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New Hampshire Veterans Home

139 Winter Street
Tilton, NH 03276



Margaret D. LaBrecque
Commandant

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December 21, 2017

His Excellency, Governor Christopher T. Sununu
And the Honorable Council
State House
Concord, New Hampshire 03301

REQUESTED ACTION

Pursuant to New Hampshire RSA 99:8, Increases for Recruitment Purposes and in accordance with Per 904.01 of the Rules of the Division of Personnel, Request for Temporary Increase, authorize the New Hampshire Veterans Home (NHVH) to continue a fifteen percent (15%) base hourly wage enhancement to nursing staff currently paid under the Institutional Nurse (N130) pay scale for recruitment and retention purposes. This request is projected to increase funding by \$1,294,883 over the 24 month period ending in FY 20. This enhancement would be effective from March 9, 2018 through March 9, 2020.

Funding source: 28% Federal Funds, 47% General Funds, 25% Other.

Funds are available due to vacancy savings in 05-00043-043-430010-5359-010, NH Veterans Home, Professional Services, as follows:

	<u>FY2018</u>	<u>FY2019</u>	<u>FY2020</u>	<u>Total</u>
010-500100 Regular Officers And Employees	\$196,283.52	\$637,921.44	\$460,678.32	\$1,294,883.28

EXPLANATION

The New Hampshire Veterans Home (NHVH) continues to experience intense difficulty in filling and retaining nursing positions in the current labor market. The local and state unemployment rate has remained under 3 percent over the past 18 months while at the same time occupations in the healthcare sector are projected to grow faster than other sectors. The workforce is aging as predicted; in 2000 the median age of New Hampshire's residents was 37.1 as compared to 42.8 in 2015. In addition the pace of retirements of state employees has diminished the level of experience nursing staff. Consequently, the vacancy rate at NHVH continued to rise even with the 15% enhance enacted in March of 2016 –see Table 1 below.

Table 1 New Hampshire Veterans Home Nurse Positions

Classified Position	Labor Grade	Authorized positions (2017)	Vacant 2017	Vacant 2016	Vacant 2015	Vacant 2014
Director of Nursing	34	1	0	0	0	0
Asst. Director of Nursing	29	(2)	1	0	0	0
Registered Nurse I	19	3	1			
Registered Nurse II	21	21	6	3	1	1
Registered Nurse III	23	10	4	3	2	2
Nurse Specialist	25	5	0	1		
Nurse Coordinator	27	6	1			
Nurse Practitioner	28	2	1	0	1	1
Licensed Practical Nurse I	16	15	3	3	2	
Licensed Practical Nurse II	18	1	0			
Totals		66	17	10	6	4
Vacancy Rate			25%	15%	9%	6%

As Table 1 illustrates, the vacancy rate in nursing positions at NHVH is significantly increasing each year. Time to fill the previous vacancy of a Nurse Practitioner at NHVH was two years. The recent retirement of the Psychiatric Nurse Practitioner, a critical position with the level of dementia residents at NHVH, may prove even more difficult to fill. A vacancy rate of 25% is not sustainable if the agency is to maintain safe levels of care.

Many factors contribute to the NHVH's reduced effectiveness to compete in the nursing labor market. With the current enhancement of 15%, the Home has been able to offer a viable wage in the current labor market (Table 2).

Table 2 NH Occupational Wages 2017			
	Entry level wage	Median wage	Experienced wage
Registered Nurse	RN I Step 1	RN II Step 4	RN III Step 4
State of NH	\$27.76	\$33.90	\$37.03
Laconia-Belmont	\$26.42	\$31.53	\$35.43
Greater Concord	\$26.41	\$32.64	\$36.09
Nurse Practitioner	LG 28/Step 1	LG 28/Step 4	LG 28/Step 8
State of NH with current 15% enhancement and direct care	\$40.30	\$45.79	\$54.86
Laconia-Belmont	Not available	Not available	Not available
Greater Concord	\$38.97	\$46.40	\$51.31

Demand will continue as population ages

Unfortunately, the labor force continues to shrink while the Healthcare sector and occupations such as RNs continue to grow at accelerating rates. The number of openings in the nursing field is projected to exceed supply over the next decade in all geographic areas. In New Hampshire the Economic and Labor Market Information Bureau is projecting the growth rate of job openings to be 19% for registered nurses, 30% for nurse practitioners and 24% for licensed practical nurses. Private employers are adapting to the increased competition for a limited supply of applicants. There are at least 12 licensed nursing homes in the Belknap /Merrimack County areas at this time.

At the same time, the top seven areas of concentration for current and recent nursing students are legal nurse consultant, nurse midwife, nurse anesthetist, travel nurse, holistic nursing, informatics nurse specialist and surgical nursing. Geriatrics nursing does not attract students as easily as other disciplines.

Retention is the key to quality care

Without the enhancement, not only would recruitment efforts be hindered, but retention of experienced nursing staff would quickly drop to dangerous levels. Being able to entice retirement eligible nursing staff to stay at work has been more effective with the higher wages. More employees are working beyond the age of 65, providing excellent care and mentoring younger coworkers.

Not only are the enhanced wages an incentive to delay retirements, but they allow the NHVH to better compensate staff that are often mandated due to reduced staffing levels on second and third shifts. Consistent staffing contributes to the quality of care of the Veterans. Elderly residents are easily confused and anxious when caregivers are unfamiliar.

Your favorable action on this request would be appreciated.

Respectfully Submitted,

Margaret D. LaBrecque

Margaret D. LaBrecque

Commandant

Plourde, Armand

From: Willingham, Sara J.
Sent: Friday, December 15, 2017 1:59 PM
To: Leeming, Alice
Cc: Booker, Michelle; LaBrecque, Margaret; Plourde, Armand; Lydick, Joanne (Mottola); Schmitt, Katherine; Doe, Marilyn; Newland, Matthew; Labrana-Shapiro, Maria-Jose; Jerry, Carol B; Acevedo, Heidi
Subject: RE: Re: Request to renew 15% Enhancement of Nursing Salaries
Attachments: EXPLANATION.DOCX; REQUESTED ACTION for Enhancement 12.11.17.docx; Enhancement detailed Plan 12.11.17.xlsx

Follow Up Flag: Follow up
Flag Status: Flagged

Thank you for submitting your justification letter and supporting wage documentation to continue the existing 15% enhancement for the nursing employees at the NH Veterans Home who are compensated on the Institutional Nurse (N130) pay scale, which would include positions assigned to the following classification titles:

Director of Nursing
Assistant Director of Nursing
Registered Nurse, I, II, III
Nurse Specialist
Nurse Coordinator
Nurse Practitioner
Licensed Practical Nurse I, II

Under Personnel Rule 904.01(a), an appointing authority may request a temporary increase in the compensation of a class by submitting a comparison of salaries in the appropriate industry and geographic location, including occupations which are comparable to the state classification for which the increase is sought. I have reviewed the wage and compensation materials you submitted for positions in similar occupations, and find you have met the documentation requirements of the Personnel Rules. Therefore you may proceed to Governor and Council with your request to extend the existing temporary 15% enhancement for the nursing employees at the NH Veterans Home who are compensated on the nursing pay scale (N130). Upon approval, the temporary enhancement will be in effect for 24 month period commencing March 9, 2018 or 24 months from the date of Governor and Council approval, whichever is later.

Sara J. Willingham, Director of Personnel
NH Division of Personnel
28 School Street
Concord, NH 03301
(603) 271-3359 FAX (603) 271-1422
sara.willingham@nh.gov

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New Hampshire Veterans Home
 Proposal to Address Nursing Shortage
 Fiscal Impact of 15% Base Rate Enhancement
 Nurse Pay Scale (N130) Effective January 6, 2017
 11/30/2017

# Positions	Title	LG Step	Hourly Rate	Annual Salary		Annual for # of Positions	New Hourly rate	15% Enhanced Pay		Fund	Agency	Orgn	Cls	Hours Wk
				Annual	Salary			Annual	Salary					
1	Director of Nursing	34	\$54.23	\$112,798.40	\$112,798.40	\$112,798.40	\$62.36	\$129,718.16	\$129,718.16	10	43	5359	10	40
1	Asst. Director of Nursing	29	\$42.94	\$89,315.20	\$89,315.20	\$89,315.20	\$49.38	\$102,712.48	\$102,712.48	10	43	5359	10	40
3	Registered Nurse I	19	\$27.93	\$58,094.40	\$174,283.20	\$174,283.20	\$32.12	\$66,808.56	\$200,425.68	10	43	5359	10	40
21	Registered Nurse II	21	\$30.28	\$62,982.40	\$1,322,630.40	\$1,322,630.40	\$34.82	\$72,429.76	\$1,521,024.96	10	43	5359	10	40
10	Registered Nurse III	23	\$33.15	\$68,952.00	\$689,520.00	\$689,520.00	\$38.12	\$79,294.80	\$792,948.00	10	43	5359	10	40
5	Nurse Specialist	25	\$36.12	\$75,129.60	\$375,648.00	\$375,648.00	\$41.54	\$86,399.04	\$431,995.20	10	43	5359	10	40
6	Nurse Coordinator	27	\$39.39	\$81,931.20	\$491,587.20	\$491,587.20	\$45.30	\$94,220.88	\$565,325.28	10	43	5359	10	40
2	Nurse Practitioner	28	\$41.18	\$85,654.40	\$171,308.80	\$171,308.80	\$47.36	\$98,502.56	\$197,005.12	10	43	5359	10	40
15	Licensed Practical Nurse I	16	\$24.68	\$51,334.40	\$770,016.00	\$770,016.00	\$28.38	\$59,034.56	\$885,518.40	10	43	5359	10	40
1	Licensed Practical Nurse II	18	\$26.78	\$55,702.40	\$55,702.40	\$55,702.40	\$30.80	\$64,057.76	\$64,057.76	10	43	5359	10	40
				<u>\$4,252,809.60</u>		<u>\$4,890,731.04</u>			<u>\$4,890,731.04</u>					

\$196,283.52 Balance FY18
 * 3/2/18 - 8 pay periods remaining

# Positions	Title	LG Step	Hourly Rate	Annual Salary		Annual for # of Positions	New Hourly rate	15% Enhanced Pay		Fund	Agency	Orgn	Cls	Hours Wk
				Annual	Salary			Annual	Salary					
1	Director of Nursing	34	\$54.23	\$112,798.40	\$112,798.40	\$112,798.40	\$62.36	\$129,718.16	\$129,718.16	10	43	5359	10	40
1	Asst. Director of Nursing	29	\$42.94	\$89,315.20	\$89,315.20	\$89,315.20	\$49.38	\$102,712.48	\$102,712.48	10	43	5359	10	40
3	Registered Nurse I	19	\$27.93	\$58,094.40	\$174,283.20	\$174,283.20	\$32.12	\$66,808.56	\$200,425.68	10	43	5359	10	40
21	Registered Nurse II	21	\$30.28	\$62,982.40	\$1,322,630.40	\$1,322,630.40	\$34.82	\$72,429.76	\$1,521,024.96	10	43	5359	10	40
10	Registered Nurse III	23	\$33.15	\$68,952.00	\$689,520.00	\$689,520.00	\$38.12	\$79,294.80	\$792,948.00	10	43	5359	10	40
5	Nurse Specialist	25	\$36.12	\$75,129.60	\$375,648.00	\$375,648.00	\$41.54	\$86,399.04	\$431,995.20	10	43	5359	10	40
6	Nurse Coordinator	27	\$39.39	\$81,931.20	\$491,587.20	\$491,587.20	\$45.30	\$94,220.88	\$565,325.28	10	43	5359	10	40
2	Nurse Practitioner	28	\$41.18	\$85,654.40	\$171,308.80	\$171,308.80	\$47.36	\$98,502.56	\$197,005.12	10	43	5359	10	40
15	Licensed Practical Nurse I	16	\$24.68	\$51,334.40	\$770,016.00	\$770,016.00	\$28.38	\$59,034.56	\$885,518.40	10	43	5359	10	40
1	Licensed Practical Nurse II	18	\$26.78	\$55,702.40	\$55,702.40	\$55,702.40	\$30.80	\$64,057.76	\$64,057.76	10	43	5359	10	40
				<u>\$4,252,809.60</u>		<u>\$4,890,731.04</u>			<u>\$4,890,731.04</u>					

\$637,921.44

# Positions	Title	LG Step	Hourly Rate	Annual Salary		Annual for # of Positions	New Hourly rate	15% Enhanced Pay		Fund	Agency	Orgn	Cls	Hours Wk
				Annual	Salary			Annual	Salary					
1	Director of Nursing	34	\$56.68	\$117,894.40	\$117,894.40	\$117,894.40	\$65.18	\$135,578.56	\$135,578.56	10	43	5359	10	40
1	Asst. Director of Nursing	29	\$44.86	\$93,308.80	\$93,308.80	\$93,308.80	\$51.59	\$107,305.12	\$107,305.12	10	43	5359	10	40
3	Registered Nurse I	19	\$29.05	\$60,424.00	\$181,272.00	\$181,272.00	\$33.41	\$69,487.60	\$208,462.80	10	43	5359	10	40
21	Registered Nurse II	21	\$31.54	\$65,603.20	\$1,377,667.20	\$1,377,667.20	\$36.27	\$75,443.68	\$1,584,317.28	10	43	5359	10	40
10	Registered Nurse III	23	\$34.61	\$71,988.00	\$719,888.00	\$719,888.00	\$39.80	\$82,787.12	\$827,871.20	10	43	5359	10	40
5	Nurse Specialist	25	\$37.73	\$78,478.40	\$392,392.00	\$392,392.00	\$43.39	\$90,250.16	\$451,250.80	10	43	5359	10	40
6	Nurse Coordinator	27	\$41.18	\$85,654.40	\$513,926.40	\$513,926.40	\$47.36	\$98,502.56	\$591,015.36	10	43	5359	10	40
2	Nurse Practitioner	28	\$42.94	\$89,315.20	\$178,630.40	\$178,630.40	\$49.38	\$102,712.48	\$205,424.96	10	43	5359	10	40
15	Licensed Practical Nurse I	16	\$25.74	\$53,539.20	\$803,088.00	\$803,088.00	\$29.60	\$61,570.08	\$923,551.20	10	43	5359	10	40
1	Licensed Practical Nurse II	18	\$27.93	\$58,094.40	\$58,094.40	\$58,094.40	\$32.12	\$66,808.56	\$66,808.56	10	43	5359	10	40
				<u>\$4,436,161.60</u>		<u>\$5,101,585.84</u>			<u>\$5,101,585.84</u>					

Enhancement cost

\$665,424.24

\$460,678.32 Balance FY20
 * 3/5/20 - 18 pay periods remaining

TOTAL ACTUAL FINANCIAL IMPACT FY 18,19 & 20

\$1,294,883.28