

## AMENDED RESULTS – JULY 6, 2009

# BENEFITS PACKAGE DOCUMENTATION

## AMH OSH PROCESSES – RN HIRING PROCESS

**Event Id** (if applicable): AMH03.1.1  
**VERSION:1.3**

### AMENDED EXECUTIVE SUMMARY

Initiative AMH O3 focuses on streamlining OSH processes. The RN Hiring Process benefits document validated April 16, 2009, described the benefits obtained by improving the RN hiring process in Fall 2008. This document updates the benefits and adds one additional month of data.

From October 2008 through March 2009, the RN vacancy rate was reduced 57% (from 21.7% to 9%). This improvement added a cumulative total of 1124 days of RN capacity into the OSH system, while decreasing agency RN spend by \$103,549.

### AMENDED BENEFIT/OUTCOME DESCRIPTION

From October 1, 2008 through March 2009, the following quantitative benefits have occurred:

- The RN vacancy rate has dropped 57%, from 21% to 9%, which has added a cumulative total of 1124 days of RN capacity into the OSH system.
- The cycle time for hiring an RN was reduced from 80+ days to 20 days by March 11, 2009, but then increased to 53 days for those most recent hires. The team is investigating whether this is (a) a temporary slow-down that can now be reinvigorated or (b) a longer-term issue, and if so then what should be done differently.
- Hands-on touch time from the process for hiring an RN has been reduced by ~2 hours per open position, which has saved RN management ~76 hours.

### Cost Savings/Productivity

- Increased RN “standard hours” capacity by adding net total of 21 RNs and providing a cumulative total of 1124 RN days into the OSH system.
- Reduced Agency RN spend by \$103,549.
  - 1,124 added RN employee days X 8-hours/day = 8,892
  - 8,892 X the difference between the average hourly rates of agency RNs and staff RNs (\$11.83) = \$106,375
  - \$106,375 minus (42 Overtime RN hours X \$67.29 average hourly OT rate) \$2,826 = \$103,549
- Reinvested \$103,549 to increase the RN hours to patient ratio
- Reduced process touch time by hiring managers by 76 hours for a non-redeployable savings of \$3,040.
  - 76 hours X \$40.00<sup>1</sup> = \$3040

### ATTACHMENT:

- Excel Worksheets
- Validated Benefit Package documentation

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<sup>1</sup> \$40.00 hourly amount from OSH e-mail communication & an OSH Revised-Prep for Quarterly Business review document dated June 3, 2009.