

PERFORMANCE MANAGEMENT SYSTEMS

- 1. REASON FOR ISSUE:** To issue Department of Veterans Affairs (VA) procedures regarding performance management systems for non-supervisory and non-managerial physicians and dentists.
- 2. SUMMARY OF CONTENTS/MAJOR CHANGES:** This handbook contains VA policy on performance management. The pages in this transmittal replace the corresponding page numbers in Part II of VA Handbook 5013, dated April 15, 2002. Part of the changes revise periodic step increase and rate adjustment procedures, per the Department of Veterans Affairs Health Care Personnel Enhancement Act of 2004 (Public Law 108-445, dated December 3, 2004, which established a new pay system for physicians and dentists in the Veterans Health Administration (VHA)). An additional change revises the time period that a proficiency rating becomes due and changes the proficiency rating period for physicians and dentists from one based on an anniversary date, to a fiscal year period. The changes will be incorporated into the electronic version of VA Handbook 5013 that is maintained on the [Office of Human Resources Management Web site](#).

Transition instructions will be implemented concurrently with the publication of this policy change.

- 3. RESPONSIBLE OFFICE:** The Employee Relations & Performance Management Service (051), Office of the Deputy Assistant Secretary for Human Resources and Labor Relations.
- 4. RELATED DIRECTIVE:** VA Directive 5013, Performance Management Systems.
- 5. RESCISSIONS:** None

CERTIFIED BY:

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**BY DIRECTION OF THE SECRETARY
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PERFORMANCE MANAGEMENT SYSTEMS

PART II. TITLE 38 PROFICIENCY RATING SYSTEM

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c. **Proficiency Ratings.**

(1) The employee will be rated on elements which provide for consideration of proficiency and performance in terms of pertinent personal, professional, administrative and supervisory attributes, characteristics, skills, and service to the public as applied to the duties and responsibilities of the assignment. The employee will be informed in advance which elements will be considered in the rating process.

(2) Proficiency ratings will be assigned to an employee based on an objective appraisal of overall competency in the performance of duties and responsibilities. Normally, the overall evaluation should reflect an average of the rated categories and the narrative summary. In some instances, one or more rated categories which are critical to successful performance may form the basis for the overall ratings because their significance outweighs that of other categories rated, or the aggregate of other categories. For example, when an unacceptable level of performance has been demonstrated in one or more rated categories in which satisfactory performance is essential, an overall rating of unsatisfactory may be assigned.

(3) For a nurse, proficiency ratings will be used to summarize how the employee meets the criteria in the Nurse Qualification Standard and the appropriate functional statement. [(NOTE: *Per the Nursing Commission recommendations, nurses who are not supervised by another nurse must have their evaluations reviewed by the Nurse Executive or his/her designee.*)]

(4) The five adjective ratings defined below will be used:

(a) **Unsatisfactory.** The employee has not met reasonable expectations of performance.

(b) **Low Satisfactory.** The employee usually met reasonable expectations, but performance was sometimes marginal.

(c) **Satisfactory.** The employee fully met and sometimes exceeded expectations.

(d) **High Satisfactory.** The employee usually exceeded reasonable expectations by a substantial margin.

(e) **Outstanding.** The employee consistently exceeded reasonable expectations to an exceptional degree.

d. **Annual Rating Dates**

(1) [Rating periods for all but physicians and dentists] will be the [one year period beginning on the anniversary date of grade (or date of advancement to a higher level for nurses in Nurse I grade). Physicians and dentists will be rated on a fiscal year basis. Ratings must be completed no later than 60 days after the end of the rating period].

(2) [The Human Resources Management Office will send the Proficiency Report form to rating officials at least 110 days prior to the due date for occupations that are on the anniversary date of grade proficiency rating cycle].

[]

b. When an unsatisfactory rating has been approved for a temporary full-time, part-time, or intermittent employee, supervisory officials will review the employee's service and, if applicable, clinical privileges, and determine whether termination is appropriate (See VA Handbook 5021).

c. When an unsatisfactory rating has been approved for a permanent employee, supervisory officials will review the employee's services and clinical privileges, and then determine which of the following actions may be appropriate:

(1) The employee shall be [assigned] for a period [up to] 6 months under the guidance of a highly qualified preceptor.

(2) The employee shall be [provided] additional training.

(3) The employee shall be reassigned or have a change in duty assignment.

(4) The employee's fitness for [duty should be evaluated in accordance with VA Handbook 5019, Occupational Health Services.]

(5) The employee's [scope of practice or] clinical privileges should be modified.

(6) Procedures in VA Handbook 5021 shall be initiated.

11. ADVICE FROM EXPERT SOURCES. Although it is ultimately the responsibility of management officials to evaluate performance and take appropriate action, under certain limited circumstances these officials may need other professional advice and assistance in analyzing the nature of observed performance deficiencies. The proficiency approving official, after obtaining any needed authorizations, may request assistance from such professional sources as the Deans Committee, a consultant, or a peer group with expertise in the areas of the performance in question. The person or persons so designated will review the specified deficiencies and report findings and recommendations to the approving official.

12. PERIODIC[, OR LONGEVITY,] STEP INCREASES []

a. Physicians, Dentists, Podiatrists, Optometrists, Physician Assistants, Chiropractors, Registered Nurses, Nurse Anesthetists and Expanded Function Dental Auxiliaries

(1) **Requirements.** [All f]ull-time, part-time and intermittent [Physicians and Dentists] will [automatically receive longevity] step increases [at the end of their] required waiting period [delineated in VA Handbook 5007]. [Full-time, part-time and intermittent Podiatrists, Optometrists, Physician Assistants and Chiropractors will be considered for periodic step increases when they complete the required waiting periods delineated in VA Handbook 5007,] and their work meets all of the following conditions for acceptable level of competence:

(a) The total measure of the effectiveness and conduct of the employee is fully satisfactory, with any weaknesses balanced by strengths.

(b) A satisfactory current proficiency rating.

(c) No evidence or action is of record or in process that is contradictory to an overall judgment of current full satisfactory performance and conduct.

(2) **Processing Periodic Step Increases** [(Not applicable to Physicians and Dentists)]

(a) Five pay periods prior to the employee's completing the waiting period for a step increase or rate adjustment, the facility will receive [VA Form 5-97], Notification of [Pending] Personnel Action, from the DPC. The servicing Human Resources Management Office will [notify] the appropriate [supervisor].

(b) [Decisions regarding s]tep increases [will be made by the appropriate] rating and[/or] approving official as stipulated in Appendix A of this part. If the step [increase] is approved, the acceptable level of competence statement on [VA Form 5-97] will be signed by the rating official and the form returned to the Human Resources Management Office. If disapproval is recommended, the procedures in (c) will apply.

(c) [T]he rating official shall prepare a written justification and forward it, through the local Human Resources Management Office, to the approving official for decision. If disapproved:

1. The employee will be notified in writing of:

a. The reason(s) for disapproval;

b. The fact that the employee will be reconsidered within 52 weeks (time to be specified); and

c. The right to ask for a review of this decision under the provisions of [12a(2)](d) [].

2. The unsigned [VA Form 5-97] will be returned to the Human Resources Management Office accompanied by a copy of the notice of disapproval. The Human Resources Management Office will take appropriate action to initiate reconsideration of the disapproved step increase or rate adjustment at the time specified in the notice of disapproval. A disapproved step increase or rate adjustment which is reconsidered at a later specified time and approved will be effected at the beginning of the next pay period following approval and a new waiting period for the next step increase or rate adjustment will be established.

(d) An employee may request reconsideration of a decision to deny a periodic step increase or rate of adjustment within 15 calendar days of receipt of the notification required under [12a(2)](c) []. The reconsideration decision will be rendered by the next higher-level [] supervisor[.] All reconsideration decisions are final. If, on reconsideration, it is determined that an employee was performing at an acceptable level of competence, the employee shall be given the periodic step increase retroactive to the original due date.

(e) [Title 38 hybrid employees] shall receive within-grade increases under the General Schedule salary system. Service immediately prior to conversion to a title 38 appointment will be creditable for within-grade increase purposes as if it had been under 38 U.S.C. 7401(3) or 7405.