Rush Copley Medical Center

Policy and Procedure

Title: Cost Containment

Author: Cari Beckman

Date Initiated: 6/23/08

Next Review Date: 9/1/2020

Purpose

Rush Copley Medical Center ("RCMC") utilizes a consistent process when adjusting staffing to fluctuations in patient volumes or workloads.

Policy

RCMC ensures correct staffing levels based on skill mix and competency of staff, when patient volumes or workloads fluctuate and provides support to employees who are required to adjust their schedules to accommodate patient needs and work volume changes. The response to fluctuations in volumes or workload can vary depending on the short- or long-term nature of those fluctuations.

Applicability

For the purpose of this policy, **Rush Copley Medical Center ("RCMC")** encompasses Copley Memorial Hospital, Rush-Copley Medical Group NFP, and all subsidiary corporations.

Definitions

<u>Cost Containment Day (CCD)</u>: Designation given by department manager/designee to reduce staffing as required to match census/volume/workload deviation from the expected norm. Each department maintains a CCD log and staff are assigned CCD or Stand-by on a fair, rotating basis.

<u>Stand-by:</u> Designation used in select departments and for specific positions when there is a need for scheduled staff to be cost-contained yet patient census may necessitate them to be readily available/re-called for patient care. An eligible staff member placed on Stand-by would receive Stand-by pay for the hours they are in this status and away from the workplace and would be compensated at their regular base rate of pay with a two-hour minimum if they are called back to work.

<u>Stand-by Eligible Positions</u>: Human Resources, in consultation with division or department management and others as appropriate, determines which positions are eligible for Stand-by and to receive Stand-by pay.

Procedure

Clinical Areas – Voluntary and Mandatory Cost Containment

1. RCMC departments schedule staff based on an average or anticipated workload. Changes are made to this plan in a fair and purposeful way when volumes or workloads deviate from the expected norm and consideration will be given to ensure that Cost Containment Day ("CCD") assignments are equitable. The determination of adequacy of staffing includes the number, skill mix and competency of all staff.

- 2. Staff members can voluntarily sign up for desired or requested CCDs. CCDs are granted on a rotation basis to support fair distribution. CCDs are not granted to regularly scheduled staff when floating is necessary or when other staff members are working extra on the respective unit. Employees receiving premium pay (such as Flextra, Opportunity Shift or overtime pay) will be removed from staffing levels first.
- 3. Each unit maintains a record of CCDs given and that record is maintained by the manager or designee.
- 4. In some corporations, an individual in an eligible position who volunteers or is required to take CCT may be placed on standby status, which means that they may be called to return to work if the need arises. These individuals would be eligible to receive Standby Pay in accordance with applicable guidelines. Standby Pay will cease when an employee reports to work. Employees who are on standby status and are called in to return to work will be compensated at straight time.
- 5. If unit volume or work load is low, a manager or designee has the discretion to ask an employee to come to work later than scheduled. In some companies and in certain authorized departments, an eligible employee while home will be on standby status and eligible for Standby pay. Staff members who work 8-hour shifts will be on standby for no more than 5 hours and staff members working 12-hour shifts will be on standby no more than 8 hours unless specified otherwise by unit policy. Please see unit-specific Staffing and Scheduling Guidelines for details.
- 6. Managers will make every effort to contact an employee a minimum of two hours prior to the start of the scheduled shift if CCD is to be taken for the entire shift. If an employee was not contacted prior to arriving at the work location, the employee may be allowed to work for a 2 hour period of time (if meaningful work is available) OR will be eligible to receive 2 hours guaranteed pay paid at straight time. If that employee is to be placed on Standby, Standby pay would start at the conclusion of the 2-hour guarantee period.
- 7. The Manager or designee will evaluate staffing and census every four hours and will notify staff that are on Standby status of the need to continue on stand-by or be released from duty.
- 8. While on Standby a staff member is to be readily available to report to work within 30 minutes. Managers may approve exceptions to the response time requirement.
- 9. In the rare instance an employee is to return to Standby status after leaving the work place, the established hourly rate will again be applied to the scheduled standby hours.
- 10. Employees experiencing CCDs may work with their managers and the Nursing Administrative Supervisors to seek other shifts to maintain their planned pay levels.

Non-Clinical Areas – Use of CCD

1. The COO will notify all other non-clinical areas of the expected level of cost containment (% of actual salary paid for the low volume pay period), and whether the cost containment is to be with or without PTO.

- 2. Pay period reports will be distributed to managers and directors one week following each pay period end with the expectation that cost containment will occur one week following receipt of the report.
- 3. Leaders in areas that are staffed with exempt employees will be required to consult with HR prior to implementation of cost containment initiatives.

General Information:

- 1. Hours spent away from work in standby status are not counted as hours worked for purposes of calculating overtime for hourly/non-exempt employees.
- Standby pay dollars are included when calculating the regular hourly rate for purposes of calculating overtime during any work week when an hourly/non-exempt employee works more than 40 hours.
- 3. Employees who are in standby status are required to be able to report for work and to perform their duties in a safe and efficient manner, free from the influence of either drugs or alcohol. Employees in violation of this requirement will forfeit their eligibility for on-call pay and will be subject to discipline up to and including discharge.
- Employees on either CCD or Stand-by may elect to use or not use PTO time while they are away from work. This option applies whether the CCD is voluntary or mandatory.
- 5. PTO will accrue on all CCD hours regardless of whether the employee chooses to take the time unpaid or to utilize accrued PTO. By policy, no employee will accrue PTO on more than a total of 80 hours in a pay period or 2,080 hours in a benefit year.
- 6. Staff members that fail to respond when put on Stand-by will forfeit Standby pay and will be documented as a "no-call/no-show" or unauthorized absence which will subject them to disciplinary action.

Refer to Policies

Employee Discipline Drug Free Workplace Paid Time Off (PTO) Premium Pay Programs