UVA Community Health Frequently Asked Questions

2026 Performance Management: Merit Process for Team Members

The following FAQs are intended to provide information for Team Members (excluding APPs) about the merit process. For additional questions, please contact your HR Business Partner or email the compensation team at myuvachhr@uvahealth.org.

Updated as of 4/20/2026

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1. What are the milestones related to the merit process?

Start & Due Date	Duration	Task Name	Assigned to
July 6 – July 17	2 weeks	Leader completes merit worksheets	Leaders
July 23 – July 29	1 week	HR reviews worksheets	Human Resources
August 3 – August 28	4 weeks	Leader and Team Member one-on-ones to review appraisal ratings and merit awards; obtain Team Member acknowledgment	Leaders and Team Members
September (actual date TBD)		Process increases and payments	Payroll

2. What is the UVACH approach to compensation increases?

   UVACH routinely conducts market studies to ensure our approach to compensation is competitive. For most Team Members we take the approach of formally conducting an annual performance evaluation, providing feedback for development, and awarding merit increases. Our approach focuses on performance-based pay versus cost-of-living increases.

3. How are the budget and recommendations for merit awards determined?

   - Each year UVACH determines the amount of our annual merit budget based on organizational performance and projected market movement.
   - Each leader is allocated a budget from which merit awards are distributed to their Team Members.
   - Leaders must stay within their budget.
   - Leaders are provided recommended guidelines that align a performance category rating to a merit award that allows for differentiation of awards based on performance.
   - Leaders process merit awards in a merit worksheet in Oracle.
   - HR provides a final analysis of merit awards to leadership for review and approval.

4. Who is eligible and ineligible to receive a merit award?

   - Ineligible Team Members
     - PRNs, registered nurse floaters and extenders, students, interns, physicians, contingent workers, pharmacy residents - or -
     - Any Team Member hired on or after 4/1/2026
   - Eligible Team Members
     - Hired before 4/1/2026
     - If hired in January, February, or March of 2026 only eligible to receive a prorated merit award as shown below:

Month	Proration of Award
January	50.00%
February	41.67%
March	33.33%

A summary of eligibility scenarios is provided below.

Scenario	Will you receive a performance appraisal?	Are you eligible for a merit award?
You were hired on or before 12/31/2025	Yes	Yes
You were hired between 1/1/2026 and 4/1/2026	Yes	Yes, but prorated as noted above
You were hired on or after 4/1/2026	No	No
You had a transfer, promotion, demotion, or other position change before 4/1/2026	Yes, from current supervisor	Yes, as recommended by your current supervisor who should consult with the previous supervisor
You had a transfer, promotion, or position change on or after 4/1/2026	Yes, from previous supervisor	No, except for cases where the transfer or promotion increase was less than the merit award
You were demoted on or after 4/1/2026	Yes	No

5. When do merit increases occur?

   This year's merit increases will go into effect in September. A notification of the exact pay date will be sent closer to mid-August.

6. What happens to a merit increase if a Team Member's current rate of pay is at the maximum of the grade for the job?

   If a Team Member's rate of pay is at the maximum of the grade range for the job, at the time of the merit award, the Team Member will receive the merit increase amount as a one-time lump sum bonus payment.

   If the Team Member was hired between January 1 – March 31, 2026, the one-time lump sum bonus payment will be prorated based on the number of months employed.

7. What occurs if a Team Member's current rate of pay is close to or already at the maximum rate of the grade?

   A Team Member cannot exceed the maximum rate of pay assigned to the grade for their job.

   - If a Team Member's rate of pay is at the maximum when the award is issued, no adjustment will be made to their hourly rate of pay. The merit award will be paid as a one-time lump sum bonus calculated using the Team Member's hourly rate of pay and scheduled hours.

   - If a Team Member's rate of pay is below the maximum and the merit award will increase their rate of pay above the maximum, they will receive 1) a rate increase to the maximum rate of pay and 2) a one-time lump sum bonus for the amount over the maximum, calculated using the Team Member's hourly rate of pay and scheduled hours.

   An example of the second scenario is provided below.

Current rate	$54.00
Maximum rate	$55.00
Merit increase %	4.0%
Merit increase $	$2.16
$ added to rate	$1.00
% added to rate	1.9%
New rate	$55.00
Lump sum bonus	
$ basis	$1.16
% basis	2.1%
Hours	2080
Lump sum bonus total	$2,412.80

8. How is a Team Member given a merit award if they are on a Leave of Absence (LOA)?

   Team Members who are on an approved LOA during the time of the annual performance appraisal should be provided their evaluation within thirty (30) days following their date of return to work.

   Leaders should enter merit recommendations on their merit worksheets for Team Members on a LOA.