

Department of Veterans Affairs (VA)
Maintaining Internal Systems and Strengthening Integrated Outside Networks
(MISSION) Act Section 505(b)

The Secretary of Veterans Affairs shall submit to Congress an annual report on the steps the Department is taking to achieve full staffing capacity. Each such report shall include the amount of additional funds necessary to enable the Department to reach full staffing capacity.

June 2020

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Executive Summary

Section 505(b) of the Department of Veterans Affairs (VA) Maintaining Internal Systems and Strengthening Integrated Outside Networks (MISSION) Act of 2018 (P.L. 115-182) established a requirement for VA to submit to Congress an annual report on the steps the Department is taking to achieve full staffing capacity, including the amount of additional funds necessary to enable the Department to reach full staffing capacity. This report describes VA's progress in building and sustaining a workforce that can carry out VA's vision of providing Veterans and their families with the world-class benefits and services they have earned, with high standards of compassion, commitment, excellence, professionalism, integrity, accountability and stewardship.

Full staffing capacity refers to the number of full-time equivalent employees (FTE¹) needed at a point in time to accomplish VA's mission to care for Veterans and their families with dignity and respect. Full staffing capacity requirements are dynamic and are continually reviewed and updated based upon emerging business and workload requirements. Key drivers that impact full staffing capacity include increased demand for services; changes in health care trends; opportunities to continue supportive partnerships with the community; changes in the size and needs of the population being served; and legislative mandates. The resource needs outlined in the fiscal year (FY) 2021 President's Budget Request, particularly those associated with staffing, will provide the funds necessary to allow VA to continue to deliver on the Nation's promise to our Veterans.

This report outlines the steps VA has taken to ensure VA has "the right people in the right place at the right time with the right skills to serve our Veterans and their families."² As outlined in VA's FY 2018-2024 Strategic Plan, VA meets this business strategy by continually reviewing, updating and developing positions required to perform the functions VA needs to achieve its mission. This report provides an overview of the policies, processes, systems and tools that VA has implemented to address challenges with mission critical skill gaps. In addition to developing more robust workforce requirements management analytic capabilities to assess staffing requirements and optimize organizational structures, VA is continually conducting strategic human capital planning analyses to inform actions to identify and fill staffing gaps in a timely manner. To facilitate identification of staffing gaps, VA is building the capability to track workload-based staffing requirements in the VA Human Resources Information System (HRIS). When fully implemented, the refined workforce requirements management processes and systems will result in a clearer picture of VA's funded vacant positions, which will enhance visibility in VA's ability to manage skill gaps and implement workforce planning actions that will improve staffing capacity.

Finally, this report describes the variety of tools VA uses to achieve full staffing capacity including direct hiring authorities, recruitment and retention flexibilities and incentives,

¹ Full-Time Equivalent Employee means the total number of regular straight-time hours worked by employees divided by the number of compensable hours applicable to each fiscal year (regular method); or, the total regular hours worked in a fiscal year (2080 hours) divided by 26 biweekly pay periods (pay period method). OMB A-11 Circular § 85.5(c).

² VA Business Strategy 4.2.2: Improve Staffing to Ensure a Qualified VA Workforce is in Place, VA Fiscal Year 2018-2024 Strategic Plan.

hiring initiatives, virtual trainee recruitment events, improved employee engagement, human resources modernization, workforce planning, targeted recruitment of military spouses and Service members transitioning from the Department of Defense (DoD), national recruiter programs for hard-to-fill occupations and specialties; and strategies for filling Medical Center Director (MCD) positions throughout VA.

Employee Trends

As of March 31, 2020, VA had 393,751 employees onboard (includes full-time, part-time and seasonal employees), representing a total of 384,541 onboard FTEs³. The Veterans Health Administration (VHA) accounts for approximately 90% of VA employees. As the largest integrated health care delivery system in America, VA's workforce challenges (including recruitment difficulties, driven by a limited supply of candidates) mirror those of the health care industry. Despite those challenges, VA's workforce has experienced an average annual growth of 3.1%, which is consistent with the annual average 3.2% growth in the past five VA President's Budget Submissions in funding for FTEs.

This growth in onboard employees and funded FTEs addresses the increased staffing required to meet demand for services, improved access, reduced wait times, improved quality, enhanced Veteran satisfaction and overall mission growth (i.e., staffing capacity need). Most of the additional staffing capacity needed at VA in the past 5 years has been in clinical occupations, which account for 63% of overall growth in VA employees. As presented in Table 1, together with average annual onboard employee growth rates in FY 2015 through FY 2019, averaging 3.1%, VA consistently maintained separation (turnover) rates at or below 9.4%. The success of VA's workforce planning and employee engagement strategies is evidenced by the comparison of VA's separation rates to other Federal agencies (average 14.4%) and the Nation-wide health care and social assistance industry (average 33%) over the same time period.⁴

Table 1. Historical VA Employees Onboard, FTE, Hires, Losses, Net Increase and Growth Rates

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019
Employees	349,589	358,449	365,479	377,156	389,888
FTEs	340,516	349,315	356,378	368,070	380,724
Gains	44,343	40,634	40,053	46,402	47,580
Losses	31,431	32,780	32,778	34,936	36,050
Net Gain	14,758	8,860	7,030	11,677	12,732
Growth Rate	4.41%	2.53%	1.96%	3.19%	3.38%

Data Source: See footnote⁵

³ VA MISSION Act Section 505 Data. <https://www.va.gov/Employee/va-mission-act-section-505-data/>. Excludes Office of the Inspector General, Veteran Canteen Service (VCS), intermittent employees, residents, interns, fellows, students, trainees, non-pay status, fee-based employees and COVID-19 positions/employees.

⁴ The annual total separations rate is the number of total separations during the entire year as a percent of annual average employment. Bureau of Labor Statistics, Annual total separations rates by industry and region, not seasonally adjusted report, <https://www.bls.gov/news.release/jolts.t16.htm>; extracted April 21, 2020.

⁵ Data Source: VHA Service Support Center (VSSC) Human Resource Management data cubes.

For additional points of reference, Table 2 (below) presents a comparison between VHA and private sector turnover of select health care professionals. In most instances, VHA has lower turnover than the private sector.

Table 2. 2019 VHA Turnover Rates Compared to Private Sector Turnover Rates⁶

Occupation	VHA	Private Sector	Occupation	VHA	Private Sector
Certified Registered Nurse Anesthetist (CRNA)	7.3%	8.7%	Pharmacist	4.5%	8.5%
Nurse Practitioner	10%	8.4%	Medical Technologist	9.2%	11.8%
Registered Nurse	7.5%	15.9%	Physical Therapist	4.6%	10.1%
Nursing Assistant	10.5%	26.5%	Occupational Therapist	7.1%	12.9%
Patient Care Tech (Health Aid and Technician)	9.8%	29.7%	Diagnostic Radiologic Technologist	6.8%	26.4%
Physician Assistant	7.6%	10.0%	Speech Therapist (Speech Pathology/Audiology)	6.1%	15.9%

VA continues to have a net gain in onboard employees. This is partly due to consistent increases in funding levels for FTEs and increased emphasis on hiring and recruitment. It can also be attributed to the significant improvements VA has been making in employee satisfaction. VA is an employer of choice with significant improvements in recent “Best Places to Work” indices. As one of the top ten large agencies to work for in the Federal Government, VA’s Engagement Score has improved each year since 2017, and VA continues to enhance employee engagement, focusing on multiple touchpoints to receive employee feedback. In April 2019, the Secretary approved VA’s first ever “Employee Engagement Enterprise-wide Plan,” which emphasizes principles of servant leadership. VA’s Employee Engagement Council periodically meets to ensure the Department continues making progress and to address and implement additional solutions.

VA’s dedicated employees come to work for America’s Veterans and have a close connection with the mission and with Veterans – in fact, over 33% of VA’s workforce are Veterans themselves. There are many other benefits associated with working at VA for health care providers and other employees who support VA’s higher retention rates. These benefits include working for a Nation-wide health care organization that provides flexibility to move to facilities in other parts of the country without leaving VA employment, scholarships for employees to gain education in a critical shortage

March 31, 2020. Notes: Excludes Office of the Inspector General, Veteran Canteen Service (VCS), intermittent employees, residents, interns, fellows, students, trainees, non-pay status and fee-based employees. Also note that data may vary slightly with other public reports for similar timeframes due to different points in time that the data are pulled.

⁶ Data Sources: VHA statistics: VHA Service Support Center (VSSC) Human Resource Management data cubes extract as of March 31, 2020; Private Sector: Nursing Solutions Inc. (NSI), 2020 NSI National Health Care Retention and RN Staffing Report, https://www.nsinursingsolutions.com/Documents/Library/NSI_National_Health_Care_Retention_Report.pdf; dated March 2020.

occupation, generous benefits, work schedule flexibilities, telework options and the opportunity to participate in cutting edge research. According to VA's exit survey, three-fourths of exiting staff would recommend VHA as a place of employment and would consider working for VHA again.

Defining Staffing Requirements

VA benefits from having access to extensive data on workload, utilization, and Veteran characteristics that are used for strategic planning and budget formulation. In most instances, forecasted staffing requirements reflected as FTEs requested in the annual budget submissions are based upon robust analysis of historical and projected workload. VHA uses a sophisticated health care demand projection model that incorporates actuarial methods and approaches to project Veteran demand for health care. This actuarial model, known as the VA Enrollee Health Care Projection Model (EHCPM) supports the formulation of a large portion of the VA health care budget and is used to assess the budgetary and workload impact of changes of a dynamic health care environment. In projecting Veteran demand for VA health care, the EHCPM accounts for the unique characteristics of the Veteran population and the VA health care factors that impact Veteran enrollment and use of VA health care services. Similarly, the Veterans Benefits Administration (VBA) has comprehensive analytics capability to evaluate workload projections to forecast staffing requirements. These workload-based analytics are used to inform the annual budget submissions. As such, the FTE requests submitted in VA's budget submissions are the best indicator of workload-based staffing requirements currently available. Along those lines, the gap between budgeted FTEs and the onboard FTEs appears to be a close approximation of staffing gaps (i.e., vacancies). When considering the rigorous workload and requirements analysis that go into budget formulation and the observation that the funded FTEs and onboard FTEs align over time, the budgeted FTE is a reliable staffing capacity indicator, and the staffing capacity gap (vacancies) is best defined as the difference between budgeted FTEs and onboard FTEs.

As VA has a significant number of part-time employees, VA manages its human resource funding and staffing requirements in terms of FTEs (hours of work) rather than numbers of employees⁷. Thus, discussing staffing requirements and capacity is more accurately accomplished in terms of FTEs.

With funding for 390,539 FTEs in VA's FY 2020 appropriation approved by Congress and a request for 400,502 FTEs in VA's FY 2021 President's Budget submission, VA is the second largest Federal agency in the United States.⁸ As presented in Figure 1, funding for VA's workforce continued to grow at an average of over 3.2% in the past 5 years. Much of the FTE growth is based upon increased workload resulting from the aging of the Vietnam Era enrollee population (approximately 37% in 2019) and an

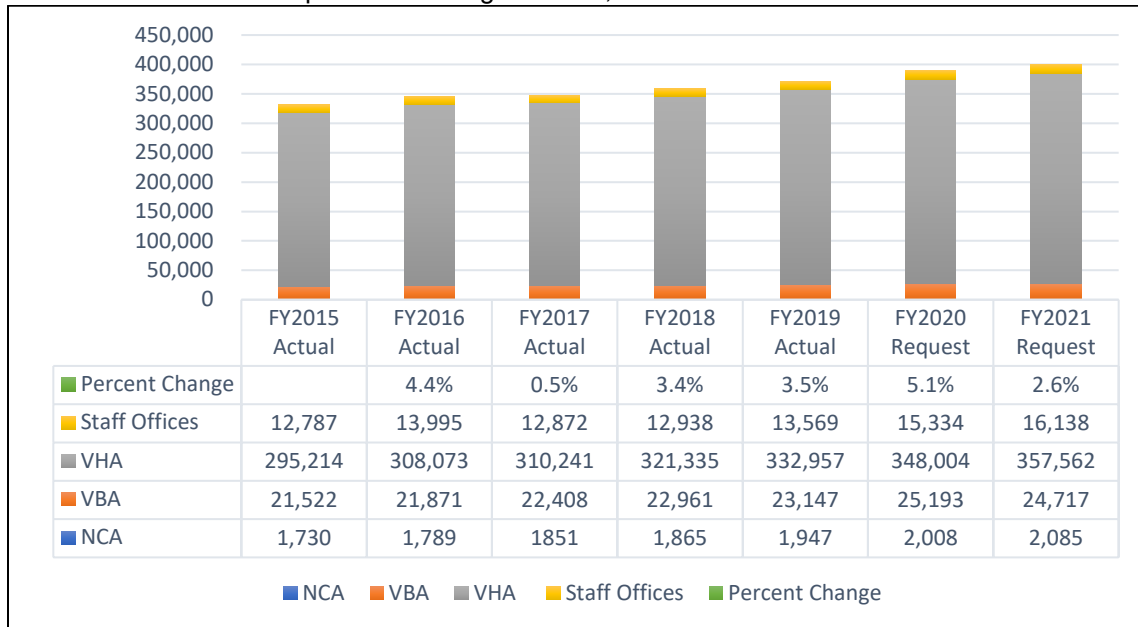
⁷ Employees are the number of personnel encumbering positions (i.e., headcount) onboard at the time the data are reported. Employees differ from "FTE," which is a budgetary term based on compensable hours. Since VA hires part-time employees representing partial FTEs the employee counts consistently exceed FTE. Employees do not include unpaid health professional trainees or other volunteers.

⁸ FTEs exclude VA OIG and VCS; Source: FY 2020 and FY 2021 VA Annual Budget Submissions, Supplemental Information and Appendices.

increase of Veterans with service-connected disabilities (approximately 51% of enrollees).

From an FTE standpoint, at the point of time on March 31, 2020, VA had just under 6,000 funded cumulative vacant FTEs and another approximately 46,000 unfunded vacant FTE in its HR database.⁹ VA's FY 2021 budget proposal requested almost 10,000 additional FTEs to address unfunded requirements and to enable VA to address emerging needs for Veterans care.

Figure 1. VA's Actual and Requested Funding for FTEs, FY 2015 to FY 2021¹⁰



Source: VA Annual Budget Submissions, Supplemental Information and Appendices, FY 2017 through FY 2021.

During the past year, the number of vacant positions (i.e. individual positions vs. FTE) recorded in VA's HR•Smart database ranged between 49,000 and 53,000 each quarter. These vacancies do not represent staffing gaps or shortages, nor do they represent the true unfunded need of the organization or the number of positions that could possibly be filled at any given time; instead, they reflect the churn that is constantly occurring in the organization and funded levels of growth in FTE. Some of the vacant positions showing in the inventory, however, are mistakenly created or maintained despite not having a validated workload or being properly funded, and this is an area that VA is committed to improving through workforce requirements management and system improvements.

In early March, VA announced internal system changes to the HR•Smart system that were designed to put controls in place to enhance position management processes with better data integrity and as a result, gain fidelity in the reported positions, particularly

⁹ As noted in this document and prior related publications, VA and is making progress on its workforce requirements management capabilities to ensure positions are validated in its HRIS, but at this time, that work is not complete. These unfunded vacancies do not necessarily indicate that there is a staffing gap or funding shortfall impacting VA's mission.

¹⁰ Staff Offices include all General Administration appropriations, Board of Veterans' Appeals, and the Office of Information Technology.

vacant positions. It was expected that these HR•Smart system and business process changes would enable a comprehensive position validation review that would clean up position data starting in March and ending no later than May 30, 2020. This validation process was also designed to include participation from financial managers to ensure positions marked as “budgeted” have available funds to support actual hiring. Unfortunately, due to the impact of the Coronavirus Disease 2019 (COVID-19) pandemic, those changes were postponed. Thus, VA is not yet at the point where HR•Smart-reported vacancies are indicative of true current and budgeted positions, but VA is making progress nonetheless in understanding its full staffing capacity picture.

VA actively monitors the workforce to evaluate and take action to minimize the impact of staffing gaps on capacity to care for Veterans. Mitigation actions to ensure staffing gaps do not impact VA’s capacity to serve Veterans use the full range of tools provided by Congress. These actions include both human capital management (i.e., recruitment and retention incentives and special hiring initiatives) and those designed to increase capacity (i.e., providing access to care through Community Care or the use of fee-basis only employees).

In addition, VA has been a leader in using telehealth and mobile deployment clinics to reach Veterans living in areas defined by Health Resources and Services Administration as health professional shortage areas. VA is implementing “anywhere to anywhere” telehealth, which brings provider expertise into Veterans’ living rooms. The VA MISSION Act enables VA-employed health care professionals to deliver care to beneficiaries through telehealth using an active, full and unrestricted license, registration or certification from any state irrespective of the location of the provider or the Veteran. This enhanced flexibility to leverage the medical expertise of physicians in one location to meet Veteran needs in other locations allows VA to more nimbly address bandwidth gaps.

Funding for Full Staffing Capacity

The FY 2021 VA President’s Budget supported a request for 400,502 FTEs, excluding VA Office of Inspector General (OIG) and Veterans Canteen Service (VCS). This request represented growth of approximately 10,000 new funded FTEs or about 3% over the FTEs funded in FY 2020. Given the rigor of the budget formulation process, the resources requested in the FY 2020 VA President’s Budget submission, particularly those associated with staffing, will allow VA to continue to meet the growing demands of the Veteran population.

As outlined in the Workforce Requirements Management section below, VA is moving to develop the analytic tools and discipline needed to implement a requirements-based system of validating staffing requirements and tracking that data in an authoritative data source. These requirements will fully consider all categories of staffing available to support VA’s mission (i.e., Federal employees, fee-basis only employees not filling a position, contract support, and workload met by the Community Care program). These data will be used to more fully inform staffing gaps required to meet VA’s mission in future year budget submissions. In the interim, VA uses a wide array of analytic tools to

project workload and costs to inform annual budget requests. Additionally, VA will continue to work with Congress on projected resources needed to enable the Department to carry out the existing mission and any emerging and/or evolving mission requirements.

Workforce Requirements Management

At the end of FY 2020, VA will be implementing policies, processes and systems to improve data integrity and to gain fidelity in VA's reported positions. VA will undergo a comprehensive position validation review to reconcile position data. The validation process also includes participation from financial managers to ensure positions marked as "budgeted" have available funds to support hiring. Due to unforeseen delays and a refocus on addressing the system demands of the COVID-19 pandemic, this essential comprehensive review to accurately reflect vacancies was placed on hold.

In addition to system controls, VA is continuing to develop staffing models and validate staffing requirements and document those requirements in an authoritative data source. Implementation of validated staffing requirements will assist in standardizing care delivery and ensuring the best care is delivered in the most efficient way possible as measured by health outcomes. The overarching policy to document validated staffing requirements using workload-based analysis, standardize organizational structure and maintain data integrity of positions was published in October 2019. To accelerate workload-based staffing requirements, VA is building upon a decade of analysis of workload-based staffing requirements, primarily using industry-wide benchmarks to validate staffing requirements. Over time, workload-based staffing documents are an important management tool to provide a baseline of the workforce structure for planning and budget formulation.

Full workforce position management and governance over VA's organizational structure, position management, and workload-based staffing requirements is anticipated in early FY 2021. This includes ongoing oversight of data quality and development of integrated HR, organizational structure and financial policy and business rules. When fully implemented, workforce requirements management processes will enable VA to more accurately define full staffing capacity requirements. As VA's workforce requirements management capabilities continue to expand, staffing data will become more finely tuned and will better position VA to identify and overcome staffing gaps with more fidelity.

Until such time that workforce requirements management can fully mature to define workload-based staffing requirements across VA, FTEs reflected in VA's budget are the most appropriate demand signal for staffing requirements. Required staffing capacity is best reflected as the sum of the onboard FTE by occupational series and station. Staffing gaps (vacancies) are more accurately reflected as the difference between the budgeted FTEs included in VA's budget and the sum of actual onboard FTEs. This interim approach is deemed appropriate due to the analytic rigor of VA's budget formulation process and the Department's ability to directly link funding to FTE vacancies. More importantly, a review of the onboard FTEs relative to the budgeted

FTEs suggests that VA has historically managed their onboard staffing levels in alignment with the requirements outlined and established in VA's annual budget submissions.

Staffing Strategies

VA employs a variety of tools to achieve full staffing capacity including direct hiring authorities, recruitment and retention flexibilities and incentives, hiring initiatives, virtual trainee recruitment events, improved employee engagement, HR modernization, workforce planning, targeted recruitment of military spouses and Service members transitioning from DoD, national recruiter programs for hard-to-fill occupations and specialties, and strategies for filling director positions throughout the Department.

Office of Personnel Management (OPM) Government-wide & VA Direct Hiring Authorities

Direct Hiring Authorities (DHA) are used across VA to increase the speed of the hiring process to fill title 5 competitive service positions. For example, VA's Office of Information Technology (OIT) Talent Acquisition Team uses special hiring authorities paired with speed interviewing events and virtual career events to appoint candidates to hard-to-fill vacancies. Using these flexibilities allowed the OIT Talent Acquisition Team to assist hiring managers to fill vacancies faster than the traditional hiring practices of posting job announcements on *USAJobs*. From April 2018 to December 2019, DHA was used for 1,258 hires in the 2210 (Information Technology Specialist) occupational series.

Total use of DHA for the title 5 occupations deemed as shortage occupations (i.e., HR specialists, HR assistants, police and general engineers) was significantly higher in FY 2019 (32.4%) than in FY 2018 (11.0%). Furthermore, use of DHA by rural facilities was significantly higher in FY 2019 (53.4%) than in FY 2018 (15.6%) and was higher than non-rural facility usage in both years (10.7% and 30.8%, respectively). Rural facilities are taking advantage of DHA for these occupations as a significant recruitment tool. An analysis of each Veterans Integrated Service Network (VISN) reveals that all VISNs have increased their use of DHA for these occupations from FY 2018 to FY 2019. FY 2019 usage of DHA for these occupations ranged from 10% of the hires in VISN 6 to 64% of the hires in VISN 4, with 72% of VISNs using DHA for at least 25% of the hires for these title 5 occupations.

Time to Hire Improvements

To encourage expeditious hiring, VA follows an 80-day hiring model for title 5 and hybrid title 38 positions¹¹ and has implemented a 100-day hiring model for title 38 positions,

¹¹ VHA currently functions under multiple personnel systems with over 120 appointment authorities: title 5 (T5) competitive service, T5 excepted service, Senior Executive Service (SES), title 38 (T38) excepted service, and hybrid title 38 (HT38) which has features from both the T5 and T38 systems. The hiring provisions of T38 were established to address the need for an efficient system for recruitment and appointment of scarce health care workers. The original employment system was excepted from T5 and covered Physicians, Dentists and Nurses. Over the next several decades, additional occupations were added under the full T38 system through legislative changes, and in 2010, the statute was changed to allow for the Secretary to extend HT38 status to additional

which focuses on decreasing the average onboarding time from 60 days to 45 days. The time-to-hire model is measured from the date the hiring need is validated and ends with the new hire's actual start date. What happens in between those dates for title 5 and hybrid title 38 positions includes the job announcement period, HR review to identify qualified candidates, interviews and tentative selection, background investigation and/or security clearance, firm offer and a notice period for the new employee's previous employer prior to employee start date. For title 38 positions, this period also includes credentialing, privileging, onboarding, physical exam and drug testing. OPM's new time to hire guidance has positively affected VA-wide time to hire overall, improving agency-wide time to hire goal achievement from 50% in FY 2019 to 57% as of February 2020. Average days have also decreased from 96 calendar days in FY 2019 to 90 calendar days as of February FY 2020. Time-to-hire for VHA continues to show a positive trend overall. The National Cemetery Administration (NCA) is standardizing position descriptions and templates in order to improve its time to hire, which already meets the 80-day goal in nearly 70% of its hires.

Continued Use of Recruitment & Retention Flexibilities

The VA MISSION Act authorized or expanded several programs intended to recruit and retain health care providers in VHA, to include an increase in the maximum amount of student loan debt that may be reimbursed under the VHA Education Debt Reduction Program (EDRP).¹² EDRP authorizes designated scholarships for physicians and dentists under the VA Health Professional Scholarship Program; establishes the VA Specialty Education Loan Repayment Program to target medical students and residents pursuing education and training in scarce medical specialties for which VA determines there is an anticipated critical shortage; and establishes a pilot program for the Veterans Healing Veterans Medical Access and Scholarship program.

VA continues to strategically target incentives for hard-to-recruit and retain clinical staffing shortage occupations. In FY 2019, VA spent over \$52 million on recruitment, retention and relocation incentives with 87% of recruitment dollars, 52% of retention dollars and 54% of relocation dollars going to FY 2019 clinical staffing shortage occupations.

In FY 2019, VA also approved 1,114 EDRP applications for health care professionals. The national clinical shortage occupations including physicians, registered nurses, practical nurses, psychologists, physician assistants, pharmacists, medical instrument technicians, diagnostic radiologic technologists and medical technologists. These occupations received 88% of the \$17 million spent on new EDRP awards.

In addition to education debt reduction, VA expanded scholarship opportunities to recruit and retain its health care workforce. The Employee Incentive Scholarship Program (EISP) authorizes VA to award scholarships to employees pursuing degrees or

occupations (with certain limitations). Expanding the scope of T38 hiring and compensation flexibilities was based on the increased competitiveness with private sector health care entities for clinical and medical support workers. There are now over 60 occupations covered by T38 and HT38 provisions.

¹² EDRP provides up to \$200,000 in eligible student loan repayment over a 5-year period, providing a significant retention incentive to employees of up to \$40,000 annually.

training in health care disciplines for which recruitment and retention of qualified personnel is difficult. EISP awards cover tuition and related expenses such as registration, fees and books in return for a 1 to 3-year service obligation. In FY 2019, VA supported 6,804 employees actively participating in EISP. A total of 3,275 participants were in school with 3,529 serving scholarship obligations. During FY 2019, VA approved 1,320 new EISP awards, with 95% of those new awards supporting the recruitment and retention of employees in the health care occupations with the largest staffing shortages. This represents an increase of 3% in active EISP participants (FY 2018 - 6,588) and an increase of 23% in new scholarships awarded (FY 2018 - 1,071).

The VA Learning Opportunities Residency (VALOR) program gives outstanding nursing, pharmacy and medical technology students an opportunity to develop their skills at a VA-approved health care facility. Learning opportunities include didactic or classroom experiences and competency-based clinical practice with a qualified preceptor. Students recruited for the program may receive up to 800 hours of funding while in the VALOR program. During FY 2019, VALOR funded a total of 303 students with \$4 million in funding. So far in FY 2020, VA has approved 290 VALOR awards with 100% of the awards supporting the recruitment and retention of students into health care occupations with the largest staffing shortages.

In FY 2019, VA also awarded 138 new scholarships to nurses and physician assistants in the Health Professions Scholarship Program (HPSP) while administering a total of 274 total scholarship participants, including 136 participants selected in previous years. The total amount of HPSP funding during FY 2019 was \$7 million. In FY 2020, HPSP anticipates offering scholarships to nurses, medical technologists, pharmacists, diagnostic radiological technicians and physician assistants. HPSP awards scholarships to students receiving education or training in a direct or indirect health care services discipline thereby assisting in providing an adequate supply of such personnel for VA and the Nation. HPSP provides tuition, fees and a monthly stipend to students who are competitively selected in return for a service obligation in a hard-to-recruit and retain position.

Hiring Initiatives

Targeted hiring initiatives have been managed nationally to determine staffing needs, develop staffing plans, manage national recruitment announcements and leverage incentives. These cooperative efforts have proved to be an effective way of improving staffing capacity where and when it is needed most. While the COVID-19 pandemic has caused a pause in on-site hiring fairs and related initiatives, VA's virtual hiring efforts have continued. For example, VHA has established a successful approach to connect, match, place and retain current and former VA Health Professions Trainees (HPT) through VA-Trainee Recruitment Events (VA-TRE). VA-TREs are a virtual approach to matching current and former VA HPTs with current and projected VHA vacancies. VA-TREs provide a robust pipeline of highly-qualified, VA-trained HPT candidates to fill VHA vacancies through established recurring national hiring events. VA matches interested HPTs with facilities and extends tentative employment offers well before they

graduate, contingent upon completion of their training. Since the first VA-TRE in 2018, VA has successfully placed 160 HPTs primarily in mental health occupations, and we are expanding these events to all clinical occupations and specialties. Building a clinical trainee pipeline of qualified health care professionals is crucial to future VA recruitment and sustainment efforts.

Mental Health Hiring Initiative: In 2017, a new Mental Health Hiring Initiative was announced to support VHA's top clinical priority to eliminate Veteran suicides. This initiative was launched to achieve higher standards of access and quality care and add 1,000 new mental health providers by June 2019. VHA surpassed this goal, hiring nearly 4,000 mental health positions Nationwide, for a net increase of 1,045 as of January 31, 2019. This increase has the capacity to provide access to high-quality mental health services to 120,000 additional Veterans each year, including those Veterans in underserved and rural regions of the country.

Shared Certifications Pilot with the Department of Health and Human Services (HHS): On March 18, 2016, the Competitive Service Act (CSA) of 2015 was enacted as P.L. 114-137. CSA provided the authority to share a competitive certificate issued under delegated examining procedures with one or more Federal agencies to make an appointment to a position that is in the same occupational series, grade level (or equivalent), full performance level and duty location. VA and HHS agreed to a 120-day pilot starting in September 2019.

To date, VA and HHS have progressed to the receipt of the shared certificate for a GS-343-12 full performance level/GS-13 Management Analyst position in the Washington, DC area. Five VA offices are currently reviewing and considering applications for selection for their combined 14 vacancies. The success of this initiative will enable faster hiring by sharing qualified candidates across Government.

Rural Health Hiring: VHA's Office of Rural Health implements targeted, solution-driven approaches to increase access to care for the 2.8 million Veterans living in rural communities who rely on VA for health care. Rural communities tend to have more elderly residents and poorer health status. To help fill vacancies across VA medical centers (VAMC), VA is establishing a system-wide method to share information about physician trainees. VA Office of Human Resources and Administration/Operations, Security and Preparedness is enhancing the HR•Smart system to allow "Without Compensation" employees, including Graduate Medical Education trainees to be added.

Hire Right Hire Fast (HRHF): HRHF is a best practice recruitment and hiring model that can be applied to almost any occupation. HRHF has successfully been applied Nationwide to medical support assistants and Housekeeping Aides, with current implementation underway for Registered Nurses (RN). The RN campaign launched in February 2020 and will run through the end of FY 2020. By applying the HRHF model (i.e., use of the structured interview method, development of vetted applicant pools, use of the expedited job fair, obtaining blanket approval and over-hiring), facilities can significantly improve time to hire and decrease vacancy rates. The campaign

transitioned to VISN level management in November 2018 and when it kicked off, vacancy rates were around 16%, and time to hire was 78 days. As of November 30, 2019, vacancy rates are at 13%, and time to hire is at 70 days with both continuing to drop. Two VISNs and 53 facilities from various VISNs achieved the target goal of vacancy rates of 10% or less.

Hiring Our Heroes and Military Spouse Employment Partnership Programs: VA manages several hiring programs that contribute to military spouse employment and existing Veteran hiring initiatives. In October 2019, VA joined the Department of Defense (DoD) Military Spouse Employment Partnership (MSEP). Previously, only the Board of Veterans' Appeals was a member. Taking the pledge to be an MSEP partner affirms VA's commitment to the military community and reinforces military readiness and retention by supporting military spouses with career opportunities. Being a partner gives VA access to the Military Spouse Employment Portal where our Human Resources (HR) professionals can access resumés, and where military spouses can view a live feed of all VA vacancies listed on *USAJobs*.

Since becoming a partner, VA has developed a frequently asked questions sheet on the non-competitive hiring authority for military spouses, hiring managers and HR professionals. VA has established a marketing and communications plan and posted information to its VA Careers website where military spouses may access VA jobs and the My Career Advancement Account Scholarship sponsored by DoD. VA also leveraged technology to develop an informational video on the MSEP program which has received almost 6,000 views. VA conducted a Facebook Live event with military spouses in February 2020. To date, the event has been viewed over 2,000 times, received over 100 comments and been shared two dozen times. Job opportunities are being actively pursued for a dozen military spouses who participated. Also, VA is partnering with DoD to conduct four military spouse career empowerment expos in 2020 and continues to see positive results from the MSEP program. In FY 2019, 55 military spouses were hired. In Quarter 1 of FY 2020, 25 military spouses have already been onboarded.

VHA has partnered with DoD military installations in the National Capital Region on the Military Transition and Training Advancement Course (MTTAC) initiative. MTTAC is an entry-level training program for Service members currently enrolled in the transition process, who anticipate being released from active duty within 90 to 180 days. The goal is to hire them into VHA immediately upon separation. Focus thus far has been on medical support assistants; future efforts will include logisticians and biomedical technicians. VA has worked directly with Walter Reed National Military Medical Center, Keesler Air Force Base and Pensacola Naval Air Station to pilot this program and has successfully completed 8 classes with 35 transitioning Service members having graduated from the course. As of January 23, 2020, the first 7 of these 35 Service members to transition to civilian status have been offered employment. As the other Service members transition out, VA will work with them on a case-by-case basis for potential VA employment. VAMCs are being encouraged to work with nearby military installations to launch the program locally.

DoD/VA Efforts to Recruit Transitioning Service Members: The VA Transitioning Military Program (TMP) is a strategic Nationwide recruitment marketing campaign that aims to tap into the pipeline of health care professionals exiting military service. Transitioning Service members have a wealth of training and unique understanding of Veterans' health care issues. These military-trained physicians, nurses, medical technicians and other health care professionals are ideal candidates for careers at VA, where they can care for and serve fellow Veterans.

VA's TMP Marketing Plan educates transitioning active duty Service members about VA careers and encourages them to apply for open positions within VA. This marketing plan leverages a multi-faceted approach that incorporates VA's Transitioning Military homepage, direct email campaigns targeting VA's staffing shortage occupations, weekly emails advertising VA executive vacancies to transitioning health care executives, transitioning military flyers, social networking (LinkedIn, Facebook, Twitter, VA Blog) and exhibitions at military-centric career fairs and annual conferences such as the Association of Military Surgeons of the United States (Society of Federal Health Professionals), and Uniformed Services Academy of Family Physicians.

Recruitment at DoD facilities, such as speaking directly with transitioning medical personnel, is an activity typically conducted by local VAMCs. Many DoD installations have hiring fairs and military Transition Assistance Program seminars that are attended by VAMC recruiters and/or HR staff. VA has an established Intermediate Care Technician (ICT) Hiring Program that trains former military medics and corpsmen to be ICTs; a new role created in 2017 to augment the VA medical workforce, leveraging the skillset of this population within Emergency Medicine and Specialty Care areas. ICTs are aligned organizationally under Licensed Independent Practitioners in the clinical setting to maximize their utility and value to Veteran care. While the ICT role has been permanently incorporated into 30 VAMCs, 23 additional VAMCs are actively working towards onboarding the ICT role. VHA continues to provide guidance, tools and marketing services to expand this program to all 170 VAMCs. In FY 2019, the number of ICTs hired into VA grew by 15%, and the number of new VAMCs to onboard the role increased by 25%.

The Veterans Benefits Administration's (VBA) Warrior Training Advancement Course (WARTAC) is an entry-level, skill-bridge education and employment opportunity for Wounded Warriors and transitioning Service members to complete a national-level VBA training program while still on active duty. Successful completion of this training program leads to an opportunity for Service members to be interviewed and possibly hired at one of VBA's 56 regional offices around the country. This program can last up to 12 weeks and provides participants the opportunity to learn the skillsets of a Veterans Service Representative. Since the inception of WARTAC in 2014, WARTAC has hired about 1,300 Wounded Warriors and transitioning Service members into VBA careers, providing an additional conduit to onboard qualified and dedicated VA personnel. This program continues to demonstrate success, and 79% of WARTAC hires are still employed with the Department.

National Recruitment Program: The VHA National Recruitment Service (NRS) provides VHA with an in-house team of 19 skilled professional recruiters employing private sector best practices to the Department's most critical clinical and executive positions. The national recruiters work directly with VISN and VAMC executive and clinical leadership in the development of comprehensive, client-centered recruitment strategies that address both current and future critical needs. The NRS has won multiple industry awards and is successfully recruiting physicians at more than twice the rate of their private sector recruiter counterparts per recruiter.

VHA national recruitment marketing and advertising focuses on innovative and cost-effective campaigns to drive qualified candidates to the VA Careers website and encourage them to pursue careers with VHA. National campaigns include digital banners, job postings, email outreach, search engine marketing, national broadcast buys, VA Careers' social channels (Facebook, Instagram, Twitter, LinkedIn, GlassDoor) and recruiting at national professional events. A centralized and coordinated Nationwide marketing strategy is critical to VHA's success in today's challenging health care market. VHA's strategy has resulted in increased applicants and hires each fiscal year and provides critical support for high-priority initiatives such as Mental Health Hiring, Advanced Practice Nurses, Homeless Program Hiring, Information Technology Specialist Hiring, the Executive Leadership Initiative, Nurse Practitioners national hiring campaign, and most recently, transitioning military and military spouses.

This effort also supplies valuable tools and resources for the National Recruitment Service and local HR staff Nationwide while promoting increased recognition for our employer brand. A recent example of such a tool is the total reward brochure for physicians developed to promote the comprehensive benefits and total value of a long-term career at VA. These brochures can be used by recruiters, program offices, managers and anyone needing to promote VA employment to targeted jobseekers across various channels to showcase the rewards of choosing a career at VA. The next two brochures will target Health Professions Trainees and Psychologists. VHA's marketing efforts win prestigious awards for content, advertising, video, website and allow VHA to continue as a preferred employer.

The OIT Talent Acquisition Team identifies and targets events Nationwide at IT-specific expositions, career fairs, job fairs, conferences and summits according to geographical locations that have communicated difficulties finding technical specialists. OIT has also had success using LinkedIn, Indeed, Glassdoor, Talroo, Facebook - VA Careers, VA Career Web Page - VAcareers.va.gov, Handshake, event announcements and blogs.

VA's Human Capital Service Center is also currently establishing a Central Talent Development Program Concept Plan to address VA critical staffing needs. The plan will utilize existing policies to recruit and retain students and recent graduates from a variety of backgrounds and academic disciplines to fill mission-critical, entry level positions and meet succession planning needs across the Department.

Strategies to Fill Director Positions throughout the Agency: VHA has made significant progress in efficiently filling MCD positions through the implementation of a

vigorous national recruitment strategy. This effort includes the use of existing legal authorities to fill MCD positions such as Senior Executive Service (SES) and title 38 physician hiring authorities and leveraging critical pay authority to increase the pay rate up to \$219,200 (as of January 2020) for 39 Complexity Level 1A MCD positions. In addition, VHA adopted a 120-day time-to-fill standard for these posts. The result has been a significant reduction in MCD openings from as high as 25% in FY 2015 to 11.5% in FY 2019. NCA also uses a Cemetery Director Intern Program to prepare individuals to become Cemetery Directors, focusing on leadership and cemetery operations, as well as a Cemetery Caretaker Apprentice Program, which provides on-the-job training.

Another MCD recruitment strategy is VA's SES Candidate Development Program (SESCDP) which identifies individuals who have demonstrated potential for executive leadership positions, provides formal training and development opportunities and prepares candidates for certification of their executive qualifications by an OPM-administered Qualifications Review Board for initial noncompetitive appointment to the SES. The SESCO class of 2019 is comprised of 25 candidates, representing all Administrations, select Staff Offices and two additional Federal agencies. Four candidates have already been selected and placed into SES positions. This strategy has created a direct pipeline for key leadership positions in the Department.

HR Modernization

VA continues to streamline, consolidate and reorganize HR functions to meet the evolving requirements of the Department. Within VHA specifically, an HR shared service model has been implemented consolidating routine HR functions from more than 170 local facilities to 18 VISNs. Consolidating central office HR functions and realigning HR functions from the facility to the VISN creates a more streamlined HR function with standardized processes and performance metrics, eliminating confusion and variance from HR services. This realignment provides enhanced HR service; recruitment and hiring of highly-qualified employees; rapid posting and hiring for open positions; long-term reduction in costs with savings reallocated to key priorities; and improved employee engagement resulting in better patient experience. This consolidation increases the flexibility of HR staffing to ensure facilities get the right services at the right time.

VBA's HR modernization efforts have consolidated classification, reasonable accommodation and other functions to create a more streamlined HR function with standardized processes and performance metrics, decreasing confusion and variance. Part of this process improvement has been the establishment of an Operations Team consisting of HR Specialists and dedicated Position Managers located at each HR Center. These positions ensure the accuracy of VBA position data, further transforming the way VBA HR standardizes its interactions with its customers and delivers services.

VHA Workforce Planning Cycle (VHA Shortage Occupations – Clinical and Nonclinical)

VHA's Workforce Planning Cycle places direct emphasis on optimizing VA's most vulnerable professions. During this process, VHA identifies staffing shortage

occupations and assists with current and future workforce planning efforts, challenges and other workforce planning activities. In August 2017, the VA Choice and Quality Employment Act of 2017 required VA's OIG to identify, at minimum, five non-clinical and five clinical shortage occupations at each health care system, changing the previous requirement to identify five shortage occupations at the VHA system level established by the Veterans Access, Choice, and Accountability Act of 2014, section 301(d). Staffing shortage occupations exist when there is a severe shortage of candidates for an occupation, grade (or equivalent) and/or geographic location. In response, the workforce planning cycle was redesigned to provide a structured, data-driven approach for identifying clinical and non-clinical shortage occupations at the health care system level. Each year, VHA publishes a staffing shortage report that identifies the results from the workforce planning cycle. During the FY 2019 cycle, approximately 64% of the occupations and specialties chosen indicated the primary cause of shortages was recruitment, while the remaining 36% indicated retention. The most commonly cited drivers for shortages included competition with other health care systems, followed by a limited supply of candidates. To address staffing shortages, the most commonly cited flexibilities included non-competitive hiring and utilization of recruitment and relocation incentives. The FY 2019 OIG report noted that the total number of severe occupational shortages reported across facilities declined by 12% from FY 2018 to FY 2019.

Closing Skills Gaps Initiative

The purpose of OPM's Closing Skills Gaps Initiative is for agencies to develop a methodology to identify agency-specific and Government-wide mission critical occupations at the greatest risk and implement strategies to close the gaps. VA is currently monitoring Physicians, Psychologists and Psychiatrists as part of this initiative. VA entered into a Memorandum of Agreement with HHS' Public Health Service (PHS), allowing HHS to detail PHS medical officers to serve in VAMCs. In FY 2019, VA placed three PHS physicians in Anchorage, Northern Arizona and Dayton VAMCs and three PHS psychologists in Anchorage, Northern Arizona and Roseburg VAMCs. VA also completed data analyses regarding Psychologist pay inconsistencies, and a solution is pending VHA approval and implementation. Furthermore, Psychiatrist salary limits are being adjusted to improve recruitment and retention of this critical medical specialty.

Conclusion

VA remains committed to transitioning towards a requirements-based, enterprise-wide workforce requirements management process to ensure it has the right staffing levels and organizational structure to promote the economical use of resources and reach full staffing capacity. VA will continue to employ innovative recruitment and retention programs to support progress in building and sustaining a workforce that can carry out VA's vision of providing Veterans and their families with the world-class benefits and services they have earned, with high standards of compassion, commitment, excellence, professionalism, integrity, accountability and stewardship. The resources requested in the FY 2021 President's Budget Request, particularly those associated with staffing, will provide the funds necessary to allow VA to continue to deliver on the Nation's promise to our Veterans.

Subsequent reporting will provide increased transparency from the new workforce requirements management process and address the effectiveness of individual recruitment and retention programs.