modification.

### **Substantial Contribution**

Kaiser is a repeat contractor that was assessed a Substantial Contribution (SC) at the 15% level for active Agreement ET16-0164, based on statewide earnings some three years ago under prior Agreement ET11-0132. (See Active and Prior Project tables. Note that two interim Agreements were exempt from SC by reason of Job Creation.) Accordingly, reimbursement for the incumbent workers in Job Number 1 should be reduced to reflect a 30% SC in the amount of \$225,897.

Governing regulation T22 CCR Section 4410 requires employers to pay a second-in-time SC of 30% toward the cost of training when an initial SC of 15% has been imposed within the past five years. There is no prior earnings trigger for the second-in-time SC. Section 4410 also provides that the Panel may reduce the second-in-time SC to no less than 15% for “good cause shown” by the employer.

Kaiser has requested such a reduction, based on its position that the first-in-time SC (ET16-0164) was “voluntary” because prior earnings (ET11-0132) were only \$249,480 statewide. This is less than the \$250K trigger for a first-in-time SC. However, voluntary intent on the part of either Kaiser or the Panel is not reflected in the proposal for ET16-0132; nor in the Panel Meeting minutes for August 2015. This is the basis for staff’s recommendation of a 30% SC.

Also, although the earnings trigger for any SC is tied to facility location, that distinction was not made for ET11-0132 which was presented to the Panel as a statewide project. Statewide, Kaiser will have received ETP funding of approximately \$1.8M over the last five years, including the projection for ET16-0164. Of this total, some \$900K was earned in Job Creation and therefore exempt from SC by Panel policy.

### **Electronic Recordkeeping**

Staff has reviewed and approved Kaiser’s use of an Electronic Recordkeeping System to document training.

### **Union Support**

Union support letters have been provided by the United Healthcare Workers West and UFCW Local 324.

### **RECOMMENDATION**

Staff recommends approval of this proposal.

**ACTIVE PROJECTS**

The following table summarizes performance by Kaiser under an active ETP Agreement:

Agreement No.	Approved Amount	Term	No. Trainees (Estimated)	No. Completed Training	No. Retained
ET16-0164	\$637,092	10/01/2015-09/30/2017	3,093	2,813	TBD

Based on ETP Systems, 48,379 reimbursable hours have been tracked for potential earnings of \$637,092 (100% of approved amount). The Contractor projects final earnings of 100% based on rosters that will be submitted for final billing. The 90-day retention period will end November 2016. At this time, no invoices have been submitted for final payments.

**PRIOR PROJECTS**

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

Agreement No.	Location (City)	Term	Approved Amount	Payment Earned \$ %
ET14-0117*	Statewide	08/01/2013-07/31/2015	\$600,000	\$600,000 (100%)
ET11-0321*	Statewide	06/30/2011-06/29/2013	\$299,880	\$299,880 (100%)
ET11-0132**	Statewide	02/01/2011-02/06/2013	\$249,480	\$249,480 (100%)

\*ET14-0117 and ET11-0321: Funds were used for Job Creation only. As such, these earnings do not apply toward a Substantial Contribution.

\*\*ET11-0132: This proposal was subject to a 15% Substantial Contribution due to prior earnings in 2008.

**DEVELOPMENT SERVICES**

Steve Duscha Advisories in Sacramento assisted with development of this proposal at no cost.

**ADMINISTRATIVE SERVICES**

N/A

**TRAINING VENDORS**

N/A

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

8-200

Trainees may receive any of the following:

**COMMERCIAL SKILLS**

- Documentation Standards and Procedures
- Maintaining a Safe Work Environment
- Orientation to Kaiser Permanente Systems and Processes
- Patient Safety Procedures
- Benefits Enrollment
- Business Literacy
- Crucial Conversation
- Four Habits and Service Recovery

**COMPUTER SKILLS**

- Applications Software for Healthcare
- Electronic Medical Records System Operation and Optimization
- EXCEL Advanced
- EXCEL Intermediate
- Health Connect Ambulatory
- Health Connect Ambulatory Chartview
- Health Connect Check-In Registration
- Health Connect Encounter Documentation for Outreach
- Health Connect HOV Training
- Health Connect Master Scheduling
- Health Connect Scheduling
- Health Connect Scheduling
- Microsoft Access

**CONTINUOUS IMPROVEMENT**

- Consensus Decision-Making
- Critical Event Team Training
- Labor Management Partnership
- LMP Performance Academy
- Proactive Office Encounter
- Quality Improvement Programs
- Speaking Up: Fostering An Open And Psychologically Safe Environment
- Unit Based Team – Member
- Budgeting, Staffing And Scheduling
- Case Management/Discharge Planning
- Charge Nurse Training/Frontline Leadership Skills
- Coaching Fundamentals
- Communications Skills
- Conflict Resolution Skills
- Front Office Operations Improvement
- Gathering And Using Data

- Handling Difficult Situations
- Human Resources Management
- Identifying and Resolving Problems
- Organization and Time Management Skills
- Patient and Family Centered Care Skills
- Performance and Quality Improvement And Procedures Skills
- Planning and Designing Work Processes
- Raid Improvement Model
- Reviewing And Evaluating Team Performance
- Root Learning Maps
- Service Excellence
- Team Building Skills

### **MEDICAL SKILLS TRAINING – DIDACTIC**

- ACLS
- Fetal Heart Monitoring
- Advanced Stroke Education
- AED Defibrillator Training
- Aerosol Transmissible Diseases Training
- Alaris Pump Review
- Ambulatory Nursing Orientation
- Ambulatory Care Wound Care Management
- Ambulatory Competencies
- Anesthesia Dept. Orientation Checklist
- Annual Competency Validation
- Audiometric Hearing Screening Training
- Basic Life Support Skill Testing
- Blood & Blood Components
- Blood Pressure Competency
- Blood Borne Pathogen
- Breast Biopsy Procedure
- Call Center Orientation
- Cardiac Catheterization Lab Nursing Orientation
- Cardiac Monitoring - 2014
- Care and Concern
- Care Experience Training
- Care of the Patient After Renal Biopsy
- Care of the Patient With Oncology Diagnosis/History
- Caring For and Protecting Our Elderly Patients and You
- Center Of Excellence for Minimally Invasive Gynecology
- Central Venous Access Device
- Chemotherapy Administration
- Chest Radiology Tumor Board
- Chest Tube Drainage and Monitoring Care
- Cleft Palate & Craniofacial Clinic
- Clinical Review
- CNA Nursing Orientation
- Co-Lead Transition Workshop
- Code Blue Simulation
- Comprehensive Workplace Safety System (Cwpss)

- Covidien Urology Tray Enhancements
- Delirium
- Dermatopathology Clinical Cases
- Diabetes Management
- Diagnostic Imaging RN Orientation Competency and Skill Validation
- Dietary Aide Orientation Competency
- Dietary Aide Orientation Competency Skills Validation
- Documentation Review
- Ear Lavage Policy
- Echo cardiology QA
- Education Day Modules
- EKG
- Emergency Area Orientation
- Emergency Medicine Morbidity And Mortality
- Equipment
- ER Tech Orientation Competency
- Essential Of Successful Communication
- Falls Prevention
- Family Centered Care Course - Post Partum
- Fecal Occult Blood
- Fetal Diagnosis and Management Conference
- Flu Competency
- Food and Nutrition Room Service Review
- General Surgery Morbidity And Mortality Conference
- General Tumor Board
- Globally Harmonized System
- Glucometer Training - Staff Validation
- Head and Neck Surgery Tumor Board Meeting
- Health Care Worker Orientation Day 1
- Identifying Acute Change In Patient Status and Activating Critical Response
- Implanted Ports
- Infection Prevention
- Insulin Initiation & Titration
- Intravenous Medication Administration
- Labor & Delivery Scrub Training
- Laboratory Employee Skills/Competency Assessment Orientation
- Laser Safety Training
- Life Safety and General Orientation for MRI and CT
- Lifting and Body Mechanics
- Lipid Management
- LVN Orientation
- MA/LVN HCWO Training Program
- Medical Panel Workflow
- Medical Terminology Book Completion
- Medication Inhalation- Initial
- Neonatal Resuscitation Program
- Neuroradiology
- New Grad Program

- Nova Glucometer Training Validators Class
- NRP
- Nuclear Med/MRI Tech Competency
- Nurse Advice
- Nursing Assistant Ward Clerk Update
- Nursing Update
- On Call RN Telephone Triage
- Chemotherapy & Biotherapy Provider
- Ophthalmology
- Pain Management
- Patient Safety University
- Pediatric Advanced Life Support Provider Program
- Pediatric Assessment, Care & Management Training
- Perioperative Nursing Symposium
- Phlebotomy Training
- Podiatry Surgery Radiology Rounds
- Point-of-Care Test
- Policy and Procedure Review
- Preceptor Program
- Pressure Ulcer
- Principles of Sterile Technique for Dermatology & Di Pt 2 (Skills)
- Professional Nursing: Caring Training and Bariatric Surgical Care
- Professional Nursing: General Surgery & Gastrointestinal
- Radiation Safety
- Regional Charge Nurse Training Program
- Regional Electrocardiogram Workshop
- Regional Pediatric Critical Care Course
- Regional Preceptor Training
- RN Leadership Development Program
- RN Leadership Program
- RN Preceptor Training
- Safe Lifting
- Safe Patient Handling
- Sepsis Prevention/Management
- Simulation Training
- Specimen Collection-Midstream-Urine 2013
- Splint Application
- Splinting
- Stroke Education
- Tuberculin Skin Test
- Wound Care 2014

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



UNITED HEALTHCARE  
WORKERS WEST  
SERVICE EMPLOYEES  
INTERNATIONAL  
UNION, CLC

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August 26, 2016

State of California Employment Training Panel  
1100 J Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

To Whom It May Concern:

We support the application of Kaiser Permanente to the Employment Training Panel to support training for our members.

Sincerely,

A handwritten signature in black ink, appearing to read "Chokri BenSaid", is positioned below the word "Sincerely,".

Chokri BenSaid  
SEIU-UHW  
Kaiser Division Director



**Greg M. Conger**  
President  
International Vice-President  
UFCW International Union

**Andrea Zinder**  
Secretary - Treasurer

August 18, 2016

State of California Employment Training Panel  
1100 J. Street, 4<sup>th</sup> Floor  
Sacramento, CA 95814

Gentle Persons:

UFCW Union Local 324 supports the application of Kaiser Permanente to the Employment Training Panel to help support training for our members.

If you have any questions, or if I may be of assistance to you, please do not hesitate to contact me.

Sincerely,

UFCW UNION LOCAL 324

Debbie Watts  
Union Representative, for  
Greg M. Conger, President