



Enhancements to Benefits and Compensation

Key Facts for

Great Bend Employees

UPDATED November 2021 with more PTO enhancements

Investing in You

In appreciation for your resilience and continued commitment to patients, co-workers, the health system and community, the health system is placing significant investments in compensation and benefits for employees. This is a summary of how those enhancements and ongoing harmonization of Human Resources initiatives will impact employees at Great Bend locations.

Resources for more information:

Benefits Connection portal: visit <u>kansashealthsystembenefits.com</u>. This is our central hub for benefits information. Start by visiting the section for Great Bend employees and then explore other resources for deeper knowledge of your benefits.

- Interactive benefits guide
- Virtual benefits expo
- Videos
- Articles
- Help resources

Pay Increases

Pay increases were announced in September 2021.

- Base pay increases awarded to all eligible employees.
- Reflected in paychecks issued on October 1.
- Managers shared about how this affects each employee (including exclusions to eligibility such as APPs, PRNs, temporary employees and union employees).

Benefits

Beginning in 2022, the health system will fully embrace Great Bend employees into its benefits package. There are several enhancements, as well as other benefits being delivered in Great Bend to support employees.

More Paid Time Off

To support employees and provide more time to relax and rejuvenate, more paid time off is being provided.

- 92% of Great Bend employees (including all hourly staff) will accrue more PTO per pay period
 - No one will earn less PTO
 - Employees hired before December 19, 2021 will be moved into the next highest accrual level, i.e., to the level "1 and less than 5" years.
- Holidays will be separate from and in addition to the PTO bank effective December 19, 2021
 - Employees will not need to use PTO hours for Christmas Day 2021
 - o 8 days (64 hours) will be provided for holidays, on top of PTO, in 2022
 - PTO accrual will <u>appear</u> lower on paychecks in 2022 (because holidays will no longer be included in PTO accrual)
 - Holidays will run 11-11p.m. (vs. midnight-midnight)

New Maximum for PTO Bank

- The new maximum for PTO banks for all employees is 300 hours effective December 19, 2021. This is a net gain to the PTO bank maximum because PTO will no longer be used for holidays starting with Christmas Day 2021.
- Employees with 250 or more hours in their PTO bank on the transition date (12/19/21) will receive an <u>automatic</u> cash-out of the amount over 250 hours at 100% credit. Employees do not need to do anything for this to happen. The payout will be on January 7, 2022.

Affordability for Medical Benefits

The health system is working to keep employees' share of costs for medical coverage affordable.

- The health system will double its contribution to the Health Savings Account applies to employees who select the HSA Advantage Plan for medical coverage
 - \$1,000 for families
 - \$500 for individuals
- Holding premiums to minimal increases
 - Many Great Bend employees will see decreases
 - Steps continue to align premiums with the Kansas City Division

Changes to 2022 Benefits

To harmonize and streamline benefit offerings, these services will not be offered in 2022.

- Limited Purpose Flexible Spending Account
 - Only 3 Great Bend employees participated
 - o The benefits team working with each of them to transition to other options
- Air ambulance services
 - Just 13 Great Bend employees used these services
 - LifeSave (formerly LifeTeam) terminated its relationship with the health system
 - Air Med is being eliminated as a benefit offering
 - Transition allows employees direct-bill from Air Med vs. payroll deductions
- Extended Illness Leave (EIL) expires December 31, 2021

Retirement

Great Bend employees will join the health system's retirement plan. There are many advantages to this change and some disadvantages for some employees.

Plan overview:

- 401(a) plan replaces current 403(b) plan
 - 401(a) is employer-sponsored with company contributions
 - Employee contributions are pre-tax
 - More investment options
 - Higher contribution limits in combination with the 457(b) plan
- 457(b) plan a second plan available for additional investment by employees
 - Voluntary participation
 - Immediately available to new hires
 - o Contribution structure similar to current 403(b) plan:
 - Pre-tax dollars (save on income taxes now)
 - Contribute on a Roth basis (tax savings when withdraw money)
 - Or a combination of the two methods

Advantages:

- Stronger program for recruiting new staff and supporting new employees
 - 401(a) plan
 - Employees immediately eligible to participate (6 months for current 403(b))
 - Employees 100% vested in employer contributions after 3 years (6 years for current 403(b))
- Fidelity offers excellent support for employees and convenient digital tools
 - Two dedicated Fidelity reps available for consultation at Great Bend

Disadvantages:

- 401(a) plan
 - Employer contribution based on years of service (vs. flat 6%)
 - Employer contribution starts at 3% for employees with 0-14 years of service, impacting the majority of Great Bend employees
 - At 15 years of service the employer contribution reaches 6%
 - Employer contribution increases to 8.5% at 20 years of service
 - Advantage for long-term employees
 - Employee contributions are required, but at a lower rate (Great Bend currently defaults to 6%)
 - 4% for 0-19 years of service
 - 5.5% for 20+ years
 - Less than 10% of employees opt out of current 6% default
 - Employees may contribute more, in combination with the 457(b) plan, up to federal limits

More support for career development

Employees will receive higher tuition reimbursement

- Increases to \$3,750/year for full-time employees (up \$750)
 - In 2019, before benefits harmonization, Great Bend employees received only \$1,500. This is an increase of 2-1/2 times in just three years
- Higher lifetime maximum for the tuition reimbursement benefit
 - o \$15,000 (up \$3,000)

Great Bend employees will receive financial support for certifications

- \$500 for initial certifications
- \$300 per year to maintain
- Approved professional certifications that are not a job requirement
- Employees at 0.50 FTE and above

Perks and Discounts

To support employees financially with purchases on products and services they need and enjoy in every-day life, the health system is offering Perks For You.

- Free to all employees; available now
- Discounts and cash back on household purchases, entertainment, travel and services
- National brands and local businesses
- Sign-up at <u>kansashealthsystemperks.com</u>



Mental and Emotional Health

The mental and emotional health of staff is vital to a healthy, thriving life. The pandemic has created unprecedented stress and anxiety, particularly in healthcare workers. We are strengthening our Employee Assistance Program to better support employees.

- New EAP provider, ComPsych, the largest provider of EAP programs in the world
- Robust, accessible, convenient support
- 24/7 immediate access to master's-level clinicians
- More visits included for employees and dependents (8 visits, up from 6)
- Strong, timely support for critical incidents

Future harmonization of Human Resources

Great Bend employees will be welcomed fully into all aspects of the health system's Human Resources programs over time. Upcoming initiatives are:

- Leave of Absence
 - o Easier process and more support for employees
- Policy standardization
- Compensation structure alignment

For more information about your benefits, visit kansashealthsystembenefits.com.