

Annual Report on the Steps Taken to Achieve Full Staffing Capacity



Department of Veterans Affairs
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Introduction

Section 505(b) of the *John S. McCain III, Daniel K. Akaka, and Samuel R. Johnson VA Maintaining Internal Systems and Strengthening Integrated Outside Networks Act of 2018*, or the VA MISSION Act of 2018 (P.L. 115-182), established a requirement for the Department of Veterans Affairs (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. Section 3008 of the *Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Benefits Improvement Act of 2020* (P.L. 116-315) amended the report requirement to require data on the number and percentage of employees exceeding certain time to hire metrics (from validation of vacancy to start date), and the average number of days new employees spend in each part of the hiring phase.

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 (FTE) 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 continually reviewed and updated based upon emerging business and workload requirements. Key drivers that impact full staffing capacity include the following: 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 resources provided through budget appropriations, as outlined in the fiscal year (FY) 2021 President's Budget Request, allows VA to continue to deliver on the Nation's promise to Veterans. Additional temporary *Coronavirus Aid, Relief, and Economic Security Act*, or the CARES Act (P.L. 116-136) funding enabled VA to address the COVID-19-related surge in workload.

This report outlines the steps taken to ensure VA has "the right people in the right place at the right time with the right skills to serve Veterans and their families."¹ 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 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. When fully implemented, the refined workforce management processes and systems will result in a

¹ Business Strategy 4.2.2: Improve Staffing to Ensure a Qualified VA Workforce is in Place, Department of Veterans Affairs FY 2018-2024 Strategic Plan.

clearer view of VA's funded vacant positions, which will improve visibility in VA's ability to manage skill gaps and workforce planning actions to improve staffing capacity.

This report also describes the variety of tools VA uses to achieve full staffing capacity including: direct hiring authorities; recruitment and retention flexibilities and incentives; 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, 2021, VA had 399,127 employees onboard, funded through the FY 2020 and FY 2021 Veterans Affairs appropriations (includes full-time, part-time and seasonal employees), representing a total of 390,278 onboard FTEs². Also, as of March 31, 2021, VA estimated that it had almost 8,000 additional employees funded through the CARES Act. Veterans Health Administration (VHA) employees and positions funded by the CARES Act are not included in the VA MISSION Act reports because they are temporary in nature (i.e., funded through a special appropriation to meet a temporary surge in workload and do not reflect an ongoing capacity requirement). However, this category of employees has been critical to the VA workforce in response to the COVID-19 pandemic, starting in the second quarter of FY 2020, and should be noted in the employee trends discussion.

VHA accounts for approximately 89% of VA employees. As the largest integrated health care delivery system in America, VA's workforce challenges mirror the health care industry. Despite these challenges, VA's workforce experienced an annual growth of 2.6% in FY 2020, excluding employees funded through the temporary CARES Act funding. When including the CARES Act employees in the growth between FY 2019 and FY 2020, VA grew by 3.9%. This growth is consistent with the annual average 3.0% growth in the past five VA President's Budget Submissions in funding for FTEs.

The 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 accounted for 64% of VA employees. As presented in Table 1 below, average annual onboard employee growth rates in FY 2016 through FY 2020 was consistent with growth in funding at 2.7% without the COVID-19 position employees and 3.0% with the CARES Act employees. VA consistently maintained separation (turnover) rates at or below 9.6%, and in FY 2020, VA's turnover rate dropped to 8.95%, in response to the COVID-19 pandemic and associated economic factors. The success of VA's workforce planning and employee engagement strategies is evidenced by the comparison of VA's separation rates to other large cabinet-level Federal agencies (average 19.5%) and the nationwide health care and social assistance industry (average 35.8%) over the same time period.³

² Excludes categories of employees excluded in the quarterly VA MISSION Act reports (Office of the Inspector General (OIG), Veteran Canteen Service (VCS), intermittent employees, residents, interns, fellows, students, trainees, non-pay status, fee-based employees and COVID-19 positions/employees).

³ The annual total separations rate is the number of total separations during the entire year as a percentage 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 9, 2021.

Table 1. Historical VA Employees Onboard, FTEs, Hires, Losses, Net Increase and Growth Rates⁴

	FY 2016	FY 2017	FY 2018	FY 2019	FY 2020	FY 2020 With CARES Act
Employees	358,449	365,479	377,156	389,888	399,957	405,230
FTEs	349,315	356,378	368,070	380,724	390,539	395,082
External Hires	40,634	40,053	46,402	47,580	41,160	46,118
Losses	32,780	32,778	34,936	36,050	24,843	25,304
Net Gain	7,854	7,030	11,677	12,732	10,069	15,342
Growth Rate	2.53%	1.96%	3.19%	3.38%	2.58%	3.93%

Note: Net gain and growth rates are calculated by measuring the change in the total number of employees from year-to-year.

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. Among these select professionals, the professions among the top ten clinical shortage occupations identified in FY 2019 in rank order were 1) registered nurse, 5) medical technologist, 6) diagnostic radiologic technologist, 8) physician assistant, 9) pharmacist, and 10) nursing assistant.⁵ The primary drivers for the clinical occupation shortages were competition with other health care employers and a limited supply of candidates.

⁴ Data Sources: For FY 2016-2019 the source was the VHA Service Support Center (VSSC) Human Resource Management data cubes, as of March 31, 2020. For FY 2020 data, the data source is VA's human resources system of record (HR•Smart), as of September 30, 2020. Notes: Excludes Office of the Inspector General, VCS, intermittent employees, residents, interns, fellows, students, trainees, non-pay status, COVID-19 and fee-based employees. Data may vary slightly with other public reports for similar timeframes, due to different points in time that the data is pulled.

⁵ VHA Workforce and Succession Strategic Plan FY 2020-2021. The professions in the table were selected as comparisons to the private sector were available. Other occupations identified as VHA critical shortages but are not reflected in this table are in rank order: 2) physician, 3) practical nurse, 4) psychologist, and 7) medical instrument technician.

Table 2. Calendar Year 2020 VHA Turnover Rates Compared to Private Sector Turnover Rates⁶

Occupation	VHA	Private Sector	Occupation	VHA	Private Sector
Certified Registered Nurse Anesthetist (CRNA)	7.8%	8.4%	Pharmacist	3.1%	8.4%
Nurse Practitioner	7.3%	8.9%	Medical Technologist	9.0%	15.6%
Registered Nurse	7.1%	18.7%	Physical Therapist	3.4%	9.1%
Nursing Assistant	9.3%	27.5%	Respiratory Therapist	9.3%	18.6%
Patient Care Tech (Health Aid and Technician)	8.4%	28.6%	Occupational Therapist	4.7%	13.8%
Radiologic Technologist	5.7%	13.8%	Speech Therapist (Speech Pathology/Audiology)	3.5%	13.6%
Physician Assistant	6.5%	9.2%			

VA continues to see a net gain in onboard employees. This is partly due to consistent increases in funding levels for FTEs and increased emphasis on hiring, recruitment and retention. VA is an employer of choice with significant improvements in recent “Best Places to Work” indices. As one of the top 10 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. VA’s Employee Engagement Council periodically meets to address and implement solutions.

VA’s dedicated employees come to work for America’s Veterans and have a close connection with Veterans – about 30% have Veterans’ preference eligibility. There are many other benefits associated with working at VA, for health care providers and other employees, that support VA’s higher retention rates. These benefits include working for a nationwide 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 occupation, generous benefits, work schedule flexibilities, telework options and the opportunity to participate in cutting edge research. According to VA’s FY 2019 exit survey, 76% of VA respondents would recommend VA as a place of employment and 72% of VA respondents would consider working for VA again. VHA’s exit data reported similar results. VBA was slightly lower with 72% of respondents who would recommend the VA as a place of employment and 61% of respondents who would consider working for VA again. There were no results reported for NCA.

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), 2021 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.

Defining Staffing Requirements

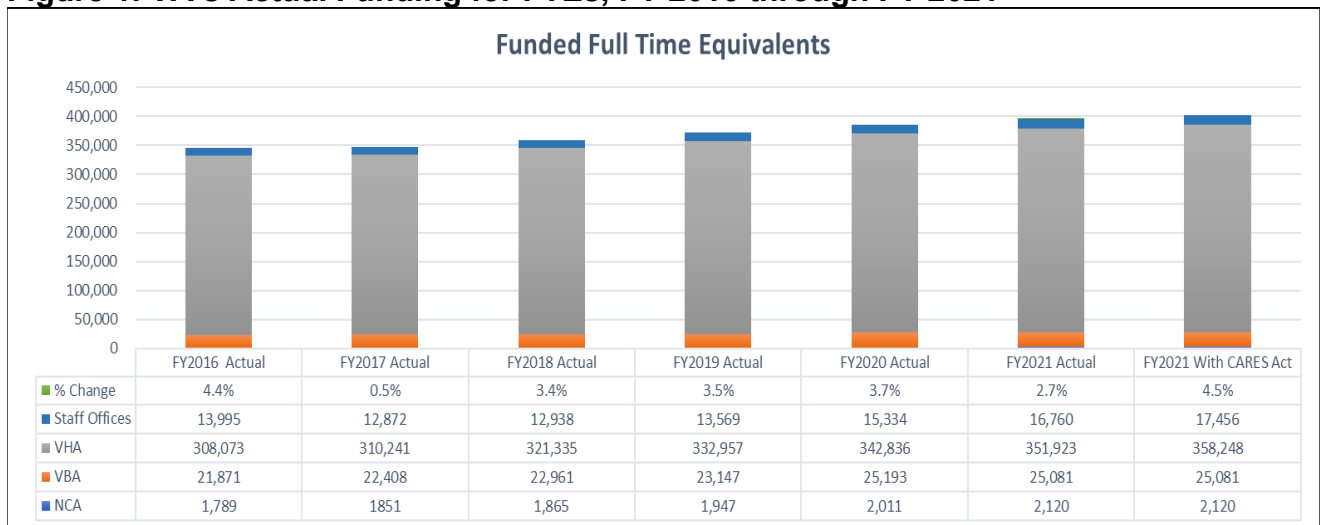
VA benefits from having access to extensive data on workload, utilization and Veteran characteristics that are used for strategic planning and budget formulation. In most instances, forecasted staffing requirements reflected as FTEs requested in the annual budget submissions are based upon robust analysis 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 approximately 90% 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 benefits 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 funded FTEs and onboard FTEs appears to be a close approximation of staffing gaps. 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 funded FTE is a reliable staffing capacity indicator. As such, the staffing capacity gap is best defined as the difference between funded 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 rather than employees.⁷ Thus, discussing staffing requirements and capacity is more accurately accomplished in terms of FTEs. With funding for 395,884 FTEs in VA's FY 2021 operating plans, VA is the second largest Federal agency in the United States.⁸ As presented in Figure 1 below, funding for VA's workforce continued to grow at an average of 3.0% in the past 5 years. Much of the FTE growth is based upon increased workload resulting from the efforts to expand access to health care, implementation of the VA MISSION Act, and strengthening the Veterans' benefits programs.

⁷ Employees are the number of personnel encumbering positions (i.e., headcount) onboard at the time the data are reported. Employees differ from FTEs, 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 VA operating plans are VA's budget plan to implement the annual appropriations provided by Congress. FTEs exclude OIG and VCS.

Figure 1. VA's Actual Funding for FTEs, FY 2016 through FY 2021⁹



From an FTE standpoint, on March 31, 2021, VA had approximately 5,000 funded cumulative vacant FTE and another approximately 27,500 unfunded vacancies.¹⁰ Vacant positions created in support of the CARES Act are not included as there were no specific FTE funding levels in the CARES Act and funds are only used when the positions are filled.

At the end of FY 2020, VA conducted a position validation review resulting in a reduction of vacant positions by more than 41%. This effort more fully aligned the active, approved and budgeted FTEs recorded in VA's employee and position system of record (HR•Smart)¹¹ with the available funding for FTEs.¹² As of March 31, 2021, there were 32,647 total vacant FTEs.¹³ 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. Rather, they reflect the turnover in employees constantly occurring in the organization and funded levels of growth in FTEs. Some of the vacant positions in the inventory 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 management and system improvements.

⁹ Staff Offices include all General Administration appropriations, Board of Veterans Appeals and the Office of Information Technology. Data Sources: FY 2016 through FY 2019 are actuals reported in VA's FY 2017 through FY 2021 Annual Budget Submissions, Supplemental Information and Appendices. FY 2020 and FY 2021 funding levels are from VA's operating plans. FY 2021 With CARES Act reflects the FY 2021 Actual plus the onboard FTEs identified as filling a COVID-19 position.

¹⁰ As noted in this document and prior related publications, VA is continuing to validate positions. These numbers do not include ~20,000 positions that are undergoing a position validation review.

¹¹ HR•Smart is the VA's modern Human Resource Information System (HRIS) that replaced the 50-year-old legacy system in 2016. HR•Smart has better positioned the VA to serve its employees and manage positions.

¹² HR uses the term "budgeted" versus the term "funded" to reflect a plan for FTEs.

¹³ This count does not include more than 20,000 FTEs that are undergoing a position validation review.

VA is making significant progress with internal system changes to HR•Smart that were designed to put controls in place to enhance position management processes and move towards better data integrity and fidelity in the reported positions, particularly vacant positions. These changes will support the efforts in maintaining position quality through continual position validation reviews. Validation processes and system improvements 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 COVID-19 pandemic, those changes were delayed. Thus, VA is not yet at the point where the vacancies recorded in HR•Smart are indicative of true current and budgeted positions, but VA is making progress in understanding its full staffing capacity.

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 (e.g., recruitment and retention incentives and special hiring initiatives) and those designed to increase capacity (e.g., 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 as well as to provide more virtual care to Veterans throughout the country. Because of the significant size of the Veteran population who reside in remote areas, VA has been a leader in virtual health care delivery and is well positioned to expand in this area. In recent years virtual health care has grown in all health care delivery systems and geographic regions. VHA is mindful of this expansion of virtual modalities and is aggressively evaluating options how to further expand this modality of care to better serve our Veterans. This expansion includes 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 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 address bandwidth gaps.

Funding for Full Staffing Capacity

VA’s FY 2021 operating plans have funding for 395,884 FTEs. Given the rigor of the budget formulation process, the resources Congress provided in the FY 2021-2022 appropriations, particularly those associated with staffing, will allow VA to continue to meet the growing demands of the Veteran population. This FTE funding represented growth of approximately 10,500 new funded FTEs or about 2.7% over the FTEs funded in FY 2020. In addition, Congress provided funding to address the surge in workload resulting from the COVID-19 pandemic that provided an average of approximately 8,000 FTEs during most of FY 2020 and through FY 2021.

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. 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

In addition to enhancements to HR•Smart and systematic implementation of position management policies and processes, 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, 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, manning documents will become 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 to be in place by the end of 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 management processes will enable VA to more accurately define full staffing capacity requirements. As VA's workforce management capabilities continue to expand, staffing data will better position VA to identify and overcome staffing gaps with more fidelity.

Until such time that workforce management can fully define workload-based staffing requirements across VA, FTEs reflected in VA's budget are the most appropriate demand signal for staffing requirements. 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 HR•Smart FTEs suggests that VA has historically managed their onboard staffing levels in alignment with the requirements established in VA's annual budget submissions.

Staffing Strategies

VA employs a variety of tools to achieve full staffing. The COVID-19 pandemic posed staffing-related challenges that VA continues to successfully address. The Department was able to conduct surge hiring, resulting in over 80,000 hiring actions. A dual compensation waiver from the Office of Personnel Management (OPM) allowed VA to waive the salary offset when necessary to re-employ an annuitant in support of the COVID-19 emergency, resulting in 156 annuitant appointments from March 2020 to February 2021. VA expanded the use of direct hiring authorities (DHA) for more than 4,600 hiring actions. In addition, VA used expedited hiring flexibilities of delayed fingerprinting and pre-employment medical examinations until after entry on duty to meet the surge in workload. These adjustments have been vital to the ability to properly staff VA during the COVID-19 pandemic. To ensure that postponement of traditional pre-hire personnel security activities does not incur additional risk for veterans, employees and the Department, VHA provided vetting guidance related to VHA's three-day hiring model.¹⁴

Furthermore, VA identified additional opportunities for improving targeted retention action planning and employee engagement by including COVID-19-related questions in its annual All Employee Survey. The responses to the COVID-19 related questions are being used with other data sources, such as VA's entrance, exit, transfer surveys, stay interviews and retention data to inform action plans for employee engagement and to help supervisors facilitate discussions with employees. Data gathering and workforce outreach is an ongoing effort of VA's strategies for the "future of work" efforts. VA continues to utilize recruitment and retention flexibilities and incentives; stay interviews; hiring initiatives; virtual trainee recruitment events; employee engagement initiatives; HR systems and process modernization; workforce planning; targeted recruitment of Service members transitioning from the Department of Defense (DoD); national recruitment programs for hard-to-fill specialties; and strategies for filling Director positions Agency-wide.

OPM Government-wide & VA Direct Hiring Authorities

DHAs are used across VA to increase the speed of the hiring process. In coordination with OPM, VA obtained DHA approval to assist with expedited recruitment efforts to fill 13 critical occupations in support of the *VA Choice and Quality Employment Act of 2017* (P.L. 115-46), and recently received approval to extend this authority through December 31, 2023. To assist with meeting urgent staffing needs in response to the COVID-19 pandemic, VA also obtained OPM approval for 6 COVID-19-related DHAs which cover 36 occupational groups through December 31, 2021.

As seen in Table 3 below, use of DHA for the title 5 occupations deemed as shortage occupations¹⁵ was significantly higher in FY 2020 (46.3%) across VHA than in previous

¹⁴ VA Office of the Inspector General, Potential Risks Associated with Expedited Hiring in Response to COVID-19, November 17, 2020, [Potential Risks Associated with Expedited Hiring in Response to COVID-19 \(va.gov\)](#)

¹⁵ Title 5 shortage occupations include HR specialists, HR assistants, police, and general engineers.

years. Significant increases in DHA usage were also seen at rural facilities in FY 2020 (68.6%).

Table 3. VHA DHA Usage for Title 5 Shortage Occupations

VHA Area	FY 2018	FY 2019	FY 2020
All VHA	12.8%	37.6%	46.3%
Rural Facilities	16.7%	57.3%	68.6%
Non-Rural Facilities	12.5%	36.1%	45.0%

Rural facilities face additional recruitment challenges, especially for providers and specialists. This is evidenced by the longer time to hire for physicians at rural facilities than non-rural facilities (approximately 36 days longer on average). A shortage of health care professionals in rural areas of the U.S. can limit access to health care by limiting the supply of available services. The challenges of health care workforce shortages in rural areas is not unique to the VA. Health Resources and Services Administration found that as of March 31, 2021, 61.5% of health professional shortage areas are in rural areas.¹⁶ To address these geographic challenges, rural facilities are taking advantage of DHA for these occupations as a significant recruitment tool.

An analysis of each Veterans Integrated Service Network (VISN) revealed that all VISNs increased their use of DHA for these occupations from FY 2018 through FY 2019, and all but one VISN has increased from FY 2019 to FY 2020. FY 2020 usage of DHA for these occupations ranged from 16.4% to 69.8% of hires, with 83.3% of VISNs using DHA for at least 25% of the hires for these title 5 occupations.¹⁷ VA's Office of Information and Technology (OIT) used special hiring authorities paired with virtual recruitment and career fair events to appoint candidates to hard-to-fill vacancies. OIT also provided information sessions for hiring officials to better understand the use of non-traditional hiring authorities such as the Military Spouse hiring authority. From January through December 2020, DHA was used to fill 1,023 new hires in the Information Technology Management occupational series, 2210. The National Cemetery Administration (NCA) also used DHA to fill critical positions, hiring 85 Cemetery Caretakers, 26 Cemetery Representatives, 14 Accountants and 14 General Engineers. VBA used DHA for all entry-level Veterans Service Representative (VSR) GS-7, Rating Veterans Service Representative (RVSR) GS-9 and Legal Administrative Specialist (LAS) GS-5/7 positions. In addition, VBA continued to use DHA previously approved for other hard-to-fill positions. This resulted in 1,557 hires in VBA for the period of March 2020 through March 2021.

¹⁶ Bureau of Health Workforce, Health Resources and Services Administration (HRSA), Designated Health Professional Shortage Areas (HPSA) Statistics, Second Quarter of Fiscal Year 2021 Designated HPSA Quarterly Summary, [Shortage Areas \(hrsa.gov\)](https://www.hrsa.gov/shortage-areas)

¹⁷ VA recently revised DHA tracking methodologies to capture variations more accurately in how HR specialists code for DHA.

Time-to-Hire Improvements

The Office of Personnel Management's 80 calendar day Time-to-Hire (T2H) model is used for positions filled through a Job Opportunity Announcement (JOA) posted to USAJobs, as well as onboard new hire types that are onboarded in USA Staffing and are not associated with an announcement (i.e., non-competitives). The time starts when a hiring need is validated and ends with the employee's actual start date. The references in the T2H section apply to the 80-day model.

T2H is measured in two ways. The primary measure reflects the elapsed time between when a hiring need is validated and when an employee enters on duty, and the secondary measure reflects the elapsed time between when a hiring need is validated and when the candidate responds to a tentative offer.

- OPM's 80 calendar days T2H target is the standard referenced by VA's Office of Inspector General (OIG), the Government Accountability Office (GAO) use for title 5 and hybrid title 38 positions filled through a JOA posted to USAJobs, and new hire types onboarded in USA Staffing that are not associated with an announcement.
- VHA's 100 calendar days T2H targets is used for title 38 positions filled through a JOA posted to USAJobs, as well as onboard new hire types onboarded in USA Staffing that are not associated with an announcement. For health care professionals hired by VHA, the time to hire includes the extra requirement of credentialing which lengthens the time to hire average for those occupations.

VA continued implementation and development of various programs and process improvements to improve T2H. At the start of FY 2020, VHA established process improvement teams to develop new and improved guidance, strategies and tools packaged into a T2H Implementation Guidebook. COVID-19 hiring and onboarding adjustments included expedited credentialing; deferment of pre-employment requirements, such as physical examinations and fingerprinting; and expanded use of temporary appointments. Internal process improvements included permanent elimination of hybrid title 38 Professional Standards Boards (PSB) and temporary changes to Nurse PSBs that allowed rapid pay-setting. These new authorities were cross-referenced with existing flexibilities, and the T2H cumulative average for the year dropped from 94 days to 78 days since the end of March 2020.

VBA and NCA directly tied T2H metrics to performance standards for HR professionals who perform recruitment and placement. Additionally, all NCA supervisors have a performance standard that requires them to expeditiously recruit for vacant positions; meet established deadlines associated with the supervisor's portion of the T2H goals; and follow an established process for requesting extensions if certificates cannot be returned within the allotted timeframe.

During the second quarter FY 2021, NCA (83%), VBA (63%) and VHA (58%) exceeded VA's T2H goal of 54% of all hires entering duty within 80 days. The Office of General

Counsel (OGC) also worked with hiring managers to increase their use of non-competitive flexibilities for Schedule A, Military Spouse, Veteran status and proactive outreach to the public for excepted positions.

Continued Use of Recruitment & Retention Flexibilities

In FY 2020, VA spent over \$216 million on recruitment, retention and relocation incentives with 91% of recruitment dollars, 89% of retention dollars and 69% of relocation dollars going to FY 2020 clinical staffing shortage occupations. In a 2017 study, VA found that within 12 months of implementing the Stay in VA (SIVA) program at a VAMC with a registered nurse (RN) turnover rate of 14%, RN turnover rate was reduced by 52%. While the monetary return on investment of the SIVA program have not been studied in detail, the return on investment includes:

- Improving employee effectiveness, engagement and performance;
- Strengthening organizational commitment; and,
- Averting the turnover process and associated costs of recruitment actions and onboarding new employees.

The VA MISSION Act authorized or expanded several programs to recruit and retain health care providers, to include an increase in the maximum amount of student loan debt that may be reimbursed under the VHA Education Debt Reduction Program (EDRP); authorizing designated scholarships for Physicians and Dentists under the VA Health Professional Scholarship Program (HPSP); and launching the new VA Specialty Education Loan Repayment Program (SELRP) that targets Physicians training in medical specialties for which VA determined there is a shortage. VA approved 1,987 EDRP applications for health care professionals in FY 2020, a 78% increase over FY 2019. The national clinical shortage occupations, including Physicians, Registered Nurses, Practical Nurses, Psychologists, Physician Assistants, Pharmacists, Medical Instrument Technicians, Diagnostic Radiologic Technologists and Medical Technologists, received 91% of the \$18 million spent on new EDRP awards in FY 2020.

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 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 agreement. In FY 2020, VA supported 7,004 employees actively taking part in EISP. A total of 3,516 participants were in academic programs with 3,488 serving scholarship obligations. During FY 2020, VA approved 1,258 new EISP awards, with 1,201 (95%) of those new awards supporting the recruitment and retention of employees in the health care occupations with the largest staffing shortages. The FY 2020 total represents an increase of 3% in active EISP participants from 6,804 at the end of FY 2019.

The Department's Student Loan Repayment Program (SLRP) has proven beneficial for retention of employees in hard-to-fill positions. VA primarily uses SLRP for retention

efforts to minimize turnover in positions that provide a unique service or for employees who possess specialized skills. For calendar year 2020, VA disbursed a total of \$4,659,071 on behalf of 548 employees across 33 support occupations.

The VA Learning Opportunities Residency (VALOR) program gives outstanding nursing and medical technology students an opportunity to develop their skills at a VA-approved health care facility. During FY 2020, VALOR funded a total of 232 students with \$4 million in funding. So far in FY 2021, VA has approved 260 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 2020, VA also awarded 150 new scholarships to Physicians, Nurses, Medical Technologists, Pharmacists, Diagnostic Radiologic Technicians and Physician Assistants in HPSP while administering 333 total scholarship participants, including 183 participants selected in previous years. The total amount of funding during FY 2020 was \$10.7 million. In FY 2021, HPSP anticipates offering scholarships to Physicians, Nurses, Medical Technologists, Pharmacists, Diagnostic Radiologic Technicians and Veterans who are currently training as Physician Assistants. These scholarship recipients assist 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.

The COVID-19 pandemic warranted a dramatic increase in expedited hiring to complement the increased capacity across the Enterprise and deploy personnel to locations experiencing outbreaks (both for VA facilities and Fourth Mission Assignments). The requirements to increase capacity for inpatient care, with a focus on critical care, and respond to mission assignments by deploying personnel, made the addition of personnel with a wide range of skill sets essential. As a result, VA's Office of Human Resources and Administration/Operations, Security and Preparedness (HR&A/OSP) coordinated with OPM for the approval of recruitment, retention and relocation waivers above normal limitations to maximize recruitment and retention efforts. VA has prudently and strategically used the COVID-19 waiver authority to address these challenges during the pandemic. As of February 5, 2021, VA approved 4,225 waivers (4,077 for title 38 employees and 148 for title 5/hybrid title 38 employees).

Stay Interviews to Improve Retention

VA is implementing the use of Stay Interviews as a best practice that is spreading throughout the organization. The purpose of Stay Interviews is to provide a strategic and methodical approach for supervisors to make employee retention and engagement an organizational priority. Periodic Stay Interviews include open-ended questions designed to guide a personal 1:1 discussion between all employees and their first-level and second-level supervisors or managers. These discussions are held at multiple touchpoints in every employee's journey of employment, from 30 days to annually. When the Tomah VA Medical Center (VAMC) implemented Stay Interviews for Nurses, there was a 50% reduction in turnover. VBA's Office of Talent Management is

developing a process to pilot Stay Interviews to improve retention of Human Resource Specialists, to potentially be extended to additional VBA occupations.

Stay Interview is what engages employees; what makes them want to stay at VA; and what the organization can do better to keep them. In general, VA has found that soliciting feedback from staff in a timely is critical after go-live to address concerns, problems and misunderstandings, as well as to celebrate increased employee satisfaction and morale, reduced turnover rates, compliance with internal or external requirements and ongoing improvements. Stay Interview guides, templates and fact sheets are available on an internal employee website.

Hiring Initiatives

Targeted hiring initiatives are managed nationally to determine staffing needs, develop staffing plans, manage national recruitment announcements and leverage incentives. These cooperative efforts proved an effective way of improving staffing capacity where and when it is needed most.

VA-Trainee Recruitment Events (VA-TRE): VHA 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-TRE is a virtual approach to matching current and former VA HPTs with current and projected VHA vacancies. VA-TRE provides a robust pipeline of highly qualified VA-trained HPT candidates to fill VHA vacancies through established recurring national hiring events. Since the first VA-TRE in 2018, the Department successfully placed 233 HPTs and expanded 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 Sustainment Initiative (MHH-SI): VA recognized that the combination of COVID-19-driven physical distancing and economic hardships could aggravate existing Veteran mental health needs thereby heightening the importance of the Agency's mental health services staffing efforts. In 2020, VA continued MHH-SI to support VHA's top clinical priority to eliminate Veteran suicide. VHA increased the onboard size of the Mental Health workforce by almost 900 employees, including 160 Psychologists. As of January 31, 2021, the onboard size of the Mental Health workforce was over 26,300 and has increased by approximately 260 employees this fiscal year. VISNs with greater Mental Health staffing ratios tend to have lower suicide, even when adjusting for state suicide rates in the general adult population and facility and patient population. As part of the MHH-SI, each VAMC is assigned a staffing criticality score each quarter based on total outpatient staffing ratio, mental health domain of VA Strategic Analytics for Improvement and Learning (SAIL), Suicide Prevention Coordinator and Suicide Case Manager staffing, prescriber staffing ratio, mental health population staffing ratio and a mental health population adequacy metric. Criticality scores are reported to the VISNs for action quarterly.

Rural Health Hiring: While the Veterans Access, Choice, and Accountability Act of 2014 (Choice Act) (P.L. 113-146) and the VA MISSION Act have empowered Veterans to use VA benefits to receive private-sector care, COVID-19-driven private-sector medical furloughs and possible private-sector facility closures may be detrimental to rural hospitals in locations where remote Veterans need them most. COVID-19-driven risks to rural health care make VHA's rural health hiring especially important now and in the post-COVID-19 world. 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. VA is leveraging VA-TRE to support filling vacancies across the country, including in rural areas. VHA remains fully engaged in a fiercely competitive clinical recruitment market and has employed a multi-faceted strategy to attract qualified candidates specifically for rural facilities, including partnership with the national rural recruitment and retention network, rural health trainee experiences, exhibits and job fairs, EDRP, HPSP funding, offering competitive salaries, student loan repayment program, performance pay and base pay increases, adequate support staffing, continued use of flexible work schedules and telework and telehealth opportunities.

Hire Right, Hire Fast (HRHF): Hire Right, Hire Fast (HRHF) is a best practice recruitment and hiring model that has been applied nationwide to Medical Support Assistants and Housekeeping Aides over the past 4 years. Most recently, HRHF was effectively applied to Registered Nurses (RN). The RN campaign launched in February 2020 and is still underway. HRHF Community of Practice calls are held bi-weekly for each of the positions to aid facilities in overcoming barriers to decreasing T2H and reducing vacancy rates for each of the occupational groups. By applying HRHF best practices [i.e., use of the structured interview method; development of vetted applicant pools; use of the expedited job fair (virtual fairs currently); obtaining blanket approval to hire; and over-hiring], facilities can significantly improve T2H and decrease vacancy rates. In addition to the many expedited hiring measures currently authorized due to COVID-19, HRHF best practices continue to be promoted nationwide. On December 31, 2019, RN vacancy rates were 9.4% and T2H was 101 days. As of December 31, 2020, vacancy rates improved to 8.5%, with 6 VISNs below 8%. As of March 17, 2021, RN T2H improved by 13 days down to 88 days, with 4 VISNs below 80 days.

DoD/VA Efforts to Recruit Transitioning Service Members: VA's Transitioning Military Program (TMP) is a strategic nationwide recruitment marketing campaign that taps into the pipeline of health care professionals exiting military service. 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. TMP collaborated with VBA's Office of Transition and Economic Development and DoD's SkillBridge program to develop internship programs, which create pathways to a variety of entry level civilian career opportunities. Intermediate Care Technicians, Police, Medical Support Assistants and Chaplains are the first occupations piloted in the internship programs and VHA continues to expand occupations. NCA has participated in and supported DoD's National Security Education Program (NSEP) job fair to provide potential applicants with information about NCA and available vacancies. Additionally,

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

National Recruitment Program: VA's national recruitment programs are centralized, coordinated efforts to address challenges observed in NCA and VHA by focusing on improving the size, quality and diversity of health care and Cemetery Director talent pools. These programs employ private-sector best practices to increase competitiveness within the broader labor market. Candidates are targeted through a variety of nationwide sources including digital banners, job postings, email outreach, search engine marketing, national broadcast buys, VA Careers' social channels (Facebook, Instagram, Twitter, LinkedIn, GlassDoor) and recruitment at clinical conferences and career fairs.

VHA's National Recruitment Service (NRS) assisted in developing comprehensive, client-centered recruitment and retention strategies that addressed current and future workforce needs and met overarching VA strategic priorities. NRS also provided VHA with subject matter expertise in numerous special emphasis areas, such as Health Professions Trainee recruitment and placement, rural workforce challenges, military spousal employment, early pipeline development and diversity and inclusion. As a result of their efforts, VHA was the recipient of several prestigious industry awards for digital innovations with VA Careers, National Public Service Announcement and social media outreach.

Veterans Employment Program: As of February 2021, preference-eligible Veterans represented about 31% of all VA employees. Of these employees, approximately 53% were in title 5 occupations and approximately 17% were in title 38 occupations. VA's Veterans Employment Program (VEP) Office provides virtual employment-readiness assistance to Veterans, disabled Veterans, transitioning Service members, students and military spouses. In addition, VEP promotes hiring of Veterans in VA's workforce through a comprehensive outreach strategy that includes collaboration with VA Administrations. VEP's outreach efforts include targeted recruitment through a variety of nationwide sources including digital banners, job postings, email outreach, VEP's social channels (VA for Vets website, Facebook, Twitter), conferences and career fairs. VEP hosted over 28,000 Veterans, transitioning Service members and military spouses at over 100 recruit military events, providing employment-readiness/career-coaching assistance. Further, VEP conducts webinars on "Understanding the Federal Hiring Process" and "Navigating USAJOBS". In addition, VEP responds to Veterans, transitioning Service members and military spouse inquiries, and in FY 2020, VEP responded to over 4,100 inquiries, helping Veterans and military spouses navigate the Federal hiring process and providing career-coaching services. VEP also increased

awareness throughout VA on the available Veterans and military spouse employment programs and services, posting 764 employment, training and benefits notices on the VA for Vets website.

Recruitment and Retention Toolkits: VHA developed toolkits for recruitment and retention to include fact sheets on the use of the 3Rs (recruitment, retention and relocation), loan repayment programs, trainee recruitment events, national announcements, guides to better interviewing, guidance on how to conduct stay interviews and brochures on the total rewards associated with VHA employment. The toolkits are accessible on an internal employee website.

Strategies to Fill Director Positions throughout the Agency: VHA and NCA developed and implemented new processes and hiring flexibilities to fill vacant Director positions. The Department has made considerable progress in efficiently filling Medical Center Director and Cemetery Director positions. VHA and NCA utilize periodic job announcements either weekly or monthly to proactively recruit for positions. VHA specifically leveraged critical pay authority to increase the pay rate up to \$209,300 (as of January 2021) for 39 complexity level 1A MCD positions. In addition, VHA adopted a 150-day time-to-fill standard for these posts and hosts an internal talent review process to identify and develop a pool of ready leaders aspiring to an MCD role. The result has been an increase in talent pool availability and interest in applying to MCD roles, as well as a significant reduction in the vacancy rate of MCD positions from as high as 25% in FY 2015 to 10.1% in FY 2019. The current vacancy rate is 2.9% for FY 2021.

NCA recently redesigned and will be relaunching (in June 2021) the Cemetery Director Development program which will develop Cemetery Administrator leaders (Directors and Assistant Directors) responsible for the operation, maintenance and administration of our national cemeteries.

Warrior Training Advancement Course Program: VBA's Warrior Training Advancement Course (WARTAC) program provided individuals with all the necessary training to work as VSRs and RVSRs through classroom and on-the-job training. This program enriches the hiring pool by increasing the number of candidates who have the qualifications to fill VSR and RVSR vacancies. Using this program, VBA has been able to hire 201 new employees in FY 2021, as of March 2021.

HR Modernization

To meet the challenges of an increasingly competitive market for health care talent, VA's Administrations need an effective and efficient human capital function. Human capital managers need to be able to fill positions as quickly as possible and provide high-quality service to VA employees. Through HR Modernization, VA's Administrations are implementing plans to improve the efficiency, effectiveness and accountability in human capital management. New HR systems have been deployed, such as eClass 360, VA's end-to-end classification system. The Administrations actively participated in workgroups for requested enhancements or updates to existing HR systems; perform

data cleanse projects as VA provides new guidance on how to use or maintain data in existing HR systems; review and provide feedback on proposed policy and standard operating procedures; and participate in user acceptance testing sessions, as needed for the Agency's HR system enhancements/modules, such as Guided Personnel Action Requests; Manager Self Service; and Workforce Requirements Management.

The human capital function throughout VA is undergoing reorganization to establish new delivery models. VHA is developing responsive, scaled, shared services that support operational efficiency allowing customers to enjoy ready access to the resources they need when and where they are needed. VBA is consolidating the processing of Workers' Compensation claims at VBA Central Office, as well as hiring staff for a Strategic Human Resources Planning cell, responsive to the Human Capital Strategic Planning needs of VBA's Senior leaders and to provide a capability to the field and business line level. During FY 2019 and FY 2020, routine HR functions consolidated from 139 health care systems to 18 VISNs in shared service units, reducing the footprint of prime health care footage that is occupied by administrative offices, and establishing front-line customer support through Strategic Business Units at the facilities. The realignments will provide enhanced HR customer service; improved recruitment and hiring of highly qualified employees; rapid posting and hiring for open positions; long-term reduction in costs; and improved employee engagement resulting in better patient experiences.

VHA Workforce Planning Cycle

VHA's Workforce Planning Cycle places direct emphasis on optimizing the Department's most vulnerable professions by identifying staffing shortage occupations and assisting with current and future workforce planning efforts, challenges, resource allocation and targeting the health care systems with the greatest areas of need, and other workforce planning activities. In response to requirements in P.L. 115-46, VHA redesigned the workforce planning cycle to provide a structured, data-driven approach for identifying clinical and non-clinical shortage occupations at the health care system level. Using the results of workforce planning activities, VHA continued publishing annual staffing shortage reports, including detailed reports for shortage occupations. During FY 2020's cycle, 64% of the occupations and specialties chosen indicated the primary cause of shortages was recruitment, while the remaining 36% indicated retention was the cause of the shortage. The most cited drivers for shortages included competition with other health care systems, followed by a limited supply of candidates. To address staffing shortages, VA used a combination of various hiring and retention flexibilities that include the tools discussed in this Staffing Strategy section, such as DHA and stay interviews. HR&A/OSP supports workforce planning at VHA and across VA by leading an Agency Strategic Workforce Planning Process focused on projecting medium-term supply-to-demand Mission Critical Occupation (MCO) gaps and emerging workforce-related risks to mission success.

The purpose of OPM's Closing Skills Gaps Initiative is for agencies to identify Agency-specific and Government-wide at-risk MCOs and implement strategies to address them.

Consistent with OPM's recommendation, HR&A/OSP's Strategic Human Capital Planning Service recently closed out completed action plans focused on Physicians, Psychologists and Psychiatrists as part of this initiative. Currently, VA is working with OPM to determine whether any of its Agency-level MCOs meet the high-risk threshold under OPM's new multifactor model. VA is also participating in OPM-led root cause analysis and action planning trainings and, once completed, will convene groups of subject matter experts to examine any OPM-determined high-risk MCOs; determine the root causes of their high-risk status; develop action plans to address them; and is scheduled to begin implementation of those plans in July 2021.

Conclusion

VA remains committed to transitioning towards a requirements-based, Enterprise-wide workforce management process to ensure it has the right staffing levels and organizational structure to promote the economical use of resources. VA will seek additional funds to support growth and to close gaps identified through requirements-based workforce management processes. 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 provided by Congress in the FY 2021 appropriations and CARES Act allows VA to continue to deliver on the Nation's promise to our Veterans.

Department of Veterans Affairs
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