

Memorandum

Date DEC 10 2015

From VHA National Leadership Council Workforce Committee

Subj VHA 2015 Mission Critical Occupations Report

To Network Directors (10N1 – 10N23)
Medical Center Directors
VISN Human Resource Officers
VISN Strategic Planners
VHA Central Office Senior Leaders

1. Each year, based upon the input from each medical center and VISN's workforce and succession planning efforts, VHA identifies the highest ranking ten mission critical (hard-to-fill) occupations ("top 10"). This information is used to develop a comprehensive understanding of where gaps exist, identify strategies to close the gaps, and make informed decisions on how to structure and deploy the current workforce in order to align the workforce with agency and mission goals.

2. The following VHA 2015 top ten mission critical occupations, the top five physician specialties and top five nurse specialties are examined in the attached report.

a. The top ten mission critical occupations are:

Rank	Occupation	Rank	Occupation
1	Medical Officer (Physician)	6	Psychology
2	Nurse	7	Medical Technologist
3	Human Resources Management	8	Occupational Therapist
4	Physical Therapist	9	Diagnostic Radiologic Technologist
5	Physician Assistant	10	Pharmacist

b. The top five physician specialties that comprise "Medical Officer/Physician" are:

Rank	Physician Specialty
1	Psychiatry
2	Primary Care
3	Gastroenterology
4	Emergency Medicine
5	Orthopedic Surgery

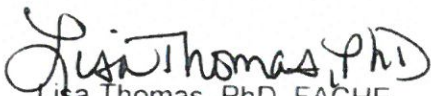
VHA 2015 Mission Critical Occupations Report

- c. The top five nurse specialties that comprise "Nurse" (registered nurse) are:

Rank	Nurse Specialty
1	Staff Nurse
2	RN Manager / Head Nurse
3	Nurse Practitioner
4	RN/Staff Mixed
5	RN/Staff-Inpatient Community Living Center

3. VHA will publish the full "top ten" mission critical hard-to-fill occupation analysis in the Fiscal Year 2016 VHA Workforce and Succession Strategic Plan, which will be released during the second quarter of fiscal year 2016. In the meantime, we wanted to ensure you had the attached report to assist you in your strategic workforce planning and recruitment efforts

4. Questions regarding the VHA 2015 Mission Critical Occupations Report can be directed to Ms. Stephanie Kondrick VHA National Workforce Planner, at (405) 552-4338 or Stephanie.kondrick@va.gov


Lisa Thomas, PhD, FACHE
ADUSH Workforce Services
NLC Workforce Committee Co-Chair


Jack Hetrick
Network Director, VISN 10
NLC Workforce Committee Co-Chair

Attachment: 1

2015 VHA Mission Critical Occupations Report

**Prepared by the VHA Workforce Management and Consulting Office on behalf of
the National Leadership Counsel Workforce Committee**

December 1, 2015

Executive Summary

The *2015 VHA Mission Critical Occupations (MCO) Report* is the first of a new annual report designed to formally announce the new “Top 10” hard-to-fill occupations for VHA. This report will be released prior to the publication of the full VHA Workforce and Succession Strategic Plan, allowing VA to begin using the new list of top occupations for internal decision-making and external communication earlier in the year. In the future, this report will be published in June of each year, following the submission of field workforce plans and rollup of their “Top 10” occupation rankings.

This report provides a summary of onboard and loss trends and the recruitment and retention challenges that are cross-cutting for these occupations. This information is used to develop a comprehensive understanding of where gaps exist, identify strategies to close the gaps, and make informed decisions on how to structure and deploy the current workforce in order to align the workforce with agency and mission goals. It is also used to provide justification for the use of recruitment and retention incentives for these occupations.

The 2015 VHA top ten mission critical occupations are:

Rank	Occupation	Rank	Occupation
1	Medical Officer (Physician)	6	Psychology
2	Nurse	7	Medical Technologist
3	Human Resources Management	8	Occupational Therapist
4	Physical Therapist	9	Diagnostic Radiologic Technologist
5	Physician Assistant	10	Pharmacist

And the top five physician and nurse specialties are:

Rank	Physician Specialty
1	Psychiatry
2	Primary Care
3	Gastroenterology
4	Emergency Medicine
5	Orthopedic Surgery

Rank	Nurse Specialty
1	Staff Nurse
2	RN Manager / Head Nurse
3	Nurse Practitioner
4	RN/Staff Mixed
5	RN/Staff-Inpt Comm. Living Center

A full analysis of each of the “Top 10” mission critical hard-to-fill occupations, along with other workforce priorities and drivers of change, will be included in the Fiscal Year 2016 VHA Workforce and Succession Strategic Plan, which will be released during the second quarter of fiscal year (FY) 2016.

2015 VHA Mission Critical Occupations

VISN Workforce and Succession Strategic Plans submitted in the spring of 2015 identified the top ten mission critical occupations (MCO) that are most challenging to recruit and retain in each network. The rating/ranking data from those submissions are aggregated into the 2015 national top ten MCO list presented in rank order in Table 1. VISN plans also project staffing replacement needs based on regrettable losses, retirements, other separations and future mission needs. A total of 70,196 losses are anticipated between FY 2015 and FY 2021 among these occupations. A total of 109,224 new hires will be needed to maintain staffing levels and grow these occupations as projected through FY 2021.

Table 1: Mission Critical Occupations

Rank	Mission Critical Occupations	Projected Losses FY 2015 Through FY 2021	Projected Hires FY 2015 Through FY 2021
1	*0602 Medical Officer (Physician)	18,151	23,958
2	*0610 Nurse	35,659	59,129
3	0201 Human Resource Mgmt	1,998	3,467
4	*0633 Physical Therapist	1,186	2,321
5	*0603 Physician Assistant	1,511	2,008
6	*0180 Psychology	3,777	7,483
7	0644 Medical Technologist	2,490	2,628
8	0631 Occupational Therapist	655	930
9	0647 Diagnostic Radiologic Technologist	1,575	2,396
10	0660 Pharmacist	3,192	4,902
Total		70,196	109,224

Notes:

Mission critical occupations were identified during the FY2015 workforce planning cycle using the VISN workforce plans submitted in March of 2015.

Human resources management is the only occupation in the MCOs that is not health care related.

**OIG Top 5 Staffing Shortage for Choice Act report to Congress.*

The 0602 "Medical Officer" series is the official OPM classification title for the physician occupation. The top five medical officer (physician) and nurse (registered nurse) specialties that comprise these MCOs are listed in Table 2.

Table 2 - Top Medical Officer (Physician) & Nurse Specialties

Top 5 Medical Officer (Physician) & Nurse Specialties	
31 Psychiatry	88 Staff Nurse
25 Gastroenterology	87 RN, Mgr/Head Nurse
07 Orthopedic Surgery	75 Nurse Practitioner
P1 Primary Care	Q1 RN/Staff-Outpatient
E6 Cardiology	N4 NP Mental Health SUD

Summary Data for Mission Critical Occupations

Onboard Growth

The MCOs make up approximately 38% of the entire VHA workforce and historically grew at a higher rate than the total workforce overall (4.3% in FY 2014 compared with 3.4% for the total workforce). Of these occupations, physical therapist (7.7%) had the highest growth rate in FY 2014. Human resources management (5.7%), occupational therapist (4.9%), and nurse (4.7%) had higher rates as well.

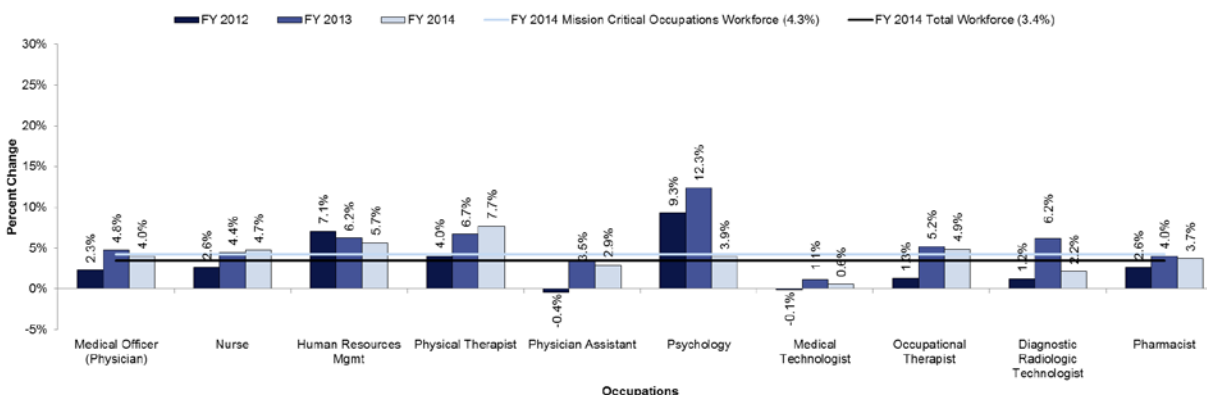


Figure 1: Percent Change in Onboard for Mission Critical Occupations Compared to Group Aggregate and Total Workforce

Loss Rates

The rebound in losses that began in FY 2010, following the decline in losses associated with the economic downturn in FY 2008-2009, continued through FY 2014 with higher loss rates for most of the MCOs than prior years. However, historically, the FY 2014 total loss rate average for the MCOs group (7.7%) was lower than the VHA total

workforce average (8.6%). Many VHA retention programs focus on the MCO and may be the reason for our success in keeping the loss rates lower among this cohort.

The voluntary retirement rate (Figure 2) remained the same in FY 2014 for the MCOs (2.8%). Seven of the ten MCOs had an increase in voluntary retirements while the other three had decreases. The largest increases in retirements were seen in physical therapist, diagnostic radiologic technologist (DRT), and psychology (0.3 pp each).

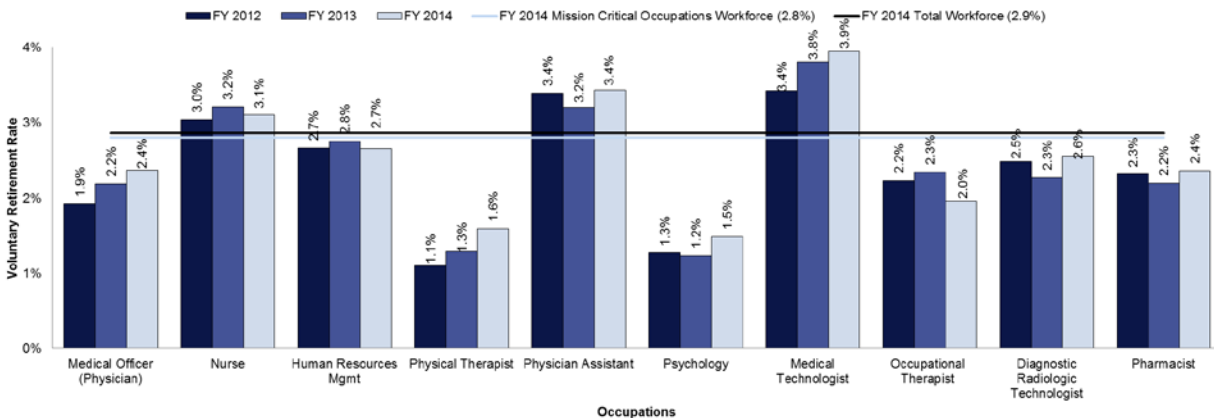


Figure 2: Voluntary Retirement Rate for Mission Critical Occupations Compared to Group Aggregate and Total Workforce

The quit rate (Figure 3) for the MCOs group remained relatively stable (4.0%) in FY 2014. Four of the individual occupations' quit rates increased in FY 2014 (physician, human resources management, physician assistant, and diagnostic radiologic technologist (DRT)). Human resources management had the largest increase in quit rate (+1.4 pp), while physical therapist (-0.7 pp) had the largest decrease.

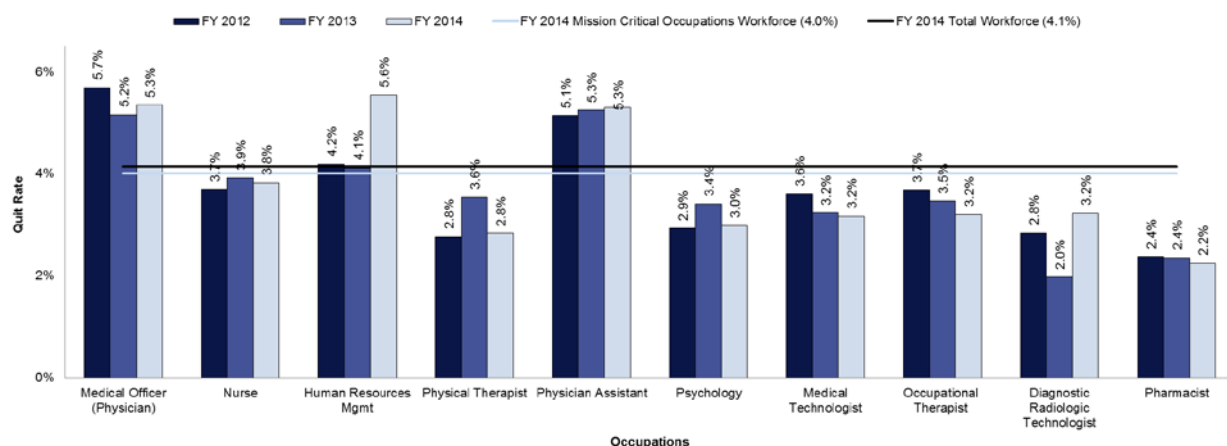


Figure 3: Quit Rate for Mission Critical Occupations Compared to Group Aggregate and Total Workforce

The total loss rate (Figure 4) for the mission critical occupations group increased by 0.1 pp overall in FY 2014. Seven of the occupations had an increase in total loss rates (physician, human resources management, physical therapist, physician assistant, medical technologist, DRT, and pharmacist). DRT had the largest increase (+1.7 pp), while occupational therapist (-1.2 pp) had the largest decrease.

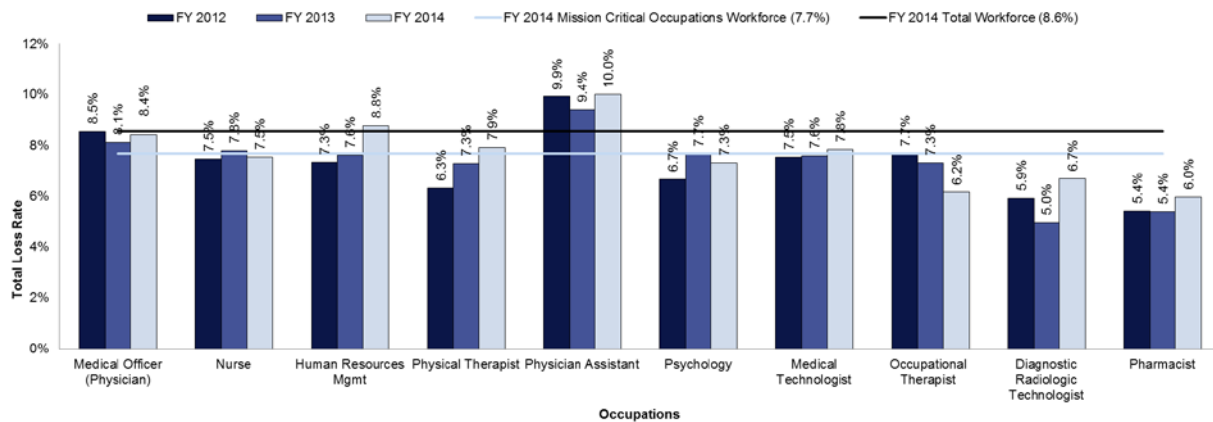


Figure 4: Total Loss Rate for Mission Critical Occupations Compared to Group Aggregate and VHA Total Workforce

Average Age

The mission critical occupations group average age (Figure 5) in FY 2014 was only slightly higher (48.4 years) than the total workforce (48.0 years). Physician (51.3 years), nurse (48.6 years), physician assistant (49.4 years), and medical technologist (48.4 years) all had higher average ages than the total workforce. Physical therapist (43.1 years) had the lowest average age.

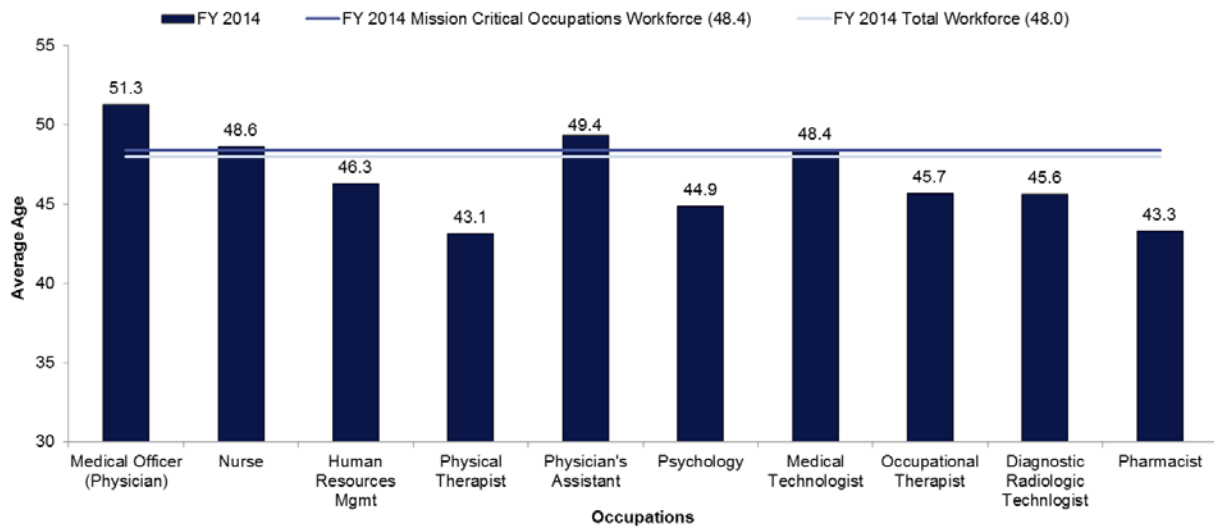


Figure 5: Average Age for Mission Critical Occupations Compared to Group Aggregate and VHA Total Workforce

Quit Rates by Year of Employment for Mission Critical Occupations

VHA performs an annual analysis to track quits among new hires for five years from their date of hire. Over the years results have shown that approximately one-third of VHA new hires quit within their first five years of employment, and the majority of those losses occur within the first two years. Results of the most recent analysis for MCOs reveal a new hire average quit rate of 27.2% within the first five years of employment; 1.7 percentage points more than for the workforce overall. An examination of individual occupations' new hire quit rates (Figure 6) within the first two years of employment (for those hired between FY 2007 and FY 2012) reveals that the occupations with the highest loss rates within the first two years are human resources management (23.5%), physician (20.3%), nurse (18.7%), and physician assistant (18.5%). Medical technologist (15.2%), occupational therapist (13.6%), DRT (12.5%), pharmacist (12.1%), physical therapist (11.3%), and psychologist (8.2%) had the lowest quit rates within the first two years.

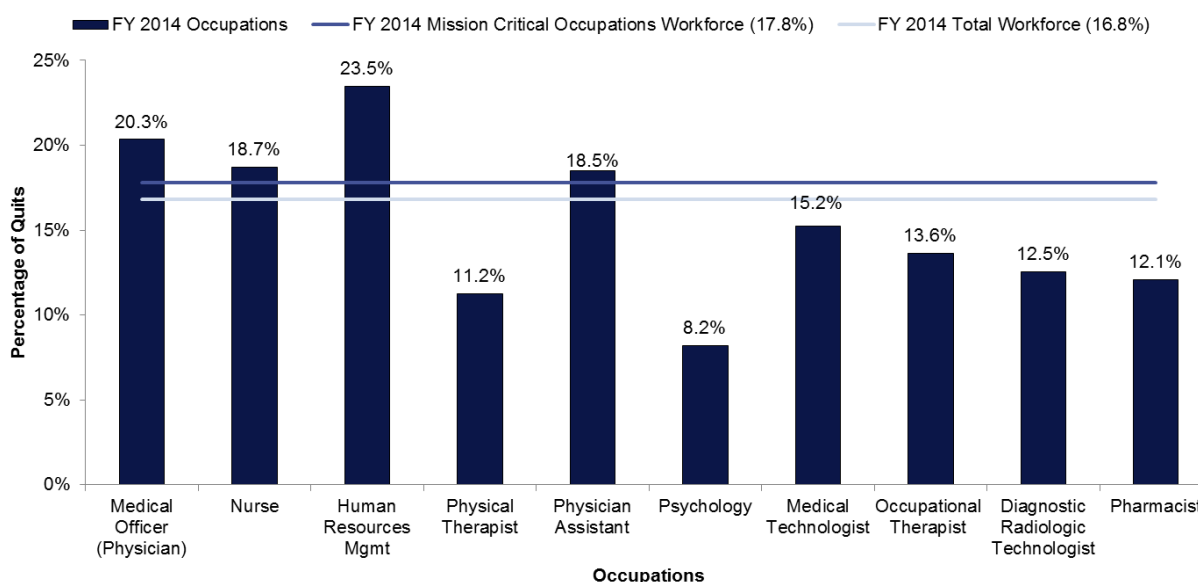


Figure 6: Quits Within the First Two Years of Employment Compared to the Group Aggregate and VHA Total Workforce

Exit Survey

The FY 2014 VA Exit Survey indicated that those in the top ten occupations left VHA for the following reasons:

- 20.7% normal retirement
- 17.8% advancement (unique opportunity elsewhere)
- 9.4% relocation with spouse

Like the workforce overall, those in the MCOs chose normal retirement and advancement for “unique opportunities elsewhere” as their top two reasons for leaving. Instead of “advancement due to lack of opportunity,” however, they chose “relocation with spouse” as their third reason for leaving.

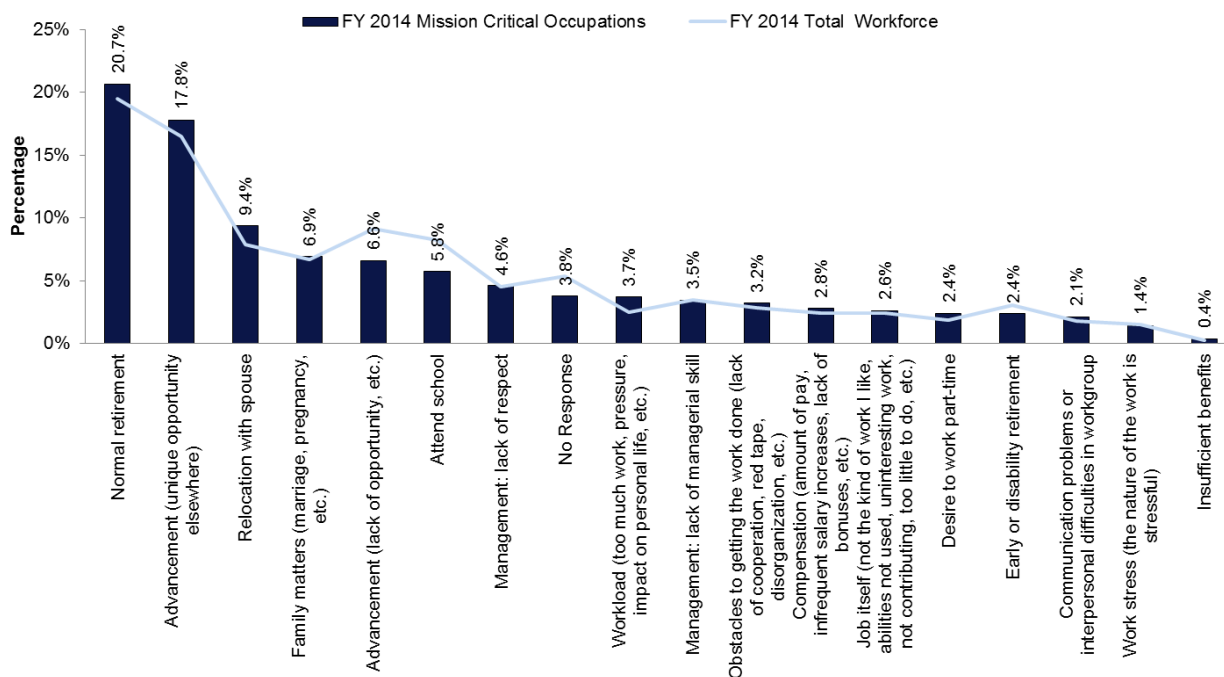


Figure 7: Reasons for Leaving the VA for Mission Critical Occupations Compared to Total Workforce

Summary of Challenges to Recruitment and Retention of the Mission Critical Occupations

Subject matter experts (SMEs) representing each MCO were asked to review VISN and facility action plans for each occupation. They provided additional analysis and assessment of the occupations, as well as recommendations to remove barriers to recruitment and retention.

SME Findings:

Collectively, SMEs stated that MCOs are experiencing a gap between supply and demand. They also stated that VHA is unable to compete for specialists in each occupation due, in part, to salary disparities when compared to the private sector. Even after retention incentives are applied, private sector salaries exceed the federal government scale for most of these occupations. SMEs also state that current hiring practices do not always attract qualified applicants to fill vacancies, and once a qualified applicant has received an offer, there are lags between the date of acceptance and onboarding. For entry/junior level positions in nursing, physical therapy, physician

assistant, occupational therapy, medical technologist, DRT, and pharmacy, SMEs reported that limited promotion or leadership opportunities also hinder retention efforts.

SME Recommendations:

Based on the aforementioned challenges, SMEs recommended review and redesign of current recruitment and retention models and practices, and they provided a list of best practices that VISNs and facilities could undertake to eliminate barriers to MCO recruitment and retention:

- Consider establishing or adjusting special salary rates when warranted to improve the ability to compete with the private sector.
- Streamline local processes to reduce the hiring and onboarding timeline in accordance with the [Enhanced Physician Recruitment and Onboarding Model](#).
- Encourage more supervisor involvement with mentoring employees to enhance employees' connection with VHA.
- Offer more occupation-specific training in conjunction with Program Office and accrediting bodies' standards to facilitate employees' continuing education goals.
- Expand and continuously monitor and evaluate the use of the Education Debt Reduction Program (EDRP), Employee Incentive Scholarship Program (EISP), and the Student Loan Repayment Program (SLRP).
- Fully utilize non-monetary incentives such as telework, and flex-time to facilitate a work-life balance for professionals.

Other SME Occupation-Specific Findings:

Human Resources Management (HRM): SME reviews and trend analysis indicate that VHA's HRM quit rate was one of the highest among VHA's mission critical occupations. Unlike most other occupations, where resignations make up the majority of quits, transfers to other federal agencies are the primary reason for quits in this occupation. In fact, the majority of VHA facilities cite transfers as the number one reason for HRM losses. Presumably, this is because HR work within VHA is considerably more complex and larger in scope than other federal agencies due to the requisite knowledge of General Schedule Title 5, Title 38 and Hybrid Title 38 hiring authorities, and the ratio of HR Specialists to employees serviced tends to be higher within VHA. Because HRM is an administrative occupation it is excluded from the top five critical occupations as defined by VACAA and referenced in the Office of Inspector General's (OIG) [determination of Veterans Health Administration's occupational staffing](#)

[shortages](#)¹. However, VHA recognizes that the HRM occupation is essential to the recruitment and retention of clinical occupations. HRM provides the technical expertise and is the lead for many of the mitigation strategies identified. VHA further recognizes that this critical occupation requires a full commitment of ongoing staffing, training and support.

Psychology: VHA is revising the psychology standards in order to promote an increased pool of eligible psychologists for VHA hire. Once these standards are accepted, applicants with doctoral degrees from programs accredited by the Canadian Psychological Association or by the Psychological Clinical Science Accreditation System and applicants who completed an internship that was not accredited by the American Psychological Association (APA) but who do have an American Board of Professional Psychology (ABPP) certification will be eligible for VA hire. Once published, these new standards will be marketed nationwide to educate VA staff and potential applicants about the expanded psychology qualification standard. Further, skill sets vary widely within the profession making some psychologists better suited to work with Veteran populations than others (e.g., board certified neuropsychologists, psychologists with specialized PTSD training, and psychologists who are trained to work with specialized populations, including geriatrics and military sexual trauma.)

Medical Technologist (MT): A new VHA Medical Technologist qualification standard was released in May, 2014, which completely replaced the existing standard. This new standard addressed some of the recruitment and retention issues reported by VISNs and facilities by adding new education/experience requirements that will allow for a greater pool of potential applicants. Additionally, the new standard increased the entry grade level from GS-5 to GS-7 and clarified the requirements for the full performance level of GS-11. To address the salary and pay issues described in many facility plans, facilities should take full advantage of the flexibilities provided in VA compensation policies, and utilize position management when structuring positions in accordance with guidance provided in VA Handbook 5003. In addition, facilities can increase the future supply of MTs by facilitating partnerships with large universities that have a Clinical Laboratory Science program.

Diagnostic Radiologic Technologist (DRT): The revised DRT qualification standard, published June 26, 2014, establishes an advanced certification requirement by the American Registry of Radiologic Technologists (ARRT) for individuals assigned to computerized tomography (CT) and magnetic resonance imaging (MRI) positions. An increase in demand for CT and MRI imaging has led to a shortage of applicants with

¹ Department of Veterans Affairs/Office of Inspector General. (2015). *OIG determination of Veterans Health Administration's occupational staffing shortages*. (Report No. 15-03063-511)

advanced certification in CT or MRI. It is not possible to fill all vacancies with new graduates since they lack certification in these specialties. *Radiologic Technology* published a comparison of RT certification category combinations. The data showed that 11% of R.T.'s have advanced certification and registration in radiography and CT imaging, and only 6% have certification and registration in MRI (Reid, 2015)².

Experienced DRTs with the advanced certification must be attracted to VA. VISNs expressed increased difficulty filling positions with qualified candidates due to salary disparities between private sector and VA, and difficulty recruiting DRTs due to limited pools of trained applicants in rural areas. VISNs and facilities should consider the pay flexibilities in VA policy, to include recruitment and relocation incentives to attract candidates to the agency, and should also consider establishing or revising special salary rates when appropriate.

Pharmacist: Recruiting and retaining pharmacy leadership remains challenging. Leadership positions outside VA are in high demand resulting in a dramatic rise in salaries. In VHA, Chief of Pharmacy and Associate Chief of Pharmacy positions remain difficult to fill. Several of these pharmacy leadership positions have been vacant for extended periods. Inaction to mitigate the risk may be worsening the difficulty in recruiting and retaining pharmacy leadership. Pharmacy students and residents are a pipeline for the development of future pharmacy leaders; therefore, local facilities and VISNs should incorporate more leadership and management training into student rotations and PGY1 Pharmacy Residencies to increase the number of trainees who pursue an administration career path.

Additional Findings and Recommendations:

Government Accountability Office (GAO) Study on Nurse Recruitment and

Retention: Although multiple nurse recruitment and retention efforts are in place, GAO recommends that a process be developed to monitor medical centers' compliance with those initiatives, conduct a system-wide evaluation of them, and evaluate the adequacy of training resources provided to nurse recruiters.

Office of Inspector General (OIG) Determination of Top Five Staffing Shortage

Occupations: In accordance with the Veterans Access, Choice and Accountability Act (VACAA), the VA OIG conducted an assessment to determine VHA's top five clinical staffing shortage occupations. The OIG assessed the VHA methodology, utilized the facility rankings based on that methodology, and found its own rankings to be similar. The OIG top five shortage occupations were Medical Officer, Nurse, Psychologist, Physician Assistant, and Physical Therapist. The OIG recommended that VHA further

² Reid, J. (2015, March/April). *Demographics of the profession*. Retrieved from <http://www.radiologictechnology.org/content/86/4/449.extract>.

develop staffing models for critical need occupations and review the data on regrettable losses (or quits) in both the report and in VISN Workforce and Succession Strategic Plans and, if appropriate, consider implementing measures to reduce losses. VHA concurred with these recommendations, and offered an action plan to evolve clinical staffing models and frameworks, align with workforce planning, and integrate with the Planning, Programming, Budgeting, and Execution (PPBE) activities over the next several years. In addition, VHA outlined actions to reduce regrettable losses by leveraging existing tools, inputs, and incentive programs such as those mentioned in the SME assessment above. VHA also plans to conduct additional statistical analysis of loss trends by profession, location and practice area, and to review common factors that drive regrettable losses at both the local facility and national levels to identify trends, barriers, practices and solutions.

FY 2016 Workforce and Succession Strategic Plan

The FY 2016 Workforce and Succession Strategic Plan will include a full analysis, narrative, and updated workforce data sets (through FY 2015) for each mission critical occupation. Once published, the plan will be distributed to all medical center and VISN workforce planners, as well as VISN, medical center, and VHACO program office leaders.