



Medical Center Compensation

Our People Make UC Medical Centers Among The Best in the World

Every day, patients come to UC’s medical centers from around the globe for treatment that is among the best in the world. Our excellence reflects the people who work here – people who are passionate about delivering outstanding medical care, teaching the next generation of health care professionals and pushing the boundaries of medical science. Our staff works together to foster high standards, a culture of innovation and an atmosphere of compassionate and personalized treatment. That’s as true of the leaders who direct our complex, multibillion dollar medical centers as it is of the doctors, nurses and other health care professionals who work on the front lines of patient care.

Competitive Compensation for all Employees

UC medical centers operate as self-supporting enterprises and compete for talent in an extremely competitive health care marketplace. UC medical centers receive virtually no state money and must rely on their net income to maintain the market-competitive salaries critical to attracting and retaining the high-caliber staff responsible for UC medical centers’ quality and success. Our commitment to providing competitive employment extends to everyone at the medical centers, from orderlies and housekeepers to nurses, doctors and senior management. Salaries are one important component of an attractive compensation package. We also offer some of the best health benefits of any large California employer, paying on average 85 percent of all health insurance premiums. And we offer an equally competitive retirement package. We model our pay scale on industry standards, and look at independently produced salary surveys to gauge our competitiveness. We also look at retention and vacancy rates to get an overall picture of whether we are attracting and keeping faculty and staff.

Nurse Compensation Remains Competitive

An independent survey of nurse salaries across California shows that UC has kept pace with the market. The 2009 Allied For Health survey data found that nurse salaries at UC medical centers were on par with those being offered at competitor hospitals.

| UC Medical Center | CN II Classification UC Avg. Salary | Average CN II Salary | Lag/Lead Market |
|-------------------|--|-------------------------|-----------------|
| Davis | \$47.23 | \$46.55 | 1.44 % |
| Irvine | \$38.91 | \$38.93 | -.05% |
| Los Angeles | \$39.77 | \$39.73 | .10% |
| San Diego | \$39.67 | \$38.44 | 3.10% |
| San Francisco | \$56.41 | \$56.18 | .41% |

Historically low vacancy and turnover rates indicate strong demand for UC jobs

Vacancy and retention rates are another indicator that UC nursing jobs remain highly competitive, despite the current nursing shortage. UC medical centers are at historic lows for nursing staff vacancies and turnover, with vacancy rates ranging from 1-5 percent. That compares favorably to the average California vacancy rate of 7 percent reported by Allied for Health in its most recent quarterly turnover and vacancy report. In addition, we have many more qualified nurses applying for UC positions than we have jobs, another sign that the medical centers offer competitive employment and a positive work environment.

As this chart shows, UC has, on average, nearly 20 times as many applicants as it does nursing positions:

| UC Medical Center | CN I Classification (Entry-level) | | CN II Classification | |
|-------------------|-----------------------------------|--------------|----------------------|--------------|
| | Vacancies | Applications | Vacancies | Applications |
| Davis | 20 | 1438 | 60 | 1460 |
| Irvine | 67 | 1984 | 145 | 3028 |
| Los Angeles | 228 | 2023 | 132 | 2047 |
| San Diego | 34 | 1880 | 176 | 2249 |
| San Francisco | 22 | 845 | 117 | 2277 |

**Data for UC Davis, UCSD and UCSF is for the time period Jan.-Aug. 2009. Data for UC Irvine and UCLA is for summer 2008-Aug. 2009.*

UC Values its Nurses, and Seeks a Fair and Equitable Contract

UC recognizes that our nurses provide outstanding patient care and bring a high level of dedication and professionalism to their jobs. Nurses are central to the overall quality of the medical centers, and one of the reasons that, year after year, our medical centers are ranked among the best in the nation for the quality of care we give our patients.

We are committed to continuing to offer our nurses an attractive compensation package. In contract talks with the California Nurses Association, we have offered pay increases in December 2010. This offer comes on top of a salary increase of approximately 4 percent in Spring 2009, and a step increase in June. We are pleased that we have been able to recognize our nurses and maintain market-competitive salaries, even in the midst of the ongoing economic crisis. Given that current pay is on par with the marketplace, that seems more than fair.

CNA, however, seeks an immediate 8-percent salary increase, a proposal that ignores the economic challenges facing the medical centers and the fact that pay rates are already at market levels. Moreover, most UC employees – including senior medical center managers – have accepted temporary furloughs and pay cuts of up to 10 percent.

Nurses and most other medical center employees were intentionally excluded from the furlough program – and its commensurate reductions in pay – to ensure that patient care and safety were not compromised. It would be unfair to give raises to this one group of employees at a time when others are making a financial sacrifice.

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