

April 29, 2022

Sheriff James Skinner	Mr. Hunter Alley
Assistant Chief Johnny Jaquess	Senior Buyer
Collin County Sheriff's Office	Collin County Purchasing Department
4300 Community Ave.	2300 Bloomdale, Suite 3160
McKinney, TX 75071	McKinney, TX 75071

H. Lynn Hadnot, Director
Collin County Juvenile
Probation Services
4690 Community Avenue, Suite
100
McKinney, Texas 75071

Re: Proposed Wage Increases/Additional 1.4 FTE LVN for the Juvenile Facility

Dear Sheriff James Skinner, Assistant Chief Johnny Jaquess, and Mr. Alley,

As the proud provider of inmate health care services for the Collin County Sheriff's Office, Southwest Correctional Medical Group strives to exceed your expectations regarding the quality of services we provide. The United States is in the midst of a nursing crisis, with the most acute supply-demand imbalance in many generations. We are asking our Partners to help us meet the challenge so that we can together continue to provide quality care and meet our constitutionally mandated requirements.

Background

The demand for nurses has increased dramatically over the past decade, fed by the aging of the baby boomers into Medicare and increased access to healthcare with the passage of the Affordable Care Act. At the same time, the nursing workforce has been aging along with the rest of the country (more than half of all nurses are over 50), and nursing schools are not graduating enough nurses to meet rising demand.

The COVID-19 pandemic has become the proverbial straw that broke the camel's back, increasing the demand for nurses to inoculate the population and care for the rising number of (largely unvaccinated) COVID patients. And the stress, anxiety, and exhaustion brought on by COVID have driven just enough nurses out of the field to create the current crisis.

As one would expect, this imbalance has driven up the cost of nurses (when they can be found) to levels we have never seen. Across many markets, temporary agencies and nurse travel companies have bid hourly rates, in some cases, north of \$100 per hour.

['Nursing Is in Crisis': Staff Shortages Put Patients at Risk - The New York Times](#) published August 21, 2021, cites the danger of this widespread shortage, noting a health system that "has been losing experienced nurses to recruiters who offer \$20,000 signing bonuses and \$140-an-hour wages."

Unfortunately, the pain of the shortage has not been shared equally. The CARES Act included a **\$178 billion** Provider Relief Fund to help acute care hospitals manage increased costs during the pandemic. This enormous subsidy allowed hospitals to pay ever-increasing rates, while providers in correctional settings, who have received NO CARES Act funding, are unable to compete.

Because the federal government has subsidized the increased nursing costs for hospitals, the higher costs have not materially affected the prices hospitals charge for their services. This has kept medical services CPI at historically low levels and far below the dramatic increase in our largest cost – nursing salaries.

Actions We Have Already Taken

From the beginning of the Covid-19 pandemic, we have taken extraordinary steps to keep our people, partners, and patients safe, and to reduce the impact on staff retention. In 2020, we invested more than \$40 million in unreimbursed funds on PPE, testing, and supplemental wages and bonuses. In 2021, we committed to investing another \$40 million in supplemental wages, sign-on bonuses, and retention bonuses to mitigate the impact of the current healthcare staffing crisis on our patients, people, and partners. In addition to supplemental wages and bonuses, we are making sizable investments in enhanced systems and people to improve efficiency and better support our healthcare teams. This includes identifying opportunities to use alternate staffing models and telehealth to reduce the need for hard-to-find nurses.

We have made these investments without the expectation of reimbursement to “stop the bleeding,” the way medical professionals are trained to do. **This is, however, not a long-term solution.**

Proposed Wage Enhancements

Wellpath cannot continue to deliver high-quality services while paying market wage rates that exceed what we are paid by our partners. Therefore, we are requesting a modification to our contract price to accommodate wage enhancements for our staff through the end of our current contract term. The following table illustrates the total number of FTEs affected by the proposed wage enhancements and the projected cost to implement the enhancements through the end of the contract period.

Position	FTEs	Expected Cost
RN	6.80	\$91,339
LPN	22.42	\$200,462
Dental Assistant	1.00	\$1,679
MHP	4.60	\$53,824
MHP Supervisor	1.00	\$12,013
Pharmacy Tech/CMA	1.00	\$5,572
Psychiatric Tech	1.00	\$2,473
LPN (Juvenile)	2.8	\$25,036
Totals	40.62	\$392,398

Proposed Increases to Fill Vacant Positions

In addition to the proposed wage enhancements for our existing staff, we propose to increase the rates for the unfilled nursing and mental health positions in Collin County. Currently, we have 8 unfilled nursing positions (5.5 LPNs and 2.5 RNs) and 1 MHP position at the Adult Detention and Minimum

Security Facilities. The following table illustrates the projected cost to achieve full staffing in Collin County.

Position	FTEs	Expected Cost
Vacant LPN	5.50	\$47,520
Vacant RN	2.50	\$34,346
Vacant MHP	1.00	\$11,891
Totals	9.00	\$93,757

Proposed Change to Juvenile Staffing Matrix

Recently, Wellpath received a request from Director Hadnot to modify the staffing at the Juvenile facility to ensure 24-hour coverage at the facility. Wellpath proposes converting the existing 8-hour shifts on Days and Evenings to 12-hour Day and Night shifts. The following table summarizes the proposed changes and associated costs.

Position	FTE Change	Shift	Est. Revenue
LVN	(1.0)	Evening	\$(47,576)
LVN	(0.4)	Evening/Weekend	\$(20,184)
LVN	1.5	Night	\$77,851
LVN	0.6	Night/Weekend	\$32,972
LVN	0.5	Day	\$24,424
LVN	0.2	Day/Weekend	\$10,380
Totals	1.4		\$77,868

The proposed revised matrix follows.

John R Roach Juvenile Detention Center										
Title	Mon	Tue	Wed	Thu	Fri	Sat	Sun	Hrs/WK	FTE	
Days										
Physician	Schedule varies based on need							3	0.075	
Psychiatrist	Schedule varies based on need							4	0.1	
Dentist	Schedule varies based on need							4	0.1	
Dental Assistant	Schedule varies based on need							4	0.1	
MHP	Schedule varies based on need							4	0.1	
Licensed Vocational Nurse	12	12	12	12	12	12	12	84	2.1	
TOTAL HOURS/FTE-Day								103	2.575	
Nights										
Licensed Vocational Nurse	12	12	12	12	12	12	12	84	2.1	
TOTAL HOURS/FTE-Evenings								84	2.1	
TOTAL								187	4.675	

Total Cost Summary

The total cost to enhance wages for existing staff and to increase wages to fill unfilled positions and to modify the Juvenile staffing matrix is **\$564,023**, effective May 16, 2022, through September 30, 2022 the end of the current contract period. The base compensation for the adult detention facilities will increase by **\$461,119**, with an increase of **\$102,904** for the juvenile detention facilities.

Collin County Adult	Monthly	Total
Current Base Compensation	\$691,399	\$3,459,998
Wage Enhancements	\$81,636	\$367,362
Increases to Fill Vacant Positions	\$20,834	\$93,757
Total	\$793,870	\$3,918,117

Collin County Juvenile	Monthly	Total
Current Base Compensation	\$41,026	\$205,130
Wage Enhancements	\$5,563	\$25,036
Juvenile Staffing	\$17,303	\$77,868
Total	\$63,893	\$308,033

If the County accepts, we will wait to receive the County-drafted amendment per previous years. All other terms of the current Agreement, including any changes detailed above, shall remain in full force and effect.

Thank you for the opportunity to provide this pricing, and we welcome the opportunity to discuss it in more detail. Should you have any questions, please do not hesitate to contact Charles Guffey, Regional Director of Operations, at 575-635-7173.

Sincerely,



Cole Casey
Regional Vice President, Operations

Cc: *Greg Roberts, RN, CCHP-RN, Health Services Administrator*
Charles Guffey, RN, BS, Regional Director, Operations
John Roth, Director, Director, Partner Services
Adolfo Cisnero, MPH, CCHP, Senior Director, Contract Retention