

**University of Maryland Medical System
2021 PAM Registered Nurse Retention Program
Retention Program Description**

The University of Maryland Medical System is a university-based health care system dedicated to providing the highest quality healthcare to the people of Maryland. UMMS and its member organizations (collectively “UMMS”) recognize and appreciate the critical role that nurses play in the care of our patients. For this reason, we have developed a retention program intended to induce our nurses in the Professional Advancement Model (“PAM”) to stay with UMMS for a two-year period.

UMMS is offering the 2021 PAM RN Retention Program (the “Retention Program”) for the first 2,000 eligible PAM Registered Nurses who apply. The Retention Program offers PAM RNs retention bonuses that are calculated based on years of experience. The amount of each available Retention Bonus ranges from \$5,000 - \$25,000, less tax, based on the applicant’s years of experience as a Registered Nurse. Recipients of a Retention Bonus must agree to continue to work for UMMS for a period of two consecutive years from the date of the first payment. An applicant must be employed at a minimum FTE level of 0.5 or greater by January 7, 2022, to qualify for the Program.

Executive Summary

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| How much is the PAM RN Retention Bonus? | The RN Retention Bonus ranges from \$5,000 to \$25,000, based on years of experience as an RN as of January 7, 2022. Current RNs with 0-5 years of experience are eligible for a \$5,000 bonus. Current RNs with greater than five years of experience are eligible for an additional \$1,000 for each year of experience as an RN, up to a maximum of \$25,000. Bonuses are prorated based on FTE. |
| Is the amount of the PAM RN Retention Bonus based on experience or seniority? | The amount of the RN Retention Bonus is based on an RN’s years of <u>experience as of January 1, 2022</u> , not their seniority within UMMS. |
| How is the PAM RN Retention Bonus paid? | The RN Retention Bonus is paid in two equal parts. The First Payment will be made in February 2022, the Second Payment will be |

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| | made at the conclusion of the two-year work commitment. |
| What is the two-year work commitment? | RNs who apply for and accept the RN Retention Bonus must commit to work for UMMS for two years. The first year must be with the RNs current UMMS member organization. After the first year, an RN who wishes to do so can transfer to another UMMS member organization to fulfill the second year of the work commitment. |
| Who is eligible to participate in the Program? | The first 2,000 PAM Registered Nurses who work at the level of 0.5 FTE or above who apply for the Program and who are in good standing at the time of their application. For the purposes of this Program, “good standing” means that an applicant has not received a corrective action at the level of a final written warning or above in the 12 months preceding their application. |
| What happens if a participant leaves or drops below 0.5 FTE before the work commitment period is up? | The Participant will be required to repay the First Payment of the PAM RN Retention Bonus, and will not be eligible for the second half of the bonus. |

Program Description

1. Experience-Based PAM RN Retention Bonus.

The Retention Program provides a two-tiered retention bonus to PAM RNs who apply, are in good standing at the time of their application, and agree to a two-year work commitment with UMMS. The Retention Program is available to the first 2,000 eligible PAM RNs who apply across UMMS. Each UMMS member organization has an allocated amount of these 2,000 bonuses available. See Attachment A.

A PAM RN who applies for and is accepted to the Retention Program is referred to herein as a “Participant.”

2. Amount of Bonus.

Participants are eligible for a Retention Bonus based on their years of experience as a registered nurse. Years of experience are measured as of January 1, 2022. The scale is as follows:

| Years of Experience | Amount of Bonus |
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| 0-5 years of experience | \$5,000 |
| 6 or more years of experience | \$5,000 plus an additional \$1,000 for each year of experience, up to a maximum of \$25,000 total. For example, an RN with six years of experience would be eligible for a \$6,000 bonus; an RN with ten years of experience would be eligible for a \$10,000 bonus; an RN with 28 years of experience would be eligible for \$25,000 bonus |
| Part-time Team Members | Retention bonuses are pro-rated based on an RNs FTE. An RN working in a 1.0 or 0.9 FTE role is eligible for the full bonus, and Participants who work in a 0.5 – 0.8 FTE role are eligible for a prorated bonus. (Registered nurses who work less than 0.5 FTE are not eligible to participate in the Retention Program). |
| Change in status during Work Commitment period. | If a Participant reduces their FTE during the Work Commitment, they will remain eligible to participate in the Retention Program, so long |

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| | as their FTE remains at 0.5 or above. In this circumstance, the second Retention Payment will be paid at the FTE held by the Participant at the conclusion of the Work Commitment. |
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Example 1: Terry is a PAM RN in good standing who applies for the Retention Program and agrees to the Work Commitment. He has three years of experience as a registered nurse; he is eligible for a Retention Bonus of \$5,000.

Example 2: Jennifer is a PAM RN in good standing who applies for the Retention Program and agrees to the Work Commitment. She has 30 years of experience as a registered nurse. Jennifer is eligible for a Retention Bonus of \$25,000.

Example 3: Angela is a PAM RN in good standing who applies for the Retention Program and agrees to the Work Commitment. She has also has 30 years of experience as a registered nurse, but she works part-time as a 0.5 FTE. Angela is eligible for a Retention Bonus of \$12,500.

Example 4: Mary is a PAM RN in good standing who applies for the Retention Program and agrees to the Work Commitment. She has also has 30 years of experience as a registered nurse. At the beginning of her Work Commitment, she works full time; however, after the first year of the Work Commitment Mary reduces her hours to a 0.8 FTE. Mary is eligible for a Retention Bonus in the amount of \$22,500. \$12,500 for the first year of her Work Commitment when she worked full time, and \$10,000 for the second year of her Work Commitment, when she worked as 0.8 FTE.

3. Payment; Timing.

The Retention Bonus is paid in two installments, each of which is in the amount of one-half of the Retention Bonus, less tax. The first installment (the “First Retention Payment”) shall be paid on February 18, 2022, provided that the Participant has accepted and signed all necessary documentation to participate in the Retention Program. The second installment (the “Second Retention Payment”) shall be made within 30 days following successful completion of the Participant’s Work Commitment.

Example 1: Terry is a full-time PAM RN in good standing who applies for the Retention Program and agrees to the Work Commitment. He has three years of experience; he is eligible for a Retention Bonus of \$5,000. *Terry will receive \$2,500 in February 2022 and another \$2,500 in February 2024. (All payments less tax and other authorized withholdings).*

Example 2: Jennifer is a full-time PAM RN in good standing who applies for the Retention Program and agrees to the Work Commitment. She has 30 years of experience as a registered nurse and works 0.9 FTE. Jennifer is eligible for a Retention Bonus of \$25,000. *Jennifer will receive \$12,500 in February 2022 and \$12,500 in February 2024 (All payments less tax and other authorized withholdings).*

Example 3: Angela is a PAM RN in good standing who applies for the Retention Program and agrees to the Work Commitment. She also has 30 years of experience as a registered nurse, but she works part-time as a 0.5 FTE. Angela is eligible for a Retention Bonus of \$12,500. *Angela will receive \$6,250 in February 2022 and \$6,250 in February 2024 (All payments less tax and other authorized withholdings).*

Example 4: Mary is a PAM RN in good standing who applies for the Retention Program and agrees to the Work Commitment. She also has 30 years of experience as a registered nurse. At the beginning of her Work Commitment, she works full time; however, in January 2023, Mary reduced her hours to a 0.8 FTE. Mary is eligible for a Retention Bonus in the amount of \$22,500. \$12,500 for the first year of her Work Commitment when she worked full time, and \$10,000 for the second year of her Work Commitment when she worked a 0.8 FTE. *Mary will receive \$12,500 in February 2022 and \$10,000 in February 2024 (All payments less tax and other authorized withholdings).*

4. Eligibility to Participate in the Retention Program. To be eligible to participate in the Retention Program, an applicant must:

- Be a registered nurse participating in the Professional Advancement Model (“PAM”);
- Be in “good standing,” which means that, as of the date of application, the team member cannot have received a corrective action at the level of a final written warning or higher within the preceding 12 months;
- Work at least 20 hours per week (0.5 FTE) as of January 1, 2022, and throughout the Work Commitment period.

Managers and Assistant Managers are not eligible to participate in the Retention Program.

5. Application Process.

Eligible team members will submit an application electronically via a dedicated website. Applications will be accepted from December 7, 2021 – January 8 2022, or until all available retention bonuses (limit of 2,000) are filled. Late application submissions will not be considered. Applications are considered on a first-come, first-serve basis. To be accepted, a team member must be eligible and in good standing as previously described.

Upon acceptance of the application, Human Resources will e-mail a copy of the RN Retention Agreement and an accompanying wage deduction authorization form, which is used in the event that the Participant does not satisfy the Work Commitment. Forms must be signed within five days of being sent to Participant. After this period, any applicant signing the forms will need to resubmit their application and forfeits their original spot in the program.

6. Selection of Participants.

Participation in the Retention Program is available to the first 2,000 eligible PAM RNs who apply. Applications are considered by each local UMMS member organization in the order in which they are received.

7. Work Commitment.

As a condition of receiving a Retention Bonus, a Participant must commit to working at least 20 hours per week (0.5 FTE) for UMMS for a period of two consecutive years (the “Work Commitment”). The two-year Work Commitment begins on the date that the first Retention Payment is made.

A Participant must stay at their UMMS member organization for the first year of the Work Commitment. After February 2023, a Participant can satisfy their Work Commitment at any UMMS member organization, so long as they are continuously employed through February 2024.

A Participant who is promoted to a non-nursing position during the term of their Work Commitment remains eligible for the Second Payment, provided that they meet the other requirements of the Retention Program.

8. Repayment Obligations.

a. Failure to Satisfy Work Commitment: If Participant fails to satisfy their Work Commitment, including failure to maintain at least 0.5 FTE status, for any reason other than those set forth in Section 8(b), below, Participant will be responsible for repaying the First Payment, and will not be eligible to receive the Second Payment. For repayment, UMMS payroll calculates the net repayment amount and communicates the amount to the Participant (the “Repayment Amount”). Subject to Section 9, below, the Repayment Amount is due on the Participant’s last day of employment.

b. Exceptions. A Participant shall not be required to satisfy their Work Commitment if they are separated from employment due to:

- i. A reduction in force conducted by UMMS; or
- ii. The Participant's total disability, meaning that the individual is permanently unable to perform the essential functions of their position, with or without reasonable accommodation, and there is no other suitable position for the Participant within UMMS.

c. Leave of Absence. If a Participant requires a consecutive leave of absence for one month or more during the Work Commitment, the Work Commitment period shall be extended by the amount of leave taken.

9. Cooperation in Collection of Outstanding Monies.

In lieu of repayment on Participant's last day of employment, Participant may execute a Promissory Note in favor of UMMS that commits Participant to repay the Repayment Amount, plus interest at the applicable federal rate, within 12 months of Participant's last day of employment. If Participant does not repay the Repayment Amount by Participant's last day of employment, or sign a promissory note committing to repayment plus interest within 12 months of that date, then UMMS shall deduct any portion of the Repayment Amount that has not been repaid from any amounts owed to Participant upon the termination of their employment, including Participant's final paycheck and any accrued but unused paid time off, to the maximum extent permitted by law. Participant is required to authorize said deduction as a condition of receiving the Retention Bonus. If the amounts deducted pursuant to this authorization do not satisfy the amount of monies owed, UMMS shall pursue collection against the Participant.

10. Equal Employment Opportunity.

UMMS is an equal opportunity employer. It is our policy to ensure that equal employment opportunities exist for all organization employees and applicants. UMMS shall administer the Retention Program without regard to color, national origin, ancestry, citizenship status, sex, age, religious belief(s), disability, sexual orientation, gender identity and/or expression, marital status, status with regard to public assistance, status as a disabled veteran and/or Veteran of the Vietnam Era, genetic information, or any other characteristic protected by federal, state or local law.