

4301 W. Markham St., #728
Little Rock, AR 72205-7199
501-603-1452
www.uams.edu/medcenter



November 10, 2009

Dear UAMS Medical Center Employees:

As you are aware, like most hospitals across the country, UAMS is facing difficult economic times. We have worked to reduce expenses and increase revenues for the past several months, but these measures have not produced enough savings to meet our financial commitments, and we need to now take additional measures.

Effective immediately, merit adjustments will be discontinued for all UAMS Medical Center employees with the exception of classified staff. Additionally, employees who received a merit increase between July 2009 to present will revert back to the rate they were paid prior to their adjustment.

We regret having to take this measure, but we feel it is the best solution in the interest of our employees and our patients. This reduction in merit adjustment produces a cost reduction equivalent to 50 jobs.

In addition to the merit adjustments, we are making ongoing changes to ensure we operate our hospital and clinics as efficiently as possible. These include continued efforts to meet productivity standards, eliminating travel and catering expenses, working to reduce our supply and drug expenses and efforts to decrease our patient's average length of stay to comparable academic hospitals.

You are an important part of this organization, and each employee can make a big difference each day in managing our costs. We will work together to meet these financial challenges. UAMS is a growing institution and well-positioned for the future. Thank you for your support and understanding.

Please do not hesitate to ask your manager if you have any questions or to suggest ideas for additional cost savings or revenue generation.

Sincerely,

A handwritten signature in blue ink, appearing to read "Richard A. Pierson".

Richard A. Pierson
Vice Chancellor for Clinical Programs

