

Steven P. Kleinglass, FACHE, Director, Veterans Affairs Medical Center

Statement of Steven P. Kleinglass, FACHE
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Mr. Chairman and members of the Committee. Thank you for the invitation to appear before you today to present testimony on recruitment and retention efforts at the Minneapolis, Minnesota VA Medical Center. I am honored to be here today and to share with you some thoughts on these important issues.

In the greater Twin Cities geographical area there are numerous highly respected health care systems, hospitals, outpatient clinics, nursing facilities and pharmaceutical branches that the Minneapolis VA competes with for the health care worker. In the March 30th Sunday edition of the local newspaper the "Jobs" section had four pages seeking applicants for health care careers and all claimed that they were exceptional places to be employed. So, from the very start, we are competing for a limited number of applicants in a highly competitive environment. In addition, while pay is not the driving factor, we are in an area where our locality pay is higher than it is in Washington, DC.

I would like to share some of our successes related to recruitment and retention and how they have impacted our ability to maintain some stability within our workforce.

- Without reservation the physician and dentist pay legislation is a major factor in our ability to attract providers in our competitive area with few exceptions. Unlike most highly affiliated, teaching and research VA medical centers, we employ more than 160 full-time physicians and dentists. We are able to do this because we have taken full advantage of the pay legislation. We still struggle to employ physicians in the highly competitive sub-specialty categories and so we contract for those services with our affiliated medical school.
- In the nursing profession we have taken several proactive measures to both attract and retain these highly valued employees. Each year we do a nurse locality pay survey, and make necessary adjustments to nurse pay, to stay competitive within our community. During FY07, 19 Registered Nurse hires were former student nurse technicians from our facility. Also, we use a finder's fee program and attend various recruitment fairs.
- In the pharmacy profession we see keen competition for both pharmacists and pharmacy technicians and the private sector recruitment bonuses and starting salary rates are highly attractive to new graduates who are impressionable. Our competitive edge has been starting these individuals above the minimum salary rates. We then involve these skilled individuals on the treatment teams so that they work directly with physicians in prescribing appropriate drugs for better patient outcomes. In addition, since we believe we operate the largest single pharmacy in the state of Minnesota with more than 5000

outpatient prescriptions being processed daily through our pharmacy the volume and pace of work affords our staff an exciting work environment.

- In the areas of other patient care support personnel such as diagnostic radiology technicians, medical record coders, medical supply technicians, physical therapists and certified registered nurse anesthetists (CRNA) there are a number of issues that we face in both recruitment and retention. Again, while pay is an issue, the competition for these scarce employees is highly competitive and our community has been willing to offer some very interesting "perks" to entice both new grads and our current employees. Some of our recruitment successes in these areas have come from having a radiology technician and CRNA school on-site which provides a pool of new graduates to recruit from every year.

Let me share with you some approaches in general we have taken at the Minneapolis VAMC towards maintaining a workforce that meets our needs.

- As part of our annual budget process we have focused on identifying several departments where succession planning would be a benefit to the Medical Center and we then provide the appropriate resources.
- As a Medical Center we strive to be an employer of choice and we have done several things to reinforce this including;
 - o Between Fiscal Year (FY) 2006 and FY 2007, we increased the number of employees who received performance awards by 750.
 - o We have two major all-employee recognition functions.
 - o We promote wellness in many ways and have a fitness center available to employees without cost.
 - o We have an on-site daycare center where many employees' children receive daycare.
 - o We have an onsite farmers market during the summer months.
 - o Finally, we believe that "employee engagement" is a key to morale and retention. To this end, we have annual employee forums, regular "lunch and learn" sessions with leaders and ongoing communications with our staff through a daily e-mail, a monthly newsletter and "walk-a-rounds" through the medical center by the Executive Team.

In closing, while we do have issues with employee recruitment and retention, I am pleased to report that during FY07 our overall employee turnover rate was less than 10 percent. This level is amongst the lowest when compared with other similar VA Medical Centers and lower than a recent health care entity that was a Malcolm Baldrige winner.

Mr. Chairman, that concludes my statement. Thank you for allowing me to provide these comments and I would be pleased to respond to any questions.