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ADMINISTRATION/OPERATIONS, SECURITY AND PREPAREDNESS  
DEPARTMENT OF VETERANS AFFAIRS  
BEFORE THE  
COMMITTEE ON VETERANS' AFFAIRS  
UNITED STATES SENATE**

**“STATE OF THE VA WORKFORCE”**

**MAY 3, 2022**

Good afternoon, Chairman Tester, Ranking Member Moran and Members of the Committee. Thank you for the opportunity to discuss the State of the Department of Veterans Affairs' (VA) Workforce. I am joined today by Dr. Carolyn Clancy, Assistant Under Secretary for Health for Discovery, Education and Affiliate Networks, Veterans Health Administration (VHA)); Ms. Jessica Bonjorni, Chief, Human Capital Management, VHA; and Mr. Ralph Gigliotti, Director, Veterans Integrated Service Network 19, VHA.

I am proud to be here today to discuss steps we are taking to attract and retain VA's number one asset, our great public servants. We know that an investment in our employees is an investment in Veterans. Secretary McDonough recently spoke about 10 steps VA is taking to invest in its incredible workforce, and I would like to take a moment to highlight those steps, as well as present updates on actions VA is taking to attract and retain new talent by leveraging investments and improvements in VA's human capital infrastructure.

First, we appreciate the work Congress has done on legislation such as the Retention and Income Security Enhancement Act, more commonly known as the RAISE Act, to invest in employee wages. We look forward to continuing to work with Congress on legislation that enables the VA to be competitive in the health care environment.

Second, we are maximizing bonuses and retention incentives to reward employees for excellent work and to be more competitive with private sector hospitals that can offer bonuses and retention payments that VA is not able to match.

Third, we are increasing opportunities for employees to advance at VA to help us grow future leaders. For example, the Aspiring Supervisors Program is a VA-wide leadership development program for team members with little to no supervisory experience who seek career growth and managerial skills and mentorship.

Fourth, we are expediting the hiring process by simplifying the application requirements to recruit occupations like nurses, better leveraging Veteran hiring authorities and redesigning our national onboarding process. Direct hire authority has reduced the time to hire for critical hiring needs at VA. Certificates of applicants are

developed after a review of minimum qualifications and hiring managers can immediately make selections for multiple vacancies off of the list.

Fifth, we are asking managers to use all available authorities to establish a work environment that is flexible, where employees have opportunities to work outside their traditional workspace, whenever and wherever possible. Our employees have proven that they are able get the work done for Veterans wherever they are, and as we transition out of two years of maximum telework status during the pandemic for certain positions, we welcome employees into a flexible “Future of Work” environment.

Sixth, we are permanently raising the childcare subsidy cap to include families who make up to \$149,000 per year, for qualifying employees, a significant increase from the prior income cap of \$89,000. In a competitive labor market, offering benefits that support parents and families can be a deciding factor for individuals to come to or stay at VA.

Seventh, we are investing in employee well-being through programs such as the VHA Reduce Employee Burnout and Optimize Organizational Thriving task force. This is a team of employees developing innovative recommendations for how to improve work conditions, promote work-life balance, increase scheduling flexibilities and reduce burnout.

We are also, investing in our scholarship programs so we can offer educational advancement opportunities to even more employees. In 2021, approximately 800 employees received almost \$5 million through the student loan repayment program. This benefit attracts and retains employees in some of our hardest to fill positions such as nursing, pharmacy, social work, and human resources.

Ninth, we are embedding Inclusion, Diversity, Equity and Access (IDEA) into everything we do, including hiring a VA Chief Diversity Officer and integrating IDEA principles into hiring, position management and talent management.

Finally, we continue to focus on keeping employee and visitor safety at the forefront, as we navigate the impact of the Coronavirus Disease 2019 (COVID-19) pandemic. VA continues to implement a vaccine requirement for healthcare personnel with approximately 90% of the workforce fully vaccinated. VA has implemented a testing program to ensure a safe work environment for our frontline employees and the Veterans we serve.

VA currently has approximately 400,000 employees and continues to grow each year in response to increased demand for its services. VHA accounts for approximately 89% of VA employees, and most of the additional staffing needed at VA in the past 5 years has been in clinical occupations, which account for approximately 64% of VA employees. As the largest integrated health care delivery system in America, VA’s workforce challenges mirror those faced in the private health care industry.

The American Hospital Association recently sent a letter to the House Energy and Commerce Committee noting that health care workforce challenges “are a national emergency that demand immediate attention from all levels of government and workable solutions.”<sup>1</sup> Across the private health care sector, hospitals and ambulatory care centers have reported higher turnover, increased labor costs and increased reliance on travel nurses. While VA’s turnover rate has historically been at or below 9.6% annually, that rate increased to 9.9% in fiscal year (FY) 2021, due in part to higher wages and bonuses offered by private health care systems coupled with COVID-19 pressures and burnout. The 10-point plan discussed above is intended to combat these challenges.

Despite these challenges, VA’s unique mission attracts new employees each year, and nearly 30% of VA’s workforce are Veterans themselves. Other unique benefits attracting employees include working for a nationwide health care organization that provides job flexibility with the possibility of relocations to facilities in other parts of the country without leaving VA employment, and while maintaining a single professional license or credential. VA benefits also include scholarships for employees to gain education in a critical shortage occupation, loan repayment to help those who already completed their education, liability protection, quality health care and retirement benefit programs, work schedule flexibilities, telework options and the opportunity to participate in cutting-edge medical research. The total compensation package offered by VA is marketed through occupation-specific Total Rewards brochures and flyers to highlight both the monetary value of pay-related benefits that do not show up in the paycheck and the more intrinsic personal rewards of a career at VA.

To mitigate some of the hiring challenges in clinical occupations, VA continues to lead the way in using telehealth and mobile deployment clinics to reach Veterans living in areas defined as health professional shortage areas. However, VHA needs the ability to match the bonus strategies of its competitors. VA is a leader in virtual health care delivery and is well positioned to expand in this area. Additionally, VA continues to use direct hiring authorities; recruitment, relocation and retention flexibilities and incentives; hiring initiatives; virtual trainee recruitment events; improved employee engagement; human resources modernization; strategic workforce planning; targeted recruitment of military spouses and Service members transitioning from the Department of Defense; national recruiter programs for hard-to-fill occupations and specialties; and strategies for filling Medical Center Director positions throughout VA.

In VHA, Human Resources (HR) modernization efforts are underway with the goal of standardizing processes across this vast organization, to increase efficiency in HR processing. While national policies have long existed for HR functions, variability in local processes has led to inefficiencies, as well as challenges in automating some of those processes with modern information technology systems. Presently, teams for each HR functional area are gathering existing HR process maps, policies, and best practices from across VHA and integrating them into a newly designed enterprise HR process. As of April 2022, five of these standardized processes have rolled out with the

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<sup>1</sup> [AHA Letter Re: Challenges Facing America’s Health Care Workforce as the U.S. Enters Third Year of COVID-19 Pandemic | AHA.](#)

remaining eight projected to be completed by December 2022. Each process has timeliness and quality metrics along with overarching customer experience measures that will be used to evaluate their success and inform ongoing process improvements. For example, initial standardization efforts have yielded a 10-18% decrease in pay-impacting errors. HR modernization's shift to shared services was a key factor in VHA's ability to accomplish significant surge hiring during the pandemic. Consolidated HR shared services afforded VHA the ability to flex staff to support surge hiring, one of the great beneficial features of HR modernization. For example, Time to Hire decreased by 10 days in FY 2020 – FY 2021 compared to pre-pandemic levels.

VA acknowledges the concerns raised by customers and other stakeholders about delays in the hiring and onboarding process, and we are actively working to address them. In VHA, an Onboarding Optimization Team is currently working to standardize and reduce steps in the pre-employment and onboarding process. In fact, a Rapid Process Improvement Workshop, facilitated by lean process experts, was recently held. The results of this effort are under review and prioritization for development and implementation. We will continue to keep this Committee informed on our progress. VA is making progress with internal system changes to HR Smart, VA's HR Information Systems of Record platform, which is the Authoritative Data Source for employee personnel information and position management. We are implementing improvements to enhance position management processes and tighten data integrity in the reported positions, particularly vacant positions. These changes will support the efforts in maintaining position quality through continual position validation reviews. Validation processes and system improvements should have a positive impact on time to hire.

We continue to develop staffing models across VA, where needed, such as the recently validated staffing models for VA's Office of Information and Technology, which provide workload-based staffing requirements. There is also an ongoing effort to develop staffing models and requirements for all VA medical center (VAMC) functions, which will contain sufficient detail to identify the number of staff required at the facility level to meet operational demands. These staffing models will augment and expand the current staffing approaches for occupations as they will provide actual workload-based staffing requirements, thus helping each VHA network allocate resources in a manner that will produce the best outcomes for each VAMC's functional area. These staffing models, which focus on productivity standards and efficiency metrics, will draw upon existing productivity standards and outcomes to determine optimal VAMC staffing levels. Since these models are the first effort to produce VAMC-wide staffing models, before the results are finalized, each VAMC must review to address unknown factors impacting productivity.

## **Conclusion**

I am proud to be part of the noble mission to care for our Nation's heroes, whose service and sacrifice is so inspiring. I look forward to working with each of you on this Committee on health care hiring and staffing opportunities across VA, as well as

investing in our current employees so they can continue to provide the best care and service to deserving Veterans and their families. This concludes my testimony. My colleagues and I are prepared to respond to any questions you may have.