

The message below was sent to the allnurse distribution list on 1/18/11.

To the UMHS Nursing Community:

As you know, the Hospitals have not been achieving planned activity and net revenue levels for several months now, causing a deterioration of our operating margin. Nursing Services, along with all other departments have been attempting to reduce expenses to align with the drop in revenues.

In addition to this deterioration in margin, the continued decline in patient activity compared to plan, has created staffing "imbalances" in our nursing workforce; resulting in some areas experiencing sustained periods of either voluntary and/or assigned time off, while other areas are in need of staff and incurring overtime and over-appointment expenses.

I know it may seem odd to be creating this plan during the periods when we are experiencing high occupancy. The fact is that for the past six months we have seen our patient activity in many areas continue to decline from this year's projections. We hope the occupancy this week starts to sustain itself, but it may also be an unexpected "blip" in our activity. Due to this continued uncertainty, we must proactively plan for better alignment of our staff.

To meet the variable needs of our patient care areas, and to preserve nurses' income across the institution, we must now take the following immediate actions to maintain excellent patient care. These actions pertain to the 24/7 inpatient units and all CSR clusters:

- (1) Slow the rate of new hiring and proceed with hiring only in selected cases;
- (2) Eliminate the use of OA/OT, temporary staff and travelers, as much as possible, while maintaining patient care HPPD with existing nurses from across the inpatient units and CSR;
- (3) As we did in 2008 when we confronted a similar scenario, we will implement a process this week to identify RN volunteers from units with low census that are willing to work on other units and create a matching plan with the RN's experience and area of expertise with the unit needs across the institution. These assignments will be in increments of four-week schedules tied to one-staff periods, with the process being coordinated through CSR
- (4) After reviewing the number of volunteers available, if the number of nurses who volunteer to work does not significantly mitigate overtime expenses and mandated time off; we will reassess our plan and determine next steps.

We will be evaluating our situation weekly and will adjust these actions, as appropriate.

These continue to be challenging times for the country, our State, and our institution. Now, more than ever, we must work across unit and divisional boundaries to assist each other in meeting our patient care needs, while helping to ensure that our nurses maintain employment and income, as much as possible. I know that this is a difficult thing to ask and a difficult thing to do, but I also know that our Nursing Community at Michigan can do anything we put our minds to, when we work together. I know we will be successful in weathering this current economic storm together. I will keep you informed of our progress, and as always, I invite your ideas about how we can accomplish our goals.

Thank you all for your continued leadership,
Marge