

**SPECIAL SALARY RATES FOR CERTAIN HEALTH CARE PERSONNEL
APPOINTED UNDER TITLE 38, UNITED STATES CODE (U.S.C.)**

1. REASON FOR ISSUE: To re-issue Veterans Health Administration (VHA) procedures for approving special salary rate (SSRs) for physician assistants and hybrid title 38 occupations formerly contained in VHA Directive 10-94-124, dated December 28, 1994.

2. SUMMARY OF CONTENTS/MAJOR CHANGES: This handbook contains mandatory VHA procedures for establishing, adjusting or canceling special salary rates for physician assistants and hybrid title 38 occupations. Significant changes include:

a. Incorporation of Section 203 of the Veterans Benefits and Health Care Improvement Act of 2000 (Public Law 106-419), dated November 1, 2000, to exempt pharmacists from the limitation that special rates not be established more than 90 percent above the minimum rate of a grade.

b. Removal of the restriction that facilities document recruitment and retention problems with retail pharmacies before surveying these establishments.

c. Clarification in that salary surveys are to be conducted by a member of the Human Resources (HR) Management Service or by a data collection team consisting of a HR employee and a subject matter expert from the occupation being surveyed.

d. Revision of the reporting requirements for special rate authorizations and cancellations.

3. RELATED DIRECTIVE: VHA Directive 5103.4, "Special Salary Rates for Certain Health Care Personnel Appointed Under Title 38, United States Code (U.S.C)."

4. RESPONSIBLE OFFICE: The Office of Human Resources Management (051) is responsible for the contents of this Handbook.

5. RESCISSIONS: VHA Directive 10-94-124, dated December 28, 1994, is rescinded.

6. RECERTIFICATION: The Handbook is scheduled for recertification on/before the last working day of September 2006.

S/ Tom Sanders for
Thomas L. Garthwaite, M.D.
Under Secretary for Health

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APPOINTED UNDER TITLE 38, UNITED STATES CODE

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**SPECIAL SALARY RATES FOR CERTAIN HEALTH CARE PERSONNEL
APPOINTED UNDER TITLE 38, UNITED STATES CODE**

1. PURPOSE

This Handbook contains mandatory procedures for establishing, adjusting, or canceling special salary rates for physician assistants appointed under Title 38 United States Code (U.S.C.) Sections 7401(1) and 7405(a)(1)(A); and the following health care personnel appointed under 38 U.S.C. Sections 7401(3) and 7405(a)(1)(B): certified or registered respiratory therapists, licensed physical therapists, licensed practical nurses and/or licensed vocational nurses, pharmacists, and occupational therapists.

2. DEFINITIONS

- a. **Special Salary Rate (SSR).** An increase in the rate of basic pay through a special salary rate range or an above-minimum entrance rate.
- b. **SSR Range.** An increase in the minimum, intermediate, and maximum rates of basic pay for a grade, i.e., an increase in all step rates for the grade.
- c. **Above-Minimum Entrance Rate (AMER).** An increase in the minimum rate of basic pay for a grade with no corresponding increase in higher intermediate rates or in the maximum rate of pay for that grade.
- d. **Corresponding Position.** A non-Federal position for which the education, training, and experience requirements are equivalent or similar to those of a Department of Veterans Affairs (VA) position.
- e. **Intergrade Differential.** The number of steps or within-grade increase equivalents between the adjusted entrance rates or first steps of grades (see App. C).
- f. **Internal Alignment.** The alignment of pay grades based on intergrade differentials. Internal alignment is intended to provide appropriate recognition of differences in levels of responsibility while assuring that the entrance rates for all grades do not exceed the highest beginning non-Federal rates in the community for corresponding positions.
- g. **Entry Grade.** For each occupation, the grade at which new graduates without experience or those meeting minimum qualifications standards are typically employed.
 - (1) Pharmacist - GS-9
 - (2) Registered Respiratory Therapist (RRT) - GS-7
 - (3) Certified Respiratory Therapy Technician (CRTT) - GS-5
 - (4) Physical Therapist (PT)- GS-7
 - (5) Occupational Therapist (OT) - GS-7
 - (6) Licensed Practical Nurse or Licensed Vocational Nurse (LPN or LVN) - GS-3

(7) Physician Assistant (PA) - Associate grade

h. **Benchmark Grade.** For each occupation, the first grade or grade interval beyond the entry or developmental grade.

(1) Pharmacist - GS-11

(2) RRT - GS-8

(3) CRTT - GS-6

(4) PT - GS-9

(5) OT - GS-9

(6) LPN/LVN - GS-4

(7) PA - Full grade

i. **Salary Data.** Information about pay practices in the local non-Federal labor market for comparable levels of work.

j. **Minimum Hiring Rate.** The lowest rate of basic pay that an establishment would offer a new hire for a corresponding position. This may be a higher rate than the published minimum rate.

k. **GS or Nurse Schedule for PAs and Expanded-Function Dental Auxiliaries (EFDAs).** The schedule of rates of basic pay exclusive of any geographic or locality pay.

3. SSR RANGES

a. SSR ranges may be authorized when higher non-Federal rates of pay in the local labor market area are causing significant problems recruiting or retaining well-qualified health care personnel. To determine the extent of recruitment and retention problems, facility officials should complete the Special Rates Evaluation Worksheet found in Appendix B to this Handbook. At the same time, they should estimate the additional cost of salaries and fringe benefits associated with the authorization of special rates.

b. SSR ranges may also be authorized when recruitment or retention problems are anticipated due to higher non-Federal rates of pay in the community. For example, special rates may be appropriate when there are higher rates within the community and facility officials are unable to recruit well-qualified candidates for anticipated vacancies in hard-to-fill occupations, when facilities expect to lose employees in such occupations who are receiving bona-fide job offers, or when facilities cannot recruit for an occupation without appointments above the minimum step of the grade. The circumstances for approving special rates based on anticipated problems must be fully explained and attached to the evaluation worksheet along with any other supporting documentation that is available.

c. SSRs must be aligned to the nationwide GS or Nurse Schedule for PAs and EFDAs as appropriate. The rates are not to be aligned to locality pay schedules established under 5 U.S.C.

5304. An expanded 28-step GS and PA schedule has been provided on the Office of Human Resources Management (OHRM) web page for use in setting special rates.

4. SALARY SURVEYS

a. **Coordination.** Human Resources Management (HRM) Officers of VA facilities in the same labor market areas coordinate salary surveys including the timing of surveys, selection of establishments to be surveyed, appointment of data collectors, and collection of data. HRM Officers will also coordinate surveys with officials of other Federal agencies in the same labor market areas by advising them of VA's intent to conduct a salary survey and by sharing any data that they collect with these officials, upon request.

b. **Data Collection**

(1) The salary survey must be conducted by a HRM Service employee or by a data collection team consisting of a HRM employee and a subject matter expert from the occupation being surveyed.

NOTE: Federal employees are prohibited by law from directly or indirectly influencing their own rate of pay. Therefore, employees covered by a special rate authorization may not independently collect salary data for their own grade or for a grade which would indirectly influence the rate for that grade.

(2) The salary survey may be a formal or informal sampling of the non-Federal employers in the same labor market.

(3) The survey must include establishments which are representative of the local labor market and which have a significant impact on VA's recruitment and retention of employees in the affected occupation. Data should be obtained from at least three survey establishments.

(4) The data collected must reflect the beginning rates of pay for corresponding positions, i.e., those having equivalent or similar education, training, and experience requirements as VA positions. Published data such as negotiated agreements, recruiting literature, and published surveys should be used whenever available. Minimum hiring rates (i.e., the lowest rates establishments would offer new hires) may be used when such data can be obtained.

(5) At a minimum, data should be collected for the entry grade and for the first grade above the entry grade of the occupation.

c. **Confidentiality of Survey Data**

(1) Access to survey data is to be restricted to data collectors and management officials responsible for setting or reviewing SSRs. All individuals having access to the data are required to retain it in strict confidence. Federal employees will be subject to disciplinary action for violating the confidentiality of data obtained from a non-Federal employer.

(2) If a request is made under the Freedom of Information Act (FOIA) for salary information from non-Federal employers, such information may be withheld under exemption (b)(4) of FOIA, 5 U.S.C. section 552 (b)(4), which exempts from mandatory disclosure trade secrets and

commercial or financial information which is privileged or confidential. As in all cases where information requested under FOIA is withheld, the requester's appeal rights are to be given in the response.

(3) Data summarizing the results of a survey (e.g., community averages and ranges of salaries paid in the community) may be released to non-Federal facilities providing the information does not permit the reader to associate specific employers with specific rates of pay.

d. Conversion of Hourly Rates of Pay

(1) Hourly rates of pay must be converted to annual rates of pay before being used in the survey. To convert the hourly rate to an annual rate, multiply the hourly rate of pay times the number of hours in the employee's workweek times 52 weeks. For example, if an employee makes \$10.50 per hour and works 37.5 hours a week, the person's annual salary would be \$20,475 ($\$10.50 \times 37.5 \times 52$).

(2) For employees working a 40-hour workweek, multiply the hourly rate of pay by 2,080.

e. Differences in Workweeks

(1) Normally, minor disparities between VA and non-Federal employers concerning the length of a workweek will not have an adverse impact on VA's ability to recruit and retain employees. Therefore, these differences will not usually be considered when collecting and evaluating salary data. However, in some areas of the country, it is the normal practice for full-time employees to work less than 40 hours a week, and this practice may add to VA's staffing difficulties. When this happens, differences in workweeks may be factored into the rates of pay. To factor in differences in workweeks, the following conditions must be met:

(c) The workweek for the majority of the establishments surveyed differs from the Federal workweek for the same occupation, and

(d) There is evidence indicating that the workweek difference is, in addition to pay disparity, contributing to the staffing difficulty for the occupation.

(2) Where the above conditions are met, salary data may be converted to the equivalent of a 40-hour workweek, i.e., hourly rates of pay may be multiplied by 2,080. The converted rates of pay may then be used to determine community averages for the purpose of setting SSRs. However, under no circumstances will the minimum rate of an SSR range exceed the highest unconverted or actual rate of pay in the community.

f. Use of Retail Survey Data for Pharmacists

(1) If a facility's major competition for pharmacists in the local labor market area is with retail drug stores, facility officials should survey the rates of pay for pharmacists employed by the retail stores.

(2) When surveying retail stores, data collectors must be careful to make proper job matches. Some retail pharmacists serve as store managers and are compensated accordingly for this responsibility. These positions are not considered to correspond to VA pharmacists and,

therefore, are not considered appropriate job matches. However, data for staff pharmacists may be used in the salary survey.

(3) Data collectors should determine what, if any, premium pay the retail pharmacists receive to work their basic tour of duty. Retail pharmacists who work nights or weekends may not receive additional pay for these tours as VA pharmacists do. Differences in tour differentials should be taken into consideration when evaluating salary data and setting SSRs.

g. **Contract Data.** Organizations which provide health care services on a contract basis will not be surveyed for the purpose of setting SSRs.

5. SETTING THE FIRST STEP OF THE ENTRY AND BENCHMARK GRADES

a. Normally, the first step of the entry and benchmark grades is set at any step rate of the grade that is equal to or below the local average beginning salary rate for corresponding positions (the community average). Except for PT and Pharmacist authorizations, the step selected may not exceed the 19th step of the GS or PA schedule. If a higher rate is needed, AMERs may be established under paragraph 7 which follows.

b. The first step of the entry and benchmark grades may be set at any step rate that is greater than the community average but less than the highest beginning rate for corresponding positions, when doing so is necessary to recruit and retain well-qualified employees. Factors such as the rates paid by the facility's nearest major competitors and the severity of any recruitment and retention problems must be considered when determining whether to set the rate above the community average. Severe staffing problems are evidenced by a vacancy rate of 20 percent or more, positions that have been vacant for 6 months or longer, a staffing success rate of 50 percent or less, or a quit for pay rate of 25 percent or higher (see App. A to determine these rates).

c. In Alaska and Hawaii, where OPM has approved a non-foreign cost-of-living allowance (COLA) under 5 U.S.C. 5941, facility Directors are to set the beginning rate of a grade so that the sum of the beginning rate and the COLA meet the criteria in preceding subparagraphs 5a or 5b.

d. In no instance may the beginning rate of a special salary rate range exceed the highest beginning non-Federal pay rate for corresponding positions.

e. The step selected under preceding subparagraph 5a or 5b becomes the new minimum step rate for a 10-step range in which each step increase is equal to a step increase on the GS or PA pay schedule for that grade.

6. INTERNAL ALIGNMENT

a. Normally, to internally align SSR ranges, set the minimum rate for a grade at a step which will provide a two-step intergrade differential (see App. C).

b. To prevent special rates at any grade from exceeding the highest non-Federal rate, a one- or three-step differential between grades may be used.

(1) A one-step differential may be used to set the minimum rate of a grade above the benchmark grade when necessary to prevent that rate from exceeding the highest beginning non-Federal rate.

(2) A three-step differential may be used to set the minimum rate for a grade below the benchmark grade when necessary to prevent that rate from exceeding the highest beginning non-Federal rate.

(3) A three-step differential may also be used to set the minimum rate of a grade above the benchmark grade when the average non-Federal pay for corresponding positions significantly exceeds the rate obtained using a two-step differential.

(4) A three-step differential may not be used to set the minimum rate for a grade above the benchmark grade without survey data to support such action.

c. In no instance shall the rate set at any grade exceed the highest beginning non-Federal rate for corresponding positions. Instead, the minimum rate for the benchmark grade will be set at a lower level so that none of the minimum rates at other grades exceed the highest beginning non-Federal rate for corresponding positions.

7. SETTING AMERS IN COMBINATION WITH SSR RANGES

a. Except for PT and Pharmacist authorizations, the beginning rate of an SSR range, under preceding paragraph 5, may not exceed the equivalent of the 19th step of the grade. When the average beginning non-Federal rate for a grade exceeds the 19th step, an AMER may be established in combination with an SSR range. Use the following steps to establish combined AMERs and SSR ranges:

(1) Set the first step of the SSR range for the benchmark grade equivalent to the 19th step of the grade.

(2) Set the AMER for the entry and benchmark grades using the procedures in preceding paragraph 5.

(3) Then use the procedures in paragraph 6 to set the minimum step of grades above the benchmark grade.

b. For PT and Pharmacist authorizations, AMERs will not be used because these occupations are exempt from the 28-step limitation and there is no restriction on the beginning step of the grade. If a beginning step above the 19th is needed for a PT or Pharmacist authorization, that step and a full SSR range will be established under preceding paragraph 5.

8. STATUTORY LIMITATION

The maximum rate of basic pay for any authorization, including those for PTs and Pharmacists, may not exceed the rate payable for Level V of the Executive Schedule.

9. EFFECTIVE DATE OF AUTHORIZATIONS AND CANCELLATIONS

- a. The effective date of authorizations and cancellations is the first day of the first full pay period after the approval date.
- b. Facilities must coordinate the effective date of their authorizations and cancellations with other affected VA facilities to meet the requirements of paragraph 10 which follows.

10. REPORTING REQUIREMENTS

Copies of the following documents must be faxed to the HRM Programs and Policies Service (051) prior to the effective date of an authorization. In addition, informational copies of these documents need to be sent to the appropriate VISN Director.

- a. A copy of the authorization formatted in the manner shown in Appendix D to this Handbook.
- b. For an initial authorization and increase in existing SSRs, a copy of the evaluation worksheet shown in Appendix A, a summary of the salary survey results for each grade surveyed, and any supporting documentation including, when appropriate, justification for setting beginning rates above community averages, and documentation of the nature and extent of anticipated staffing problems.
- c. For a cancellation, a narrative explanation of the decision, the number of employees covered by the authorization, and an estimate of the costs associated with canceling the special rates should be provided.

11. PERSONNEL ACCOUNTING INTEGRATED DATA (PAID) INSTRUCTIONS

PAID processing procedures will be issued by VA Central Office when authorizations are approved or schedules are canceled.

12. RECORDS RETENTION

A history file must be established for each occupation for which special salary rates are approved. The records in this file are to be disposed of in accordance with VHA's Records Control Schedule (RCS) 10-1.

13. REVIEW AND CORRECTION

Authorizations approved under VHA Directive 5103.4 and this handbook are subject to post-audit review by VA Central Office officials. VISN Directors are to direct facility Directors to take appropriate corrective action if this review establishes that adjustments made are not in compliance with policy or the provisions of this handbook.

14. INCREASES IN GS OR PA PAY SCHEDULES

Whenever there is a nationwide adjustment in the GS or PA pay schedule, instructions will be provided to field facilities on adjusting special rate authorizations to coincide with the nationwide adjustment.

**INSTRUCTIONS FOR COMPLETING SPECIAL RATES EVALUATION
WORKSHEET VA FORM 10-0396**

The following instructions will be used when completing the special rate evaluation worksheet. The numbers correspond to the item numbers on the worksheet. Items not described are self-explanatory.

7. **Type of Existing Authorization.** Enter type of special salary rate—SSR ranges, Above-Minimum Entrance Rates (AMERs), or both--currently approved for the facility.

8. **Date.** Enter beginning and ending dates of the period for which staffing data is being provided. The period should be adequate to demonstrate the extent of the staffing problem--usually 1 year, but not less than 6 months.

9. **Ceiling.** The number of Full-Time Equivalent (FTE) allocated for an occupation by local management officials.

10. **On-Board.** The FTE on-board as of the beginning and ending dates (items 10a and 10b). The total number of on-board employees at the end of the period must equal the total number of on-board employees at the beginning of the period minus the number of losses during the period plus the number of hires, (i.e., 10b must equal 10a minus 12 plus 17).

11. **Vacant.** The vacant FTE on the beginning date (item 11a) and ending date (item 11b); it equals the ceiling FTE minus the on-board FTE (item 11a equals item 9a minus item 10a; item 11b equals item 9b minus item 10b).

12. **Losses.** Enter the total FTE of employees who left the occupation during the reporting period.

13. **Quits.** Total FTE of employees who quit Federal employment during the reporting period.

14. **Quits for Pay.** The FTE of employees who quit for pay. A quit is a quit for pay only when an employee leaves to take a higher paying non-Federal position in the same occupation and commuting area.

15. **Tried to Fill.** The FTE of positions you tried to fill during the reporting period. This is the FTE of vacancies at the beginning of the reporting period (item 11a) plus the FTE of losses during the reporting period (item 12), plus or minus any ceiling changes (item 9b minus item 9a) during the reporting period.

16. **Job Offers.** Enter FTE of bona-fide offers of employment made to persons within and outside of Federal service.

17. **Hires.** Enter total FTE of hires in the occupation.

18. **Percent Vacancy Rate (Beginning).** This is the FTE of vacancies at the beginning of the reporting period (item 11a) divided by the FTE ceiling at the beginning of the reporting period (item 9a).

19. **Percent Vacancy Rate (Ending).** This is the FTE of vacancies at the end of the reporting period (item 11b) divided by the FTE ceiling (item 9b) at the end of the reporting period.

20. **Turnover Rate (Annual).** Divide FTE of losses during the reporting period (item 12) by the average on-board FTE during the reporting period (the sum of the beginning and ending on-board figures, items 10a and 10b, divided by two) to determine turnover rate for the reporting period. Multiplying this figure by the quotient of 12 divided by the number of months in the reporting period will provide the annual turnover rate.

21. **Percent Quit for Pay (Annual).** Divide quits for pay (item 14) by the average on-board FTE (item 10a plus 10b divided by two) to determine the quit for pay rate for the reporting period. Multiplying this figure by the quotient of 12 divided by the number of months in the reporting period will provide the annual quit for pay rate.

22. **Job Acceptance Rate.** FTE of hires (item 17) divided by the FTE of job offers (item 16).

23. **Staffing Success Rate.** FTE of hires (item 17) divided by the tried to fill FTE (item 15).

24. **Comments.** In this item, enter the analysis of recruitment and retention problems and the rationale for how the special rates were set.

25. **Equivalent Grade.** Enter the Federal grade equivalent to the level of the non-Federal positions being surveyed.

26. **Experience (Years).** Enter the years of experience required for the equivalent Federal grade.

27. **Equivalent Education.** Enter the educational level required for the equivalent Federal grade.

28. **Average Beginning Rate.** Enter the straight average of the beginning or lowest annual base salaries paid by local non-Federal facilities for each equivalent grade level.

29. **Lowest Beginning Rate.** Enter the lowest beginning salary rate or minimum hiring rate of local non-Federal facilities for each equivalent grade level. *NOTE: See paragraph 2 for definition of a minimum hiring rate.*

30. **Highest Beginning Rate.** Enter the highest beginning salary rate of local non-Federal facilities for each equivalent grade level.

NOTE: The highest beginning rate will not be a salary rate that has been converted to the equivalent of a 40-hour workweek under paragraph 4.

31. **Grade.** Enter each Federal grade for which special rates are being considered.

32. **Regular Step 1.** Enter step 1 rate of the grade on the GS or PA pay schedule as appropriate.

33. **Current Special Rate.** Enter step 1 rate of the current SSR range or AMER, if appropriate.

34. **Number of Positions Covered.** Enter the FTE of on-board and vacant positions covered by SSRs. Indicate the vacant FTE in parentheses.

35. **Recommended Rates.** Enter step 1 of the recommended SSR range or AMER, if appropriate.

36. **Type.** Enter the type of special rate recommended, i.e., SSR range or AMER and SSR range.

37. **Certification that rates do not exceed highest beginning rates in the community.** Initial this line to certify that none of the recommended rates exceed the highest beginning rate in the community for corresponding positions.

38. **Coordination of Rates.** Document contacts made with non-VA Federal medical centers in the labor market that have employees in the affected occupation. Contacts with other VA medical centers in the labor market need only be documented when the other VA facilities decline to participate in the survey. The reasons for the lack of participation should be documented.

SPECIAL RATES EVALUATION WORKSHEET (VA FORM 10-0396)



SAMPLE OF SPECIAL RATES EVALUATION WORKSHEET (VA FORM 10-0396)

1. Series 660 2. Occupation Pharmacist
 3. Facility _____ 4. VISN _____ 5. Evaluator _____
 6. Effective Date of Existing Authorization 11-10-96
 7. Type of Existing Authorization Special Salary Rates Ranges

BEGINNING STAFFING STATUS

ENDING STAFFING STATUS

- | | |
|--|---------------------------------------|
| 8. a. <u>3-1-00</u> Date | b. <u>2-28-01</u> Date |
| 9. a. <u>20</u> Ceiling | b. <u>20</u> Ceiling |
| 10. a. <u>15</u> On-Board | b. <u>14</u> On-Board |
| 11. a. <u>5</u> Vacant | b. <u>6</u> Vacant |
| 12. <u>7</u> Losses (all reasons) | 18. <u>25%</u> Vacancy Rate-Beginning |
| 13. <u>4</u> Quits | 19. <u>30%</u> Vacancy Rate-Ending |
| 14. <u>4</u> Quits for Pay | 20. <u>48%</u> Turnover Rate-Annual |
| 15. <u>12</u> Tried to Fill | 21. <u>28%</u> Quit for Pay-Annual |
| 16. <u>17</u> Job Offers | 22. <u>35%</u> Job Acceptance Rate |
| 17. <u>6</u> Hires (Non-Fed ___ Fed ___) | 23. <u>50%</u> Staffing Success Rate |

24. Comments:

Ongoing vacancies with high vacancy rates; low job acceptance and staffing success rates. Very high annual turnover rate including a significant number of documented pay-related losses. Staffing data shows significant pay-related recruitment and retention problems. Special salary rate ranges are supportable. Rate at GS-11 is set just below community average; rates at GS-9, GS-12 and GS-13 set based on a 2-step intergrade differential. A special rate was set at GS-10 for overtime purposes. It was set based on a one-step intergrade differential from the GS-11.

SALARY DATA

- | | | | | | | |
|-----------------------|-------------------|-----------------|---------|---------|---------|---------|
| 25. Equiv. Grade | : <u>GS-9</u> : | <u>GS-11</u> : | _____ : | _____ : | _____ : | _____ : |
| 26. Exper. (Yrs.) | : <u>None</u> : | <u>1 yr.</u> : | _____ : | _____ : | _____ : | _____ : |
| 27. Equiv. Educ. | : <u>BS</u> : | <u>BS</u> : | _____ : | _____ : | _____ : | _____ : |
| 28. Avg. Beg. Rate | : <u>53,500</u> : | <u>56,940</u> : | _____ : | _____ : | _____ : | _____ : |
| 29. Lowest Beg. Rate | : <u>50,402</u> : | <u>52,126</u> : | _____ : | _____ : | _____ : | _____ : |
| 30. Highest Beg. Rate | : <u>54,700</u> : | <u>58,350</u> : | _____ : | _____ : | _____ : | _____ : |

RECOMMENDATION

- | | | | | | | |
|-------------------|-------------------|-----------------|-----------------|-----------------|-----------------|-----------------|
| 31. Grade | : <u>GS-9</u> : | <u>GS-10</u> : | <u>GS-11</u> : | <u>GS-12</u> : | <u>GS-13</u> : | <u>GS-14</u> : |
| 32. Reg. Step 1 | : <u>33,254</u> : | <u>36,621</u> : | <u>40,236</u> : | <u>48,223</u> : | <u>57,345</u> : | <u>67,765</u> : |
| 33. Curr. Sp. Rt. | : <u>47,658</u> : | <u>-</u> : | <u>50,964</u> : | <u>54,651</u> : | <u>59,257</u> : | <u>-</u> : |
| 34. # Pos. Cvrd. | : <u>2(1)</u> : | <u>0</u> : | <u>8(5)</u> : | <u>2</u> : | <u>1</u> : | <u>1</u> : |
| 35. Recomm. Rts. | : <u>53,198</u> : | <u>54,936</u> : | <u>56,328</u> : | <u>59,472</u> : | <u>63,081</u> : | <u>-</u> : |

36. Type Special Salary Rate Ranges
 37. Recommended rates do not exceed highest beginning rates in community: _____
 38. Report of contact(s) made with other Federal Medical Centers in the labor market area:
 N/A Attached _____

**NOTES ON SAMPLE SPECIAL RATES EVALUATION WORKSHEET FOR AMERS
AND/OR SPECIAL SALARY RATE (SSR) RANGES**

ITEM #(s)

18-23. Staffing data shows significant recruitment and retention problems; therefore, authorization of SSRs ranges is appropriate.

28. The average beginning non-Federal rate equivalent to the benchmark grade, General Schedule (GS)-11, should be used to set step 1 of the range for that grade.

35. Step 1 of the GS-11 range is set at \$56,328, i.e., the rate on the General Schedule that is at or below the non-Federal average. Step 1 rates at GS-9, GS-12, and GS-13 are then set to provide a two-step differential between grades. Although GS-10 is not a working level, a special rate is set at that grade in order to provide an overtime rate that is higher than the GS-10 rate on the General Schedule. The GS-10 step 1 rate is set between the step 1 rates for GS-9 and GS-11. Ten-step rate ranges are constructed by using the appropriate within-grade amount.

***NOTE:** No adjustment is made at GS-14 because at least a two-step differential already exists between step 1 of the GS-13 SSR range and step 1 of GS-14 on the General Schedule.*

SPECIAL RATES EVALUATION WORKSHEET (VA FORM 10-0396)

1. Series 620 2. Occupation Licensed Practical Nurse
 3. Facility _____ 4. VISN _____ 5. Evaluator _____
 6. Effective Date of Existing Authorization 3-8-94
 7. Type of Existing Authorization Special Salary Rates

BEGINNING STAFFING STATUS

ENDING STAFFING STATUS

- | | |
|---|---------------------------------------|
| 8. a. <u>1-1-00</u> Date | b. <u>12-31-00</u> Date |
| 9. a. <u>42</u> Ceiling | b. <u>42</u> Ceiling |
| 10. a. <u>34</u> On-Board | b. <u>32</u> On-Board |
| 11. a. <u>8</u> Vacant | b. <u>10</u> Vacant |
| 12. <u>4</u> Losses (all reasons) | 18. <u>19%</u> Vacancy Rate-Beginning |
| 13. <u>1</u> Quits | 19. <u>24%</u> Vacancy Rate-Ending |
| 14. <u>0</u> Quits for Pay | 20. <u>12%</u> Turnover Rate-Annual |
| 15. <u>12</u> Tried to Fill | 21. <u>0%</u> Quit for Pay-Annual |
| 16. <u>8</u> Job Offers | 22. <u>25%</u> Job Acceptance Rate |
| 17. <u>2</u> Hires (Non-Fed <u>1</u> Fed <u>1</u>) | 23. <u>17%</u> Staffing Success Rate |

24. Comments

Ongoing vacancies including some over 4 months old; low job acceptance and staffing success rates due primarily to noncompetitive pay. Staffing data supports increased special salary rates to improve recruitment. Rate at GS-4 grade is set just below community average; rates at GS-3, GS-5 and GS-6 are set based on a 2 step intergrade differential.

SALARY DATA

| | | | | | | | | | | | | |
|-----------------------|---|---------------|---|---------------|---|-----------------|---|-------|---|-------|---|-------|
| 25. Equiv. Grade | : | <u>GS-3</u> | : | <u>GS-4</u> | : | <u>GS-5</u> | : | _____ | : | _____ | : | _____ |
| 26. Exper. (Yrs.) | : | <u>None</u> | : | <u>6 mos.</u> | : | <u>1.5 yrs.</u> | : | _____ | : | _____ | : | _____ |
| 27. Equiv. Educ. | : | _____ | : | _____ | : | _____ | : | _____ | : | _____ | : | _____ |
| 28. Avg. Beg. Rate | : | <u>29,523</u> | : | <u>31,142</u> | : | <u>32,299</u> | : | _____ | : | _____ | : | _____ |
| 29. Lowest Beg. Rate | : | <u>25,233</u> | : | <u>28,128</u> | : | <u>29,224</u> | : | _____ | : | _____ | : | _____ |
| 30. Highest Beg. Rate | : | <u>30,103</u> | : | <u>32,996</u> | : | <u>33,212</u> | : | _____ | : | _____ | : | _____ |

RECOMMENDATION

| | | | | | | | | | | | | |
|-------------------|---|---------------|---|---------------|---|---------------|---|---------------|---|-------|---|-------|
| 31. Grade | : | <u>GS-3</u> | : | <u>GS-4</u> | : | <u>GS-5</u> | : | <u>GS-6</u> | : | _____ | : | _____ |
| 32. Reg. Step 1 | : | <u>17,474</u> | : | <u>19,616</u> | : | <u>21,947</u> | : | <u>24,463</u> | : | _____ | : | _____ |
| 33. Curr. Sp. Rt. | : | <u>24,458</u> | : | <u>26,156</u> | : | <u>27,803</u> | : | <u>29,353</u> | : | _____ | : | _____ |
| 34. # Pos. Cvr'd. | : | <u>8(2)</u> | : | <u>9(4)</u> | : | <u>10(4)</u> | : | <u>5</u> | : | _____ | : | _____ |
| 35. Recomm. Rts. | : | <u>29,114</u> | : | <u>30,734</u> | : | <u>32,195</u> | : | <u>34,243</u> | : | _____ | : | _____ |

36. Type SSRs/AMER at GS-3
 37. Recommended rates do not exceed highest beginning rates in community: _____
 38. Report of contact(s) made with other Federal Medical Centers in the labor market area:
 N/A X Attached _____

**NOTES ON SAMPLE SPECIAL RATES EVALUATION WORKSHEET FOR AMERS
AND/OR SPECIAL SALARY RATE (SSR) RANGES**

- 18-23. Staffing data shows substantial recruitment problems and supports increasing SSRs.
28. The average non-Federal rate equivalent to the benchmark grade, GS-4, should be used to set step 1 of the range for that grade.
35. Step 1 of the range for GS-4 is set at \$30,734, i.e., the rate on the General Schedule which is at or below the non-Federal average. Step 1 rates for GS-5 and GS-6 are set to provide a two-step differential between grades. Two-step internal pay alignment is also used to set the rate for GS-3. However, at this grade, an AMER is necessary since the rate exceeds the 19th step of the General Schedule.

INTERNAL ALIGNMENT

Once the first step of the Special Salary Rate (SSR) range or the Above-Minimum Entrance Rate (AMER) for the benchmark grade has been set, the first steps or AMERs for other grades are internally aligned by intergrade differential. The normal intergrade differential is two steps, and setting it is not unlike the process used to set the step rate of a General Schedule (GS) employee upon promotion. Intergrade differentials may also be one or three steps as described in paragraph 6 of this Handbook. Using the General Schedule salary table effective January 14, 2001, the following three examples demonstrate how intergrade differentials are applied. An extension of the GS and Physician Assistant (PA) salary schedules can be found on the Office of Human Resources Management (OHRM) web page under pay charts and guidance.

1. Example 1 – SSRs for Physical Therapists (PTs) Using a Two-step Intergrade Differential

a. The first step of an SSR range for GS-9, which is the benchmark grade for PTs, has been set at step 6 under the procedures described in paragraph 5 of this Handbook. To establish a two-step differential for GS-10, set the first step of the rate range at the GS-10 rate which equals or exceeds step 8 of GS-9. Since GS-9, step 8, falls between steps 4 and 5 of GS-10, step 5 is the appropriate rate to use for the first step of the GS-10 rate range.

b. To set the first step of GS-7, find the highest GS-7 rate which falls below the SSR set for GS-9. Back down two steps from this rate to provide for a two-step differential. In this example, step 13 of GS-7 is the highest step which falls below step 6 of GS-9. Therefore, the first step of GS-7 should be set at step 11 to provide a two-step intergrade differential.

2. Example 2 – AMERs in Combination with SSR Ranges for PAs Using a Two-step Intergrade Differential

a. The first step of the rate range for the benchmark grade, which is Full grade for PAs, has been set at step 16 under the procedures described in paragraph 5 of this Handbook. Full grade, step 18, which is used to establish the first step of the rate range for Intermediate grade, falls between steps 8 and 9 of Intermediate grade; therefore, step 9 becomes the first step of the Intermediate grade rate range.

b. Since step 23 is the highest step of Associate grade which falls below Full grade, step 16, it is used as the basis for setting the first step of the rate range for Associate grade. Step 21 of Associate grade would provide a two-step differential from Full grade, step 16. However, since the first step of a rate range for PAs cannot exceed step 19 on the Nurse Schedule for PAs and Expanded-Function Dental Auxiliaries (EFDAs), a combination SSR range and AMER of step 3 is used to match the step 21 rate (see paragraph 7 of this Handbook).

3. Example 3 – SSR ranges for Licensed Practical Nurses Using One- and Three-step Differentials

a. Very compressed non-Federal rates require the use of one-and three-step differentials to assure that the adjustments do not exceed the highest equivalent non-Federal rates for any grade. The first step of the rate range for the benchmark grade has been set at GS-4, step 4. One step above step 4 or step 5 is used as the basis for setting the first step of the rate range for GS-5. Since GS-4, step 5 falls between steps 1 and 2 at GS-5, step 2 becomes the first step of the rate range for GS-5.

b. Step 8 is the highest step of GS-3 which falls below the first step of the rate range for GS-4. To provide for a three-step intergrade differential, step 5 becomes the first step of the rate range for GS-3 because it is three steps below step 8.

SAMPLE AUTHORIZATIONS

1. Sample Authorization of Special Salary Rate (SSR) Ranges

Authorization of Special Rates Under Title 38 United States Code (U.S.C.) 7455

Occupation: Pharmacist, General Schedule (GS)-660

Location: [Enter Facility Name and Station Number]

Type of Adjustment: Special Salary Rate Ranges

Authority: 38 U.S.C. 7455; MP-5, Part II, Chapter 3, Section D, Paragraph 5a and VHA Directive 5103.4

| <u>Grade</u> | <u>1st Step</u> | <u>10th Step</u> | <u>Step Increase</u> |
|--------------|----------------------------|-----------------------------|----------------------|
| GS-9 | \$53,198 | \$63,170 | \$1,108 |
| GS-10 | 54,936 | 65,925 | 1,221 |
| GS-11 | 56,328 | 68,397 | 1,341 |
| GS-12 | 59,472 | 73,935 | 1,607 |
| GS-13 | 63,081 | 80,289 | 1,912 |

These rates are aligned to 5 U.S.C. 5332(a) Salary Table effective January 14, 2001.

Approved by:

/s/ _____
Name
Facility Director

Date

Effective Date: [Enter date which will be the first day of the first pay period beginning on or after the date of this authorization.]

Point of Contact: [Enter the name, title, and telephone number of the person to contact for further information about the authorization.]

2. Sample Authorization with an Above-Minimum Entrance Rate (AMER)

Authorization of Special Rates Under 38 U.S.C. 7455

Occupation: Licensed Practical Nurse, GS-620

Location: [Enter Facility Name and Station Number]

Type of Adjustment: Special Salary Rate Ranges

Above-Minimum Entrance Rate at GS-3

Authority: 38 U.S.C. 7455; MP-5, Part II, Chapter 3, Section D, Paragraph 5a and VHA Directive 5103.4

Rates Authorized:

| <u>Grade</u> | <u>1st Step</u> | <u>10th Step</u> | <u>Step Increase</u> |
|--|----------------------------|-----------------------------|----------------------|
| GS-3 | \$27,950 | \$33,188 | \$582 |
| (Above-Minimum Entrance Rate \$29,114, Step 3) | | | |
| GS-4 | 30,734 | 36,620 | 654 |
| GS-5 | 32,195 | 38,783 | 732 |
| GS-6 | 34,243 | 41,578 | 815 |

These rates are aligned to 5 U.S.C. 5332(a) Salary Table effective January 14, 2001.

Approved by:

/s/ _____
Name
Facility Director

Date

Effective Date: [Enter date which will be the first day of the first pay period beginning on or after the date of this authorization.]

Point of Contact: [Enter the name, title, and telephone number of the person to contact for further information about the authorization.]

4. Sample Termination Authorization

Department of Veterans Affairs Termination of Special Salary Rates

Occupation: Occupational Therapist, GS-631

Location: [Enter Facility Name and Station Number]

Authority: 38 U.S.C. 7455; MP-5, Part II, Chapter 3, Section D, Paragraph 5a and VHA
Directive 5103.4

Effective Date: The authorization is terminated on the first day of the first pay period beginning on or after the date this action is approved.

Approved by:

/s/ _____
Name
Facility Director

Date

Point of Contact: [Enter the name, title, and telephone number of the person to contact for further information about the authorization.]