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STATEMENT OF

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BEFORE THE

SENATE COMMITTEE ON VETERANS' AFFAIRS

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Mr. Chairman and members of the Committee, thank you for the invitation to appear before you today to discuss the Department of Veterans Affairs (VA), Veterans Health Administration (VHA) recruitment and retention programs, work schedules, and other issues related to creating a compassionate, qualified and diverse workforce of health care professionals. As the Nation's largest integrated health care delivery system, VHA's workforce challenges mirror those of the health care industry as a whole. This country is in the midst of a workforce crisis in health care and VHA experiences the same pressures as other health care organizations. VHA performs extensive national workforce planning and publishes a VHA Workforce Succession Strategic Plan annually. As part of this process, workforce analysis and planning is conducted in each Veterans Integrated Service Network (VISN) and national program office and then is rolled up to create a national plan. VHA's strategic direction addresses current and emerging initiatives including recruitment and retention, mental health care, poly-trauma, traumatic brain injury, and rural health to address workforce efforts. I am honored to be here today to share VHA's ongoing efforts and challenges to develop innovative and aggressive approaches to addressing recruitment and retention of our professional health care workforce.

Efforts to Recruit Health Care Professionals

There is a growing realization that the supply of appropriately prepared health care workers in this country is inadequate to meet the needs of a growing and diverse population. This shortfall will grow exponentially over the next 20 years. This situation exists for various reasons. Enrollment in professional schools is not growing fast enough to meet the projected future demand for health care providers. The American Association of Colleges of Nursing has reported that more than 42,000 qualified applicants were turned away from nursing schools in 2006 because of insufficient numbers of faculty, clinical sites, classroom space and clinical mentors. The availability of academic programs to provide employees to meet qualification standards in other health care occupations is being experienced in many other health care occupations.

More than 100,000 health professions trainees come to VA facilities each year for clinical learning experiences. Many of these trainees are near the end of their education or training programs and become a substantial recruitment pool for VA employment as health professionals. The annual VHA Learners' Perceptions Survey shows that, overall, following completion of VA learning experiences, trainees were twice as likely to consider VA employment as before the

experience. This demonstrates that many trainees were not aware of VA employment opportunities or the quality of VA's healthcare environment prior to VA training but became considerably more interested after VA clinical experiences.

An informal survey conducted of all VA facilities in 2007 revealed that 74 percent of the 800 psychologists hired over the last three years received some training in professional psychology through VA. This year, the Offices of Academic Affiliations (OAA) and Patient Care Services significantly expanded VA's psychology training programs in anticipation of the ongoing need for additional VA psychologists.

HRRO has produced a new recruitment brochure titled "From Classroom to Career" that is targeted at and distributed to VA trainees. The Office of Academic Affiliations in VA Central Office emphasizes recruitment of trainees in interactions with education leaders in the VA facilities. The Human Resource Committee of the VHA National Leadership Board has raised the trainee recruitment issue to a high priority and has included it as an important element of their strategic plan.

In an effort to initiate proactive strategies to aid in the shortage of clinical faculty, VA launched the VA Nursing Academy to address the nationwide shortage of nurses. The purpose of the Academy is to expand the number of nursing faculty in the schools, increase student nursing enrollment by 1,000 students, increase the number of students who come to VA for their clinical learning experience, and promote innovations in nursing education and clinical practice. Four partnerships were established for the 2007-2008 school year. Four additional partnerships will be selected each year in 2008 and 2009 for a total of twelve partnerships.

VA Travel Nurse Corp is an exciting new program establishing an internal pool of registered nurses (RNs) who can be available for temporary, short-term assignments at VA medical centers throughout the country. The VA Travel Nurse Corps meets nurses' needs for travel and flexibility while meeting VA medical center needs for temporary top quality nurses. The goals of the program are to maintain high standards of patient care quality and safety; reduce the use of outside supplemental staffing, improve recruitment of new nurses into the VA system; improve retention by decreasing turnover of newly recruited nurses, provide alternatives for experienced nurses considering leaving the VA system; and to establish a potential pool of Registered Nurses for national emergency preparedness efforts. The VA Travel Nurse Corps Program may also serve as a model for an expanded multidisciplinary VA Travel Corps in the future.

Student programs have been instrumental helping meet VA workforce succession needs. These programs include the VA Learning Opportunities Residency (VALOR) Program, the Student Career Experience Program (SCEP), and the Hispanic Association of Colleges and Universities Internship Program (HACU). VALOR is designed to attract academically successful students of baccalaureate nursing programs and pharmacy doctorate programs to work at VA. VALOR offers a paid internship and gives the honor students the opportunity to develop competencies in their clinical practice in a VA facility under the guidance of a preceptor. In response to the success of the VALOR program for nurses, the pharmacy component was added in 2007 to address VA's need for pharmacists. SCEP and HACU offer students work experience related to their academic field of study. VHA's goal is to actively recruit these students for permanent employment following graduation. VA National Database for Interns (VANDI) is a newly

designed database developed to track students in VA internship/student programs to create a qualified applicant pool.

The Graduate Health Administration Training Program (GHATP) provides practical work experience to students and recent graduates of health care administration masters programs. GHATP residents and fellows are competitively selected and upon successful completion of the programs are eligible for conversion to a VA health system management. The Technical Career Field (TCF) program is an entry level program designed to fill vacancies in technical career fields (Budget, Finance, Human Resources, Engineering, etc) where shortages are predicted and VA specific knowledge is critical to success. Recruitment is focused on colleges and universities. Each intern is placed with an experienced preceptor in a VHA facility. The program is designed to be flexible based on the changing needs of the workforce. Annually, the target positions and number of intern slots are determined based on projected workforce needs.

Streamlining the Hiring Process

It is well known that the Government hiring process is cumbersome. Last year, VA's Human Resource Committee chartered a workgroup to streamline the recruitment process for title 5 and title 38 positions within VHA. This included an analysis of the recruitment process and identification of barriers and lengthy processes. The recommendations were piloted in Network 4 (Pittsburgh, PA) with the implementation and results of the pilot rolled out nationwide. This spring and summer, training in systems redesign will be offered nationally at Human Resources Cluster meetings. At these sessions, we will focus on new strategies and systems redesign elements that can be used to help meet the daily challenges of attracting and retaining critical health care professionals.

VA has direct appointment authority for several Title 38 occupations, including physical therapists. We recognize that the physical therapist occupation is a key to the rehabilitation of returning veterans and VHA is working with the Office of Human Resources Management (OHRM) in the development of a new qualification standard. The new standard is in the final stages of approval and it is expected it will be implemented later this year.

National Recruitment/Media Marketing Strategies

VHA Health Care Retention & Recruitment Office (HRRO) administers national programs to promote national employment branding with VHA as the health care employer of choice. Established almost a decade ago, the brand "Best Care - Best Careers" reflects the care America's veterans receive from VA and the excellent career opportunities available to staff and prospective employees.

Results of recent marketing studies for nursing and pharmacy have been the driving force to implementing many of our successful campaigns as I will discuss. HRRO works at the national level to promote recruitment branding and provide tools, resources, and other materials to support both national branding and local recruiting. Some of these features are:

- o The recent integration of VHA recruitment website (www.VACareers.va.gov) with USAjobs (www.USAJobs.opm.gov) provides consolidated information on careers in VHA, job search capability, and information on Federal employment pay and benefits information.
- o Public Service Announcements (PSA) promote the "preferred health care employer" image of

VHA. PSA's emphasize the importance and advantage of careers with VA and focus on the personal and professional rewards of such a career.

- o Online advertising through a comprehensive web advertising strategy, VA job postings are promoted on commercial employment sites (CareerBuilder, Healthcareers, Google, etc.) and online health information networks that expand our reach to over 5,000 discrete web sites. The strategy includes banner advertising that drives traffic to the VACareers web site for employment information. This advertising results in over 100,000 visits to the VA recruitment web site each month.

- o Print advertising includes both direct classified advertising and national employment branding. The national program provides ongoing exposure of VA messaging to potential hires with the intent to promote VA as a leader in patient care. VHA print advertising reaches over 34 million potential candidates.

- o VHA Health Care Recruiters' Toolkit, a unique virtual community internal to VHA is an online management program that coordinates national and local recruitment efforts for health care professionals. The toolkit serves as a resource by providing available recruitment tools, materials, ads, and other related information at recruiters' fingertips.

- o VHA's National Recruitment Advisory Groups represent top mission critical occupations that collaborate on an interdisciplinary approach to embark address recruitment and retention.

- o In fiscal year (FY) 2007, HRRO developed a comprehensive recruitment marketing plan for mental health professionals using strategies mentioned above as well as financial recruitment incentives. Funding was earmarked for Mental Health Enhancement Initiative (MHEI) Education Debt Reduction Program (EDRP) positions. As of March 31, 2008, awards were made to over 100 participants. The total payout for these participants is \$4,394,671 over the five-year service obligation period. The average total award is \$35,157.

Financial Incentives for Recruitment and Retention

Both a recruitment and retention tool, the Employee Incentive Scholarship Program (EISP) pays up to \$35,900 for academic health care related degree programs. Since the program began in 1999, approximately 7,200 VA employees have received scholarship awards for academic education programs related to title 38 and Hybrid title 38 occupations. Approximately 4,000 employees have graduated from their academic programs. Scholarship recipients include registered nurses (93 percent), pharmacists, and many other allied health professionals. Focus group market research shows that staff education programs offered by VHA are considered a major factor in individuals selecting VA as their choice of employer. A 5-year analysis of program outcomes demonstrated positive employee retention. Less than one percent of nurses leave VHA during their service obligation period (from one to three years after completion of degree).

The Education Debt Reduction Program (EDRP) provides tax free reimbursement of education loans/debt to recently hired title 38 and Hybrid title 38 employees. EDRP is VA's equivalent to the Student Loan Repayment Program (SLRP) sponsored under Office of Personnel Management (OPM) regulations. The maximum award amount is capped at \$48,000 due to the budget, but carries an added value because of the tax exempt status of the award. As of March 31, 2008, there were over 6,400 health care professionals participating in EDRP. The average amount authorized per student, for all years, is \$18,392. The average award amount per employee has increased over the years from over \$13,500 in FY 2002 to over \$29,000 in FY 2008 as education

costs have increased. While employees from 34 occupations participate in the program, 75 percent are from three mission critical occupations - registered nurse, pharmacist and physician. Resignation rates of EDRP recipients are significantly less than non-recipients as determined in a 2005 study.

VHA routinely uses hiring and pay incentives established under Title 5, extended by the Secretary to title 38 employees. There is routine use of financial recruitment incentives, retention incentives (both individual and group), special salary rates, relocation incentives and other incentives as documented in VHA's Workforce Succession Strategic Plan. Recruitment and retention incentives are other strategies used to reduce turnover rates and help fill vacancies. In fiscal year 2007, nearly \$24 million in recruitment bonuses were given to over 3,150 title 38 and title 38 Hybrid employees. Over \$34 million in retention bonuses were given to 5,300 title 38 and title 38 Hybrid employees.

The implementation of the physician pay legislation (Public Law 108-445) has been very successful for VHA. The pay of VHA physicians and dentists consists of three elements: base pay, market pay, and performance pay. Since the implementation of the pay bill and the end of February 2008, we have increased the number of VA physicians by over 1,430 FTEE. We believe the legislation has helped VHA's ability to recruit physicians and dentists. Also as a component of this legislation, the Chief Nurse of VHA has the discretionary ability to set Nurse Executive Pay to ensure we continue to successfully recruit and retain nursing leaders.

VHA's workforce plan is one of the most comprehensive in government and has been recognized by OPM as a Federal best practice. VA presented at other Federal agencies and the OPM Conference, "A Best Practice Leadership Form on Succession Management" as well as being featured on the February 2008 edition of Government Executive, in the article "VHA Grooms a Younger Generation to Ride out the Retirement Wave."

This year, VHA will benchmark its succession planning/developmental programs against private industry healthcare and other organizations. This will ensure that VHA is being as proactive as possible to meet the Administration's future needs and ensure that we have the right people in place at the right time. VHA has made a commitment to succession planning and ensuring VHA has a comprehensive recruitment, retention, development and succession strategy. This is a continuous process which requires on-going modifications and enhancements to our current programs.

We want to thank the Committee for their interest and support in implementing legislation that allows us to compete in the aggressive health care market.

Mr. Chairman that concludes my statement. I am pleased to respond to any questions you or the Subcommittee members may have.