



DEPARTMENT OF VETERANS AFFAIRS
Veterans Health Administration
Washington DC 20420

March 4, 2009

In Reply Refer To:

Ms. Alma L. Lee
President, National Veterans Affairs Council, #53
American Federation of Government Employees, AFL-CIO
VA Medical Center, Bldg. 12, Room 252
Salem, VA 24153

Dear Ms. Lee;

Thank you for your letter of February 12, 2009, which was in response to a request for your views and suggestions for changes in the VHA Physician and Dentist Pay System. We have scheduled a conference call for March 6, 2009 to discuss the process for VHA's review and further engage in discussion regarding your suggestions. In advance of our conference call, I am forwarding some additional information which may be helpful to our discussion that summarizes the data considered from a number of national surveys.

In regard to some of the specific issues you raised, I can provide the following information:

- Request to participate in the Steering Committee review:

VHA will continue to use this forum as a management advisory committee. There are no physicians or dentists on this committee, so as to avoid conflict of interest issues. Opening participation to any group whose role is representational in nature would then open the door for any number of other groups who have proprietary interest in representing VHA physicians and dentists.

- Copies of the Physician and Dentist Annual Report to Congress

The report for 2008 was submitted in December 2008. We are checking with the VHA FOIA office and the Office of Congressional Affairs regarding the release of this report and will respond as soon as such guidance is received.

- Specific recommendations for physician specialties

Your recommendations concerning specific specialties, pay table and tier alignment are very much appreciated. We will discuss these more fully on the conference call. The attachment to this letter will also help with such discussion as it reflects the comparison of 75th percentile rates for VHA and the nationwide surveys that were consulted.

- Concerns with the performance pay component of the physician and dentist pay system:

There have been a number of request for assistance in providing samples and generating a shared data base for physicians and dentists to compare performance pay criteria. Dr. Gerald Cross, Principal Deputy Under Secretary for Health has asked that a group be convened to solicit and compile, by specialty, useful performance pay criteria. We are hoping to have this group in place with results before the end of the fiscal year.

- On-line availability of comparative pay data from national surveys:

We do have an agreement with the American Association of Medical Colleges (AAMC) to post their data on-line. The data can be found on the Office of Human Resources Management web site for Physician and Dentist Pay at http://vaww1.va.gov/ohrm/Pay/PAY_HOME.htm. We update this data annually through a signed agreement with AAMC. We will be posting the 2009 data shortly.

- Concerns regarding ECF performance awards and performance pay goals

ECF performance awards are based on a final rating of record. Performance pay, which is not an award, but a component of pay, is based on established goals which may include productivity attainments, extra assignments, etc. We do advise that while an ECF performance appraisal can include issues related to performance pay goals, there should be the ability to distinguish between the overall accomplishments in support of the performance rating and the specific accomplishments associated with performance pay. Performance pay is not an award by any definition. It is the third component of pay that is established and determined solely based on the attainment of certain assigned work.

If you are aware of any individual(s) who have duplicative documentation regarding an ECF award and performance pay decisions, please advise specifically and we will review the documentation.

- Review whether a physician or dentist who is absent from duty during the entire fiscal year, is by USERRA law, still entitled to performance pay

We will consult with General Counsel regarding this matter and follow-up in a future response.

- Suggested language regarding being informed of tier determination:

Currently, VA Handbook 5007 addresses tier reconsideration as follows:

(1) The request for reconsideration must be submitted in writing to the approving official (i.e., the official who approved the tier recommendation) within 30 days of the end of the pay period in which the pay determination is effected.

Our suggestion is that we modify the policy language to reflect the following:

The request for tier reconsideration must be submitted in writing to the approving official (i.e., the official who approved the tier recommendation) within 30 days of receiving written notice of the tier assignment by receipt of either the Compensational Panel form or the Personnel Action, SF-50 which reflects the final determination.

I am looking forward to our call to further discuss AFGE's suggestions for improvements and modifications to the VHA Physician and Dentist Pay System.



Joleen Clark, FACHE
Chief Officer, VHA Workforce Management and Development