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BEFORE THE
SUBCOMMITTEE ON HEALTH
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U.S. HOUSE OF REPRESENTATIVES

HEARING ON
"MORE THAN JUST FILLING VACANCIES: A CLOSER LOOK AT VA HIRING AUTHORITIES, RECRUITING, AND RETENTION"

JUNE 21, 2018

Mr. Chairman, Ranking Member Brownley, and members of the Subcommittee, thank you for the opportunity to discuss my office's recent report, *OIG Determination of Veterans Health Administration's Occupational Staffing Shortages for Fiscal Year 2018*.[1] Although this is the fifth Office of Inspector General (OIG) report on staffing shortages within VA's healthcare system, it is the first report that includes facility-specific data reported by leaders at 140 VA medical centers.

Previous OIG reports examined Veterans Health Administration (VHA) national staffing shortages for clinical staff only. The report released last week, in contrast, allows users to examine the particular self-reported needs of an individual facility as opposed to only national data. In keeping with statutory changes, this report also includes nonclinical occupations (such as human resources and custodial personnel) that ultimately affect the ability of VHA facilities to provide quality and timely patient care in a safe environment. This shift to facility-specific data reveals the staffing gaps in both clinical and nonclinical occupations identified by each VA medical center, which have not been apparent in previous reports containing only aggregate data. The results underscore how variable the needs are from one medical facility to another.

BACKGROUND

Since January 2015, the OIG has reported on VHA clinical staffing shortages as required by the *Veterans Access, Choice, and Accountability Act of 2014* (PL 113-146).[2]

[1] The report was published on June 14, 2018.

[2] *OIG Determination of Veterans Health Administration's Occupational Staffing Shortages* reports were previously published on September 27, 2017; September 26, 2016; September 1, 2015; and January 30, 2015.

Our past reports have described the following aspects of staffing:

- **Mission critical occupations** – Medical officer, nurse, psychologist, and physician assistant were occupations consistently included in our top five determinations of occupational staffing shortages. Physical therapist was initially in the top five, but was replaced by medical technologist in our 2017 report.

- **Gains and losses** – We reported that overall hiring at VHA is increasing. Our analysis of staffing gains and losses shows that for mission critical occupations, a significant percentage of total gains were offset by losses. We made recommendations regarding reducing the number of regrettable losses and voluntary departures.[3]

- **Staffing models** – The OIG has recommended that VHA develop and implement staffing models for critical occupations. We recognize that VHA has implemented staffing models in specific areas such as primary care and inpatient nursing. VHA has also expanded the occupations covered by such models. However, operational staffing models that comprehensively cover critical occupations are still needed. The OIG 2017 report states that, "In the absence of facility-specific staffing targets or an operational staffing model, determining whether facilities are making meaningful progress in filling critical staffing shortages is challenging."

  The 2017 report also notes that despite having staffing models for some occupations, many medical centers reported relying on additional data when evaluating their staffing needs. An overwhelming majority specified they continued to use a locally developed process as opposed to a formal staffing model. Even when they have a methodology, additional data is desired and greater refinement is needed.

VHA'S OCCUPATIONAL STAFFING SHORTAGES FOR FISCAL YEAR 2018

The *VA Choice and Quality Employment Act of 2017* (PL 115-46) expanded the reporting requirement to include both clinical and nonclinical positions as well as requiring information for each VA medical center. Consequently, the OIG conducted a facility-specific survey to determine current local staffing levels and identify shortages. The OIG requested that VA medical center directors designate and rank each occupation for which there is a shortage at their facility. This shortage information should spur discussions about how best to meet facility-specific needs.

As in previous years, the OIG analyzed staffing data using the Office of Personnel Management's (OPM) occupational series. We augmented our analysis this year by including VHA assignment codes to provide additional detail about the shortages in the

[3] Regrettable losses are defined as those individuals who resign from VA or who transfer to other government agencies. Regrettable losses are staff who potentially could have continued employment in VA and represent an opportunity for VA to retain staff.

medical officer and nurse occupational series. For example, these codes help distinguish a psychiatrist from a neurosurgeon—two physicians that would fall under the umbrella OPM occupation series of "medical officer" but provide significantly different types of care.

Recent OIG reports have demonstrated the importance of including nonclinical positions in reports of staffing shortages. For example in our March 2018 report, *Critical Deficiencies at the Washington DC VA Medical Center*, we detail how excessive vacancies in key departments can affect patient care. An inadequately staffed human resources function contributed to key vacancies throughout that facility, including shortages in logistics, prosthetics ordering, sterile processing, and environmental management services. Without properly cleaned instruments, clinical areas, and storage rooms, the risk of infection increases to patients. Failing to have enough staff to order prosthetics and supplies, and track them, also can impact patient care.

Clinical and Nonclinical Results

Medical center directors most commonly cited the need for medical officers and nurses, which is consistent with the OIG's four previous VHA staffing reports. Our analysis showed that 138 of 140 facilities listed the medical officer occupational series (or a related VHA assignment code) as experiencing a shortage, with the psychiatry and primary care positions being the most frequently reported. Of the 140 facilities, 108 listed the nurse occupational series (or a related VHA assignment code) as experiencing a shortage, with practical nurse and staff nurse as the most frequently reported.

Within nonclinical occupations, the OIG found that human resources management and police occupations were among the most often cited as shortages. Included in Appendix A is a table with the frequency of facility-designated occupational shortages.

The results demonstrate that although there are clusters of commonality, there is also wide variability in occupational shortages reported by individual medical centers. This is critically important to recognize because facilities have distinct staffing needs that must be considered. For example, a rural facility that specializes in the treatment of mental health will need to be staffed differently than an urban facility in downtown Manhattan that provides a broad array of services.

Reasons for Shortages

The report also identified challenges to meeting staffing goals. Because VHA utilizes OPM's criteria for supporting evidence that must be submitted to claim a "severe shortage of candidates" in generating its Mission Critical Occupation Report, we applied the same criteria. We provided the directors being surveyed with information from Title 5 of the Code of Federal Regulations regarding OPM's Direct Hire Authority Severe Shortage of Candidates. The directors were able to use free text for providing information on the reasons for shortages, and the reasons varied significantly. OIG

staff's thematic analysis of the responses resulted in three frequently cited categories: (1) lack of qualified applicants, (2) non-competitive salaries, and (3) high staff turnover.[4]

OPM Direct Hire Authority **Severe Shortage of Candidates**
(b)… An agency when requesting direct-hire authority under this section, or OPM when deciding independently, must identify the position or positions that are difficult to fill and must provide supporting evidence that demonstrates the existence of a severe shortage of candidates with respect to the position(s). The evidence should include, as applicable, information about
(1) The results of workforce planning and analysis;
(2) Employment trends including the local or national labor market;
(3) The existence of nationwide or geographic skills shortages;
(4) Agency efforts, including recruitment initiatives, use of other appointing authorities (e.g., schedule A, schedule B) and flexibilities, training and development programs tailored to the position(s), and an explanation of why these recruitment and training efforts have not been sufficient;
(5) The availability and quality of candidates;
(6) The desirability of the geographic location of the position(s);
(7) The desirability of the duties and/or work environment associated with the position(s); and
(8) Other pertinent information such as selective placement factors or other special requirements of the position, as well as agency use of hiring flexibilities such as recruitment or retention allowances or special salary rates.

Figure 1*. Provisions of 5 CFR 337.204*

Recommendations

Our 2018 report repeats the OIG's previous calls for VHA to develop a new staffing model that identifies and prioritizes staffing needs at the national level while supporting flexibility at the facility level to ensure taxpayer dollars are invested in delivering the highest quality of care to veterans. Without the ability to analyze accurate data, VHA risks spending significant dollars without any measurable improvement in the quality of health care. VA's focus on developing a comprehensive staffing model will lead to more efficient hiring practices and result in fewer recruitment challenges and an increased capacity to serve veterans' needs.

CONCLUSION

The OIG's 2018 survey provides facility specific data on staffing shortages reported by the leaders of the 140 VA medical centers and highlights the need for a model that identifies and prioritizes staffing needs allowing flexibility at the facility level. This report should prompt meaningful discussions at both the local and national levels about how to implement, support, and oversee staffing in VA medical centers that will result in the best possible care for veterans.

[4] The thematic analysis categories were developed after reading all the responses. Responses that fell outside of the developed categories were classified as "other."

Mr. Chairman, this concludes my statement, and I would be pleased to answer any questions you or other members of the Subcommittee have.

Table 1. Frequency of Facility-Designated Occupational Shortages

	Occupational Series or Assignment Code	Occupation	Number of Facilities Marked the Occupation as a Shortage
1	31	Psychiatry	98
2	0201	Human Resources Management	92
3	P1	Primary Care	66
4	0180	Psychology	58
5	0644	Medical Technologist	56
6	0801	General Engineering	55
7	0083	Police	52
8	K6	Hospitalist	49
9	16	Emergency Medicine	48
10	0620	Practical Nurse	46
11	3566	Custodial Worker	46
12	25	Gastroenterology	45
13	88	Staff Nurse	44
14	12	Urology	42
15	7	Orthopedic Surgery	42
16	0603	Physician's Assistant	39
17	0622	Medical Supply Aide and Technician	39
18	0647	Diagnostic Radiologic Technologist	39
19	75	Nurse Practitioner	39
20	0633	Physical Therapist	37
21	0649	Medical Instrument Technician	37
22	20	Dermatology	36
23	30	Neurology	35
24	38	Radiology-Diagnostic	33
25	0631	Occupational Therapist	31
26	1	Anesthesiology	31
27	7408	Food Service Worker	31
28	0858	Biomedical Engineering	30
29	21	General Internal Medicine	30
30	26	Pulmonary Diseases	29
31	40	Geriatrics	29

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