Manual M-1, Operations. Part IX, Staffing Guidelines and Productivity Enhancements

Chapter 11, Fiscal Service Staffing Guidelines, RCS 10-0670 (Paragraphs 11.01 through 11.07; Appendix 11A and Appendix 11B)

This document includes:

Title page for M-1, Part IX, dated **April 21, 1989**Foreword for M-1, Part IX, dated **April 21, 1989**Introduction for M-1, Part IX, dated **April 21, 1989**Contents pages for M-1, Part IX, dated **April 21, 1989**Contents pages and Rescissions page for M-1, Part IX, dated **August 22, 1991**

Contents page for Chapter 11, dated **April 21, 1989**Text for Chapter 11, dated **April 21, 1989**Text for Appendix 11A and Appendix 11B, dated **April 21, 1989**

Transmittal sheet located at the end of the document:

Sheet dated April 21, 1989

Department of Veterans Affairs

OPERATIONS

Staffing Guidelines and Productivity Enhancements

FOREWORD

This manual has been written to provide guidelines to equitably and effectively allocate manpower resources based on workload and the level of service to eligible veteran patients. The guidelines represent a viable mechanism for estimating manpower resource requirements in most program areas.

The Manpower Planning Division has developed, tested, and refined the guidelines as necessary as workload data was made available through published reporting requirements.

Prior to this document, guidelines were transmitted, tested, and implemented via VHS&RA circulars. With the exception of first generation guidelines, which are required in the development and testing of the staffing criteria, all guidelines thereafter are to become a part of this manual.

In addition to staffing guidelines, this manual provides guidance and procedures with regard to new management and productivity improvement initiatives and re-emphasizes existing initiatives which, heretofore, had not been fully implemented. These initiatives are: Circular No. A-76, "Performance of Commercial Activities," Cost Containment, Efficiency Review Program, and Productivity Improvement Program. These initiatives are identified as "Productivity Enhancements."

John A. GROMVALL, M.D. / Chief Medical Director

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INTRODUCTION

The development of guidelines for allocating staff to the medical facilities of the VHS&RA (Veterans Health Services and Research Administration) has been an evolutionary one in VA since the early 1960's, reflecting state-of-the-art advances since that time. These developmental efforts began with the formulation, through "work measurement" studies, of staffing guidelines for specific medical center activities, such as those engaged in by Dietetic and Supply Services. In the 1970's, the formulation of "core staffing ratios" ("x" staff per "y" patients) was introduced for all VHS&RA medical facilities.

The 1970's saw the publication of two major reports on VA's health care system that relied heavily on the core staffing concept. The first, 1/published in response to a Presidential directive, resulted in substantial increases in key medical facility professional and support staff. In 1977, the NAS (National Academy of Sciences) presented a report, 2/pursuant to Public Law 93-82, Section 201(c), of an extensive study of health care for American veterans, carried out over a 3-year period. The purpose of the NAS study was ". . . to determine a basis for the optimum number and categories of personnel and other resources to ensure the provision to eligible veterans of high quality care . . . " Unfortunately, the NAS study failed in this objective, touching only lightly on the central question of staffing requirements in VA's medical facilities. Instead of providing the VA with staffing guidelines based on the latest management engineering techniques, the NAS study simply utilized VA's own core staffing ratios. In fact, the NAS report recommended that "the VA develop procedures for assessment of patient needs and use them for staffing...that VA Central Office judiciously apply and continually refine existing instruments..." (pps. 286-7). In other words, recommended that VA undertake a task the NAS itself was asked to accomplish in its contract. In its response to Congress, 3/VA concurred with this recommendation and thus committed itself to the development of staffing guidelines that would replace core staffing ratios, though cautioning that "extensive revisions and modifications will be required before even limited application can be made of existing methodologies" (pps. 22-23). Hence, VA began the task of replacing the existing core staffing ratios, which were not refined enough to enable precise staffing needs to be defined for complex medical facilities and programs. Subsequently, a number of different approaches to standards development in the private health care sector were studied. Much valuable information and experience were thus acquired by VA personnel who were eventually incorporated into a new organizational unit in VHS&RA. Thus, in 1981, Management Systems Service was organized for the purpose of developing, testing, refining, and implementing staffing guidelines for all medical facility activities. Since 1981. Management Systems Service has been engaged in work on staffing guidelines, the magnitude of which is unparalleled in the health care industry.

During 1984 and 1985, productivity effectiveness was repeatedly stressed and emphasized, predominantly by the Office of Management and Budget. At the direction of OMB, VHS&RA began to address productivity effectiveness through several new initiatives, i.e., most efficient organization, productivity improvement program, and efficiency reviews; and re-emphasized existing initiatives such as Circular No. A-76, "Performance of Commercial Activities," and cost containment. These functions are assigned to the Strategic Planning Office, Manpower Planning Division.

^{1/} Report of Special Survey of Level of Quality of Patient Care in VA Hospitals, House Committee Print No. 163, Washington, DC, October 1974

^{2/} Health Care for American Veterans, NAS, Washington, DC, June 1977

^{3/} VA Response to the Study of Health Care for American Veterans, Senate Committee Print No. 7, Washington, DC, September 1977

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CHAPTER 11. FISCAL SERVICE STAFFING GUIDELINES, RCS 10-0670

11.01 MISSION

The VHS&RA (Veterans Health Services and Research Administration) Fiscal Service provides an integrated system of financial staff services which contribute to efficient and effective management of VA medical centers. These services include accounting, voucher audit, payroll, budgeting, financial analysis and reporting, and long— and short—range resource planning.

11.02 APPLICABILITY

This guideline is applicable to all facilities where the Fiscal Service is under the administrative control of VHS&RA.

11.03 METHOD OF DEVELOPMENT

- a. In 1982, data were collected on major fiscal activities for a 3-month period from 26 fiscal operations. Various work measurement techniques were employed in 1983 at several VA medical centers of varying levels of complexity to establish the validity and reliability of the data collected. The results were statistically analyzed and a staffing model was developed using regression analysis.
- b. The first generation fiscal staffing guideline was published in August 1985. This guideline was based on a regression model that contained eight workload activities that proved to be significant predictors of staff required for the Fiscal Program nationwide.
- c. At the time the first generation fiscal staffing guideline was developed, the Fiscal Officers Advisory Group identified work activities (test data) that they believed were significant and would have the most potential for future growth. The test data, along with the data collected on the eight current work activities were analyzed during the fall of 1987. Although these test activities increased the day-to-day workload of fiscal operations nationwide, further analysis indicated that three of the eight work activities in the 1985 guideline continued to be the significant workload indicators for the Fiscal Service.

11.04 WORKLOAD ACTIVITIES AND UNIT VALUES.

Work Activity	<u>Unit Value (hours)</u>
OBLIGATIONS	.7655
PAYROLL ACTIONS	.2854
CERTIFIED INVOICES	.2455
	OBLIGATIONS PAYROLL ACTIONS

Unit values (coefficients) resulting from regressions do not represent actual task times for corresponding workload items, and should not be used to evaluate individual productivity or performance.

11.05 ESTIMATING METHODOLOGY

a. Staffing requirements may be determined by using the following equation:

$$Y = a + b_1x_1 + b_2x_2 + b_3x_3$$
 where:

Y = Total paid hours

a = The regression constant which represents time requirements in Fiscal Service that are not accounted for by the work activities included in the equation.

b = Unit value for each work activity

x = The number of work units for each work activity

b. The regression constant for this equation was determined to be <u>2301.7</u> hours per quarter. Personal and unavoidable delay time was not measured separately but should be recognized as being an integral part of the unit values.

c. Quarterly earned FTEE can be calculated by using the following procedure:

EXAMPLE

(1) Multiply volume x unit value for each work activity:

WORK ACTIVITES	VOLUME	X	UNIT TIMES	= <u>EA</u>]	RNED HOURS				
OBLIGATIONS	2457	X	.7655	=	1880.83				
PAYROLL ACTIONS	5124	X	.2854	***	1462.39				
CERTIFIED INVOICES	3280	X	.2455	=	314.24				
(2) Sum the earned hou	rs				3657.46				
(3) Add the regression	constant				2301.70				
(4) Total earned hours									
(5) Divide total earne	d hours by	438 hour	s:		*438				
(6) Earned FTEE					13.61				

^{*}Standard staff-hour availability factor: The average time actually worked by one FTEE in a quarter after deducting for all types of leave and holidays.

11.06 GLOSSARY

Obligations (Code 410). Any document or action which results in a liability to the Government. (Count CALM Transaction Codes 920 and 921).

Payroll Actions (Code 430). Any information posted on the time cards. (Count "8B" cards processed.)

Certified Invoices (Code 450). Payments resulting from services rendered that are made locally. This includes certified and dietetic invoices processed locally. (Count CALM Transaction Codes 972 processed locally).

Definitions for staffing utilization data are included on the workload statistics worksheet (see appendix A).

11.07 WORKLOAD DATA SOURCE

- a. All facilities will report their staffing and workload data on a quarterly basis in accordance with the instructions contained in chapter 2. The data must be entered on VA Form 10–0057d, Fiscal Service Workload Statistics Worksheet, prior to transcribing to VA Form 10–0067, Workload Statistics Codesheet, to be keypunched and transmitted to the Austin DPC. The data for this report are reported under RCS 10–0670. A blank copy of VA Form 10–0057d is contained in appendix 11A and a partially completed example of VA Form 10–0067 is contained in appendix 11B.
- b. VA Form 10-0067 is available from the VA Forms and Publications Depot and can be obtained through normal supply channels. Because of the rapidly changing nature of VA Form 10-0057d, an exception has been granted and the blank VA Form 10-0057d in appendix 11A is authorized for local reproduction. Once the data to be gathered have stabilized, the form will be printed and stocked in the VA Forms and Publications Depot.

FISCAL SERVICE WORKLOAD STATISTICS WORKSHEET RCS 10-0670

VAMC:	FACILITY NUMBER:
QUARTER ENDING:	FISCAL YEAR:
SERVICE CHIEF:	FTS NUMBER:
WORKLO	AD DATA
ACTIVITY	ACTIVITY DATA FOR CODE QUARTER
OBLIGATIONS	410COUNT
PAYROLL ACTIONS	430COUNT
CERTIFIED INVOICES	450COUNT
STAFFING UTI	IZATION DATA
DISCRIPTION	
TOTAL HOURS WORKED Report hours actually worked performing Fiscal Service activities i.e., hours spent on the job. These hours should include the normal duration hours, overtime/compensatory hour uncompensated hours worked by enwork-study students, WOC appoint personnel, etc.	rs, and nployees,
VOLUNTEER HOURS WORKED Report time devoted to activities of the first state of the formal volunteer states.	of 303HOURS
TOTAL PAID HOURS Report the number of staff-hours during the report period for all Fis Service employees. Include hours authorized paid overtime, leave and holidays.	cal

VA FORM 10-0057d SEPTEMBER 1988

VAMC:	FACILITY NUMBER:							
QUARTER ENDING:	FISCAL YEAR:	FISCAL YEAR:						
STAFFING UTILIZATION DATA -	- Continued							
DESCRIPTION	ACTIVITY CODE	DATA FOR QUARTER						
PAID OVERTIME HOURS Report the paid hours worked by Fiscal Service employees in excess of eight hours in a day or forty hours in an administrative workweek. These hours should be included in the total paid hours.	311	HOURS						
COP (CONTINUATION OF PAY) HOURS (45 days or less) Report the total number of COP hours due to job-related injuries for all employees whose paid hours arecharged to Fiscal Service. These hours should be included in the total paid hours.	. 312	HOURS						
TOTAL UNPAID LWOP (LEAVE WITHOUT PAY) AND AWOL (ABSENCE WITHOUT LEAVE) HOURS Report the total number of hours officially recorded as LWOP or AWOL for all employees assigned to Fiscal Service.	320	HOURS						
Record the full-time employee equivalents of Fiscal Service for the total number of positions that are filled, plus any additional positions for which funds are available for recruitment and placement as of the end of the report period.	330	FTEE						

VA FORM 10-0057d SEPTEMBER 1988

VAMC:	FACILITY NUMBER:	
QUARTER ENDING:	FISCAL YEAR:	<u>, - , - , - , - , - , - , - , - , - , -</u>
STAFFING UTILIZATION I	DATA – Continued	
DESCRIPTION	ACTIVITY CODE	DATA FOR QUARTER
STAFF HOURS BORROWED Report the hours spent performing Fiscal Service activities by employees assigned to another Service.	335	HOURS
STAFF HOURS LOANED Report the hours spent by employees of Fiscal Service performing activities of another Service.	340	HOURS

VA FORM 10-0057d SEPTEMBER 1988

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M-1, Part IX April 21, 1989

1. Transmitted is a new Veterans Health Services and Research Administration's Manual M-1, "Operations," Part IX, "Staffing Guidelines and Productivity Enhancements," Chapter 1, "General;" Chapter 2, "Quarterly Reporting Requirements," Chapter 4, "Audiology and Speech Pathology Staffing Guidelines;" Chapter 8, "Dietetic Service Staffing Guidelines;" Chapter 9, "EEG (Electroencephalographic) Laboratory Staffing Guidelines;" Chapter 11, "Fiscal Service Staffing Guideline;" "Chapter 16, "Medical Service Staffing Guidelines;" Chapter 17, "Nuclear Medicine Service Staffing Guidelines;" Chapter 20, "Personnel Service Staffing Guidelines;" Chapter 21, "Pharmacy Service Staffing Guidelines;" Chapter 26, "Recreation Service Staffing Guideline;" Chapter 28, "Security Service Staffing Guidelines;" and Chapter 29, "Social Work Service Staffing Guidelines".

2. Principal policies are:

- a. Paragraph 1.01: Defines staffing guidelines as an analytical method for determining FTEE requirements based on predetermined workload time values.
- b. Paragraph 1.03: Cites the delegation of authority for developing, refining and implementing staffing guidelines to the Planning and Evaluation Service under the Director (ACMD), Strategic Planning, (10A4)).

3. Filing Instructions:

Insert pages

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4. **RESCISSIONS:** Attachments A, B, E, I, J, K and M to Circular 10-84-14, dated February 6, 1984; Circular 10-84-171, dated October 3, 1984 and all supplements; Circular 10-84-216, dated December 20, 1984, and all supplements; Circular 10-85-119, dated July 25, 1985, and all supplements; Circular 10-85-122, dated August 6, 1985, and all supplements; Circular 10-86-70, dated July 26, 1985, and all supplements; Circular 10-87-98, dated August 27, 1987, and all supplements.

JOHN A. GRONVALL, M.D.

Chief Medical Director

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