



To: All Sun Health Team Members
From: Joe La Rue, President, Sun Health
CC: Executive Leadership Team
Date: July 15, 2021
RE: Compensation and Vibrant Pay

On behalf of the entire Sun Health leadership team, I want to thank you for your service to our residents, members, donors, clients and community over the last 16 months. Before, during, and even now as the pandemic stretches on, Sun Health team members remain our greatest strength and make it possible to achieve our core purpose: Empowering people to enjoy living longer.

We are aware the importance of our team members to the overall success of the organization and in 2020, we began compensation efforts to reward team members for coming to work every day facing the challenges that the pandemic threw at us. We first launched Vibrant Pay, which has been our largest program that at its peak provided an additional dollar an hour for every hour worked. Since inception, Sun Health has paid **\$857,000** in Vibrant Pay to our team members. In addition to Vibrant Pay, we offered COVID non-work pay, shift pick up bonuses, and began shift differentials. These programs were not budgeted, yet very important to support our team members during a challenging time. We must thank our governing boards for their support and approval of these compensation programs. Without their support, none of these programs could have been implemented.

We are now shifting focus to a longer-term approach to the ongoing pandemic and realize we must change our current programs to meet the shifting needs of our workforce. *As a result, we are ending Vibrant Pay effective with the July 16, 2021 payroll, and later this month providing permanent pay increases for many front line positions.* Vibrant Pay was intended as a temporary program, and we are grateful to have offered it to you, our valued team members, for as long as we have.

All team members benefiting from the new permanent pay increase will receive personal communication next week, and will see those increases on the July 30, 2021 paychecks. Sun Health leadership is doing everything it can to address our staffing challenges and will continue to look for ways to make Sun Health YOUR employer of choice.

All other team members will be eligible for their merit pay increases based on their performance evaluation ratings – exempt staff in October and non-exempt (hourly) staff in January. We are pleased to tell you that we increased our budgeted merit increase to 3% for fiscal 2022, up from 2% for the last several years.

Sun Health has done an excellent job in proactively facing the challenge of COVID-19. I am proud of everyone at Sun Health who is part of our VIBRANT team. I know we can face the challenges ahead because of our strength and dedication in working together toward a common goal.

Thank you.