the Weekly Update

TriHealth News Cascade

December 12, 2023



Hi Team -

Well, the holiday season is now in full swing – a reminder that the New Year and the start of the third quarter of our fiscal year are just around the corner. And thanks to your efforts throughout the past year, we approach the start of calendar year (CY) 2024 and the second half of our fiscal year with strong performance and continued momentum – ranging from reduced harm events to continued financial strength to

impressive growth across virtually every service line and site of care. And this means that the community is increasingly turning to TriHealth when in need of healthcare services because of you and our work to Get Healthcare Right! To learn more about just how we are doing, I hope you will join us today at noon on Bridge for our December Team Member Town Hall... our final monthly town hall of CY2023!

You will hear all about our ongoing work to Get Healthcare Right, our latest wins and challenges, and what's ahead, as well as more details on some of the topics covered below. And don't forget, you can join the discussion by emailing your questions in advance to TownHall@trihealth.com. I look forward to "seeing" you today at noon!

Getting Healthcare Right

Getting Staffing Right: TriHealth's Compensation Philosophy and Market Review Process

Delivering the best care to our patients and Getting Healthcare Right begins and ends with attracting and retaining talented people and building a great team – ONE Team, TriHealth STRONG! And one important way we do this, in addition to a great culture, is through an attractive Total Rewards program, consisting of both competitive compensation and benefits. Guided by TriHealth's values-based commitment to foster *a culture of* health and wellbeing for ALL team members and physicians, the aim of our compensation philosophy is to compensate our team members at or above the market for comparable jobs with comparable experience and tenure.



TriHealth's Compensation Philosophy

To fulfill this commitment, each year, TriHealth's compensation team analyzes salaries and wages in healthcare and comparable industries to ensure our total compensation levels remain competitive, even in a rapidly changing and ever-challenging labor market. Through these ongoing external market analyses, we establish a salary range for every position throughout our entire system. Guided by our compensation philosophy, we target TriHealth's pay range midpoint to be at or above the 50th percentile for all roles to provide team members with fair and competitive compensation and room for wage and salary growth. Using the 50th percentile is a healthcare industry standard, and today *more than 80% of all U.S. hospitals and healthcare systems use the 50th percentile to establish competitive salary ranges within their organizations as part of their compensation programs.*

As the result of our latest annual review, we have made the decision to increase the minimum and maximum of the pay range for ALL jobs. The minimum end of the range will increase by 2% and the maximum end of the range will increase by 5%. This marks the third time in the past three years that TriHealth has raised the pay range maximums by 5%... that's a 15% increase on pay range maximums over the past 36 months! And, though not surprised, I am pleased to share that the current base pay wage rate for the vast majority of team member jobs remains at or above the 50th percentile market compensation levels. During the past year alone, TriHealth

has invested nearly \$45 million in new dollars in both wages and benefits. And we have done this in spite of the fact that our rates from third-party payers (government and insurance companies) have not kept pace with inflation and rising salaries and wages. This is yet another example of TriHealth finding a way to make the necessary investments in both merit and market pay in recent years to stay competitive and avoid falling behind the market.

What Can You Expect to See

Team members in job roles where the range remained competitive in the market based on this latest review will continue to advance in the range through annual merit adjustments, which will occur in the first quarter of FY2024. For the much smaller portion of job roles where pay ranges fell below our target market position due to today's dynamic labor market conditions, the pay ranges for those roles will increase through a special market adjustment. Team members in these roles whose base pay has *fallen below the minimum of the new increased pay range* will see an adjustment to their base rate up to the new minimum. Leaders across the system are now in the process of having discussions with those impacted team members.

As the final step in our annual compensation review, we will conduct an **internal equity review** in early Spring of 2024. Unlike a market adjustment, which compares TriHealth to other external organizations, our equity review is internally focused and aimed at assessing pay equality across the same jobs within TriHealth. Additional details will be shared after the equity review is completed in the Spring. If you have questions about our compensation philosophy or any aspect of our annual market review, I would encourage you to discuss them with your leader.

TriHealth Taking Proactive Cybersecurity Measures

As our personal and professional lives increasingly rely on digital technology, so too does the world of healthcare. Digital technology is now woven into essentially all aspects of healthcare, serving as a vital and integral component for delivering better health, better care, and better value to the more than 600,000 patients we serve! From online appointment scheduling to electronic medical records (EMRs) to Artificial Intelligence to advanced analytics, and much more, digital technology is now absolutely essential and foundational to our work of understanding and managing the health of our patients and community.

So as our reliance on technology continues to evolve and grow, it's critical that we proactively adapt our own Information Security (IS) strategy to guard against and prevent the increasing number and severity of cybersecurity threats that are becoming more prevalent throughout our industry and society. As part of these ongoing efforts, we have taken the steps to bolster our IS defenses against cyberattacks and system penetration by strengthening password security. One such step is our new password standard that now requires a minimum of 12 characters, including one special character and one number – up from our previous standard of 8 characters.

Increasing password length and complexity is one of the most effective ways we can protect our health system from cyberattacks that could potentially shut down our system – an increasingly common occurrence with other healthcare organizations, including our own sponsor, CommonSpirit, just last year!

The graph to the right shows how the length and mix of characters and numbers in a password directly influences the amount of time it takes a hacker to crack a password. The more characters and complexity, the more difficult it is for attackers to gain unauthorized access to our IT system and sensitive information, such as patient records and financial data. For example, our previous 8-character password standard using a combination of letters, numbers, and special characters could be hacked in *just five minutes!* By simply increasing that password to 12 characters, the length of time it takes to crack it *increases to 226 years!*

While we know the use of longer passwords can be frustrating and inconvenient, it will have a HUGE impact on our ability to reduce the risk of a successful ransomware attack that could shut down and hijack our system for weeks or months – potentially putting

TIME IT TAKES A HACKER TO BRUTE FORCE YOUR PASSWORD IN 2023					
Number of Characters	Numbers Only	Lowercase Letters	Upper and Lowercase Letters	Numbers, Upper and Lowercase Letters	Numbers, Up and Lowerca Letters, Sym
4	Instantly	Instantly	Instantly	Instantly	Instantly
					Instantly
					Instantly
			28 secs		
		3 secs	24 mins		
			21 hours	5 days	2 weeks
		32 mins	1 month		3 years
	1 sec	14 hours	6 years	53 years	226 year
		2 weeks	332 years	3k years	15k year
		1 year	17k years	202k years	1m year
		27 years	898k years	12m years	77m year
	1 hour		46m years	779m years	5bn year
			2bn years	48bn years	
	6 days	481k years	126bn years	2tn years	26tn year

our patients at risk and halting many of our operations. So thank you for your understanding and commitment – as ONE Team, TriHealth STRONG – to vigilantly adhere to our new password standard and follow our TriHealth IS best practices. This will ensure we are doing all we can *together* to protect the care, safety, and privacy of our patients, team members, and physicians – yet another important way of Getting Healthcare Right!

Holiday Meals Begin This Week

As a reminder, one of TriHealth's favorite holiday traditions kicks off this week with the return of our in-person holiday meals! Please visit <u>Bridge</u> for details on dates, times, and locations for when meals will be served at our hospitals. Local leadership teams at our ambulatory campuses, physician practices, and other offices will be in touch soon about their respective holiday meal plans.

As always, thank you for all you do to help us Get Healthcare Right! Together, we are improving the health and wellbeing of our community and all those we serve, while continuing to make TriHealth the best place for our team members and physicians to work and practice – and the best health system for our patients to receive care!