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State of New Hampshire
Department of Health and Human Services
Division of Behavioral Health

NEW HAMPSHIRE HOSPITAL

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July 10, 2017

His Excellency, Governor Christopher T Sununu
and the Honorable Council
State House
Concord, NH 03301

REQUESTED ACTION

Due to an administrative oversight, this enhancement is being requested as a **RETROACTIVE** renewal as staff continued to be paid at the enhanced rate during fiscal year 2017 and 2018. Pursuant to RSA 99:8, Increases for Recruitment Purposes, and in accordance with Personnel Rule 904.01, authorize the Department of Health and Human Services, New Hampshire Hospital, a **RETROACTIVE** renewal of the twenty percent (20%) increase in the compensation of the Occupational Therapist I and II positions currently assigned to the Rehabilitation Department for the period of July 1, 2016 through June 30, 2018. 32% general funds, 39% Other Funds (provider fees) and 29% federal funds. Funds are available in the following account:

05-95-94-940010-8750 HEALTH AND SOCIAL SERVICES, DEPT OF HEALTH AND HUMAN SVCS, HHS: NEW HAMPSHIRE HOSPITAL, NEW HAMPSHIRE HOSPITAL, ACUTE PSYCHIATRIC SVCS

Fiscal Year	Class/Object	Class Title	Job Number	Amount
SFY 2017	010-500100	Personal Services - Perm Class	94053100	\$64,934.55
SFY 2018	010-500100	Personal Services - Perm Class	94053100	\$65,683.80

EXPLANATION

This request is retroactive as the expiration of the enhancement was not caught until recently. Due to staff turn-over this oversight went undetected until a position was posted and research commenced as to the status of the enhancement and the applicable pay rate. As a result of vacancies, the Hospital has adequate funding to support this request. The staff continued to receive the enhanced rate during the current fiscal year. The positions that currently fall under the 20% enhancement are as follows:

<u>Division</u>	<u>Position #</u>	<u>Title</u>	<u>Labor Grade</u>
New Hampshire Hospital	15901	Occupational Therapist I	20
	15899	Occupational Therapist II	21
	15975	Occupational Therapist II	21
	18630	Occupational Therapist II	21
	19025	Occupational Therapist II	21
	30903	Occupational Therapist II	21

The initial request for a 13.5% salary enhancement was approved in February 2006 and was subsequently increased to 20% and approved in April 2009 and June 2013. The purpose of the salary enhancement was to assist the recruitment and retention of these positions, which had been extremely difficult in the competitive healthcare labor market from which the hospital recruits applicants. In addition to the NHH salaries not keeping pace with labor market trends, the field of Occupational Therapy has upgraded the educational requirements to require a Master's degree in order to qualify for entry-level occupational therapy positions. Consequently, graduates will be carrying more debt and will seek out positions that will enable them to repay loans. Private hospitals not only pay higher salaries but also will often assist employees with student loans payments as a recruitment tool or may provide a sign on cash bonus.

The enhancements have been key to the retention of the current OT IIs now onboard at NHH. It is for this reason that we respectfully request that the enhancement continue in order to retain the ability to facilitate the efficient discharge of patients to the community. Occupational Therapists are essential for discharge planning as they evaluate patients' cognitive ability to live independently for integration into the community. These positions are even more crucial as the US Department of Justice and the Disability Rights Center have filed suit against the NH Department of Health and Human Services alleging that persons in New Hampshire, who are suffering from mental illness, are hospitalized at higher expense and for longer periods of time due the State's failure to provide sufficient community mental health services. A settlement agreement reached in this matter included a component which requires NHH Occupational Therapists to prepare patients for community living and create individual plans for patients to promote integration into the community.

The starting salary for an Occupational Therapist II at NHH without the enhancement is \$41,827.50. At Step 8, which takes 12 years to reach, the salary for the Occupational Therapist II is \$56,238. This compares to the mean full time salary of all occupational therapists in the State of New Hampshire in accordance with the Bureau of Labor Statistics May 2016 data, of \$79,740.00. This information is consistent with other wage indicators such as the Salary.Com which for May 2016 shows the annual mean wage for occupational therapists to be \$85,434 in New Hampshire.

The following chart is from the U.S. Bureau of Labor Statistics May 2016 data for occupational therapy:

State	Employment (1)	Employment per thousand jobs	Location quotient (9)	Hourly mean wage	Annual mean wage (2)
New Hampshire	1,120	1.74	2.07	\$38.34	\$79,740

This enhancement is necessary to maintain a competitive salary for recruiting and retaining Occupational Therapist II positions. If approved, overall 2 year cost of this increase would be approximately \$130,618.35; which would ensure the salary for each position in this classification would be increased by the authorized enhancement percentage. There are sufficient funds in the Hospital's budget to cover this request.

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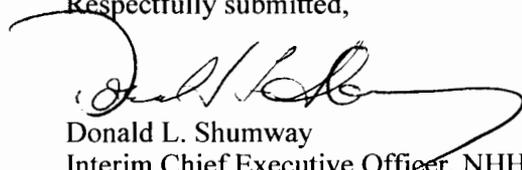
Should Governor and Council determine to deny this request, New Hampshire Hospital would be unable to adequately recruit and retain staff negatively impacting patient care.

Area served: statewide.

Source of funds: 32% general funds, 39% Other Funds (provider fees) and 29% federal funds.

In the event that federal funds become no longer available, general funds will not be requested to support this contract.

Respectfully submitted,



Donald L. Shumway
Interim Chief Executive Officer, NHH



Katja S. Fox
Director, Behavioral Health

Approved by:



Jeffrey A Meyers
Commissioner, DHHS