



Jeffrey A. Meyers
Acting Commissioner

Kathleen A. Dunn
Associate Commissioner

STATE OF NEW HAMPSHIRE
DEPARTMENT OF HEALTH AND HUMAN SERVICES
OFFICE OF MEDICAID BUSINESS AND POLICY

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January 11, 2016

Her Excellency, Governor Margaret Wood Hassan
and the Honorable Council
State House
Concord, NH 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 Department of Health and Human Services (DHHS), Office of Medicaid Business & Policy (OMBP) to increase the salary of position # 30278, Administrator IV, by thirty percent (30%).

EXPLANATION

On February 12, 2014, Item # 25-A, Governor and Council approved the request for a thirty percent (30%) enhancement for position #30278, Administrator IV, which serves as the Medicaid Pharmacy Director for Office of Medicaid Business & Policy. The position was filled in July 2014 and went vacant again in August 2015. After several months of recruitment, the position was filled effective January 8, 2016.

Staffing for the Medicaid program requires the knowledge and expertise of a registered pharmacist to manage DHHS objectives by authorizing and directing statewide Medicaid pharmacy services policies and procedures. The Pharmacy Services Administrator directs the Pharmacy Services Unit for the Department from within the Office of Medicaid Business and Policy (OMBP); monitors and implements state and federal pharmacy policies; provides clinical oversight to the Drug Utilization Review Committee; collaborates with the Medicaid Medical Director to provide clinical and financial oversight to the Medicaid Care Management program pharmacy services; directs the clinical and service utilization components of the vendor contract for the fee-for-service pharmacy benefit management; provides leadership in OMBP's pharmacy related new initiatives; works in collaboration with the other DHHS departments to address routine needs and the needs of special Medicaid populations and services; and responds to legislative and other external stakeholder issues and concerns. Additionally, the Medicaid Pharmacy Services Administrator will analyze data on financial and utilization trends, participate in budget monitoring and development, recommend and implement new cost saving strategies, and assure the appropriate use of Medicaid funding.

The State pay scale for the Administrator IV position at labor grade 33 does not provide a compensation level sufficient to recruit and retain an individual with the necessary skills. As noted in the following tables, the State pay scale is approximately 60% of what pharmacists earn in New Hampshire. It is believed that the 30% enhancement being requested along with the State health insurance benefit will allow the Department to retain the incumbent's subject matter expertise.

Table 1 New Hampshire Employment Security Statewide Average Hourly Salary Range. Pharmacists 29-1051		Table 2 New Hampshire Employment Security Concord Area Average Hourly Salary Range. Pharmacists 29-1051		Table 3 State LG 33, Hourly Salary Range A000 37.5 Hour Wage Schedule effective January 8, 2016	
Entry	50.05	Entry	49.88	Step 1	35.28
Mean	61.10	Mean	60.57	Step 2	36.88
Median	63.11	Median	63.51	Step 3	38.62
Experienced	66.63	Experienced	65.92	Step 4	40.45
				Step 5	42.30
				Step 6	44.29
				Step 7	46.29
				Step 8	48.29
Reference: New Hampshire Occupational Employment & Wages, pg 9, pg 46, published by the New Hampshire Department of Employment Security, September 2015. http://www.nhes.nh.gov/elmi/products/documents/wages-all.pdf					

The above request would have the following financial impact:

	SFY16	SFY17
	20 Weeks	52 Weeks
State Salary Step 1	\$31,725	\$82,485
30% Enhancement	<u>\$ 9,517</u>	<u>\$24,745</u>
General Funds 50%	\$20,621	\$53,615

Funding for this enhancement is available accounting unit 05-95-47-470010-7937 Medicaid Administration.

Respectfully submitted,


 Kathleen A. Dunn, MPH
 Associate Commissioner

Approved by: 
 Jeffrey A. Meyers
 Acting Commissioner

Email correspondence regarding Salary Enhancement for DHHS Position 30278

From: "Willingham, Sara J." <Sara.Willingham@NH.Gov>
To: "'Laurie.Spring@dhhs.state.nh.us'" <Laurie.Spring@dhhs.state.nh.us>
Date: 01/06/2016 03:10 PM
Subject: RE: DHHS Enhancement Extension Request: Pos 30278

Thank you for submitting your justification letter and supporting wage documentation to continue the 30% enhancement for position #30278, Medicaid Pharmacy Director, Administrator IV, labor grade 33.

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 this 30% enhancement for position #30278, Medicaid Pharmacy Director, for a period not to exceed 24 months.

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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-----Original Message-----

From: Laurie.Spring@dhhs.state.nh.us [mailto:Laurie.Spring@dhhs.state.nh.us]
Sent: Tuesday, December 29, 2015 12:01 PM
To: Willingham, Sara J.
Subject: DHHS Enhancement Extension Request: Pos 30278

Good afternoon Sara,

This is to respectfully request that the Department of Health and Human Services, Office of Medicaid Business and Policy, obtain approval to continue the payment of a 30% Salary Enhancement for position number 30278, entitled Medicaid Pharmacy Director, State classification; Administrator IV, LG 33.

The continuation of this 30% salary enhancement is respectfully requested in order to retain the services of our Medicaid Pharmacy Director, which has been vacant since August 27, 2015 but will be filled effective January 8, 2016. This enhancement will ensure that the state is competitive with other industries in our area. This position has received this 30% enhancement since 2014. The last enhancement was approved by Governor & Council on February 12, 2014, item # 25-A.

Email correspondence regarding Salary Enhancement for DHHS Position 30278

The Pharmacy Director, state classification; Administrator IV, directs the Pharmacy Services Unit for the Office of Medicaid Business and Policy (OMBP); provides clinical oversight to the Drug Utilization Review Committee; collaborates with the Medicaid Medical Director to provide clinical and financial oversight to the Medicaid Care Management program pharmacy services; directs the clinical and service utilization components of the vendor contract for the fee-for-service pharmacy benefit management; provides leadership in OMBP's pharmacy related new initiatives; works in collaboration with the other DHHS departments to address the needs of special Medicaid populations and services; responds to legislative and other external stakeholder issues and concerns.

The state pay scale for the Medicaid Pharmacy Director, Administrator IV at a Labor grade 33, does not provide a compensation level sufficient to retain an individual with necessary skills. The regional salary range for Pharmacist is \$118,000 to \$150,000/year. DHHS must offer a competitive salary, in addition to benefits, to retain the incumbent's pharmacy subject matter expertise.

Enclosed, please find the following information:

- Spreadsheet comparison of Hourly salaries for comparable positions in the industry in Concord, NH and Statewide.
 - Source document from the New Hampshire Occupational Employment & Wages 2015 Report.
 - <http://www.nhes.nh.gov/elmi/products/documents/wages-all.pdf>
 - Salary Survey from Pharmacy Week
 - http://www.pharmacyweek.com/cm/salary_survey/regional_survey
 - Fiscal Impact.
-
- Past Governor and Council Authorizations of salary increases noting this position.

Thank you,

Laurie Spring
Human Resources Technician
603-271-9019

New Hampshire Occupational Employment & Wages - 2015

Statewide Occupational Employment & Wages	SOC Code	May 2014 Estimated Employment	June 2015			
			Entry Level Wage*	Mean (Average) Wage*	Median Wage*	Experienced Wage*
Optometrists	29-1041	140	\$31.01	\$54.62	\$55.99	\$66.43
Pharmacists	29-1051	1,070	\$50.05	\$61.10	\$63.11	\$66.63
Anesthesiologists	29-1061	90	#	\$126.95	\$94.56	#
Family and General Practitioners	29-1062	570	\$72.93	\$101.29	\$92.82	\$115.47
Internists, General	29-1063	120	\$69.27	\$101.73	\$93.60	\$117.95
Obstetricians and Gynecologists	29-1064	110	\$93.10	\$118.43	\$94.87	#
Pediatricians, General	29-1065	140	\$63.06	\$95.16	\$89.49	\$111.21
Psychiatrists	29-1066	80	\$55.21	\$93.70	\$89.96	\$112.94
Surgeons	29-1067	230	#	\$126.53	\$94.85	#
Physicians and Surgeons, All Other	29-1069	1,810	\$79.79	\$113.61	\$94.70	#
Physician Assistants	29-1071	530	\$41.08	\$53.85	\$51.29	\$60.24
Occupational Therapists	29-1122	810	\$28.39	\$36.13	\$36.09	\$40.00
Physical Therapists	29-1123	1,400	\$31.62	\$38.18	\$37.70	\$41.46
Radiation Therapists	29-1124	110	\$30.28	\$40.41	\$39.34	\$45.49
Recreational Therapists	29-1125	70	\$17.93	\$22.10	\$22.07	\$24.20
Respiratory Therapists	29-1126	360	\$24.68	\$29.74	\$29.87	\$32.28
Speech-Language Pathologists	29-1127	570	\$24.80	\$34.02	\$33.69	\$38.64
Exercise Physiologists	29-1128	60	\$18.36	\$23.20	\$22.54	\$25.62
Veterinarians	29-1131	320	\$30.84	\$46.89	\$44.91	\$54.93
Registered Nurses	29-1141	12,390	\$24.41	\$32.28	\$31.31	\$36.21
Nurse Anesthetists	29-1151	NP	\$72.15	\$108.95	\$93.74	#
Nurse Midwives	29-1161	40	\$41.32	\$54.80	\$50.19	\$61.55
Nurse Practitioners	29-1171	750	\$38.27	\$49.07	\$47.75	\$54.47
Audiologists	29-1181	70	\$27.60	\$36.99	\$36.14	\$41.69
Health Diagnosing and Treating Practitioners, All Other	29-1199	170	\$22.14	\$30.99	\$27.87	\$35.42
Medical and Clinical Laboratory Technologists	29-2011	640	\$23.82	\$30.96	\$31.73	\$34.54
Medical and Clinical Laboratory Technicians	29-2012	470	\$15.11	\$20.47	\$20.19	\$23.15
Dental Hygienists	29-2021	1,160	\$32.37	\$38.84	\$39.54	\$42.09
Cardiovascular Technologists and Technicians	29-2031	180	\$20.54	\$30.49	\$31.19	\$35.47
Diagnostic Medical Sonographers	29-2032	190	\$30.49	\$36.77	\$37.06	\$39.91
Nuclear Medicine Technologists	29-2033	50	\$30.58	\$37.22	\$38.14	\$40.55
Radiologic Technologists and Technicians	29-2034	750	\$23.59	\$30.41	\$30.05	\$33.81
Magnetic Resonance Imaging Technologists	29-2035	110	\$26.48	\$33.13	\$32.78	\$36.44
Emergency Medical Technicians and Paramedics	29-2041	970	\$11.34	\$17.69	\$17.81	\$20.86
Dietetic Technicians	29-2051	120	\$11.78	\$16.28	\$16.77	\$18.52
Pharmacy Technicians	29-2052	1,360	\$10.35	\$13.91	\$13.39	\$15.70
Psychiatric Technicians	29-2053	40	\$12.77	\$15.46	\$15.06	\$16.81
Surgical Technologists	29-2055	350	\$17.27	\$23.38	\$22.91	\$26.43
Veterinary Technologists and Technicians	29-2056	740	\$12.65	\$16.32	\$16.11	\$18.15

* Some occupations, such as teachers, have a nonstandard workweek and are not paid by the hour. For these occupations, annual salaries are displayed instead of hourly wage. May 2014 occupational wages were updated to June 2015 using Employment Cost Index (ECI) factors.

New Hampshire Occupational Employment & Wages - 2015

Greater Concord Area		May 2014 Estimated Employment	June 2015				
			Entry Level Wage*	Mean (Average) Wage*	Median Wage*	Experienced Wage*	
Occupational Employment & Wages		SOC Code					
Elementary School Teachers, Except Special Education		25-2021	750	\$41,195	\$56,921	\$57,868	\$64,783
Middle School Teachers, Except Special and Career/Technical Education		25-2022	280	\$40,681	\$55,780	\$53,227	\$63,330
Secondary School Teachers, Except Special and Career/Technical Education		25-2031	640	\$48,969	\$67,293	\$67,471	\$76,454
Special Education Teachers, Kindergarten and Elementary School		25-2052	110	\$42,525	\$56,655	\$57,386	\$63,720
Special Education Teachers, Middle School		25-2053	50	\$26,453	\$47,935	\$45,401	\$58,675
Special Education Teachers, Secondary School		25-2054	50	\$46,663	\$67,681	\$64,964	\$78,191
Self-Enrichment Education Teachers		25-3021	270	\$8.72	\$20.99	\$16.22	\$27.13
Teachers and Instructors, All Other, Except Substitute Teachers		25-3097	220	\$24,012	\$44,070	\$39,104	\$54,099
Librarians		25-4021	170	\$16.61	\$24.62	\$23.01	\$28.62
Library Technicians		25-4031	100	\$12.77	\$16.75	\$16.63	\$18.74
Instructional Coordinators		25-9031	110	\$25.25	\$38.52	\$33.91	\$45.15
Teacher Assistants		25-9041	1,070	\$17,454	\$27,199	\$25,986	\$32,072
Education, Training, and Library Workers, All Other		25-9099	110	\$16.19	\$22.22	\$20.29	\$25.24
Arts, Design, Entertainment, Sports, and Media Occupations		27-0000	1,080	\$13.05	\$30.58	\$21.54	\$39.34
Graphic Designers		27-1024	130	\$16.41	\$22.08	\$19.89	\$24.92
Merchandise Displayers and Window Trimmers		27-1026	50	\$8.39	\$12.93	\$11.06	\$15.21
Coaches and Scouts		27-2022	240	\$17,646	\$42,722	\$35,772	\$55,260
Public Relations Specialists		27-3031	260	\$24.53	\$60.53	\$37.41	\$78.53
Editors		27-3041	NP	\$17.25	\$19.86	\$17.78	\$21.18
Photographers		27-4021	30	\$8.64	\$17.52	\$13.93	\$21.96
Healthcare Practitioners and Technical Occupations		29-0000	4,910	\$19.89	\$40.44	\$31.76	\$50.73
Dentists, General		29-1021	50	\$74.68	\$101.94	\$93.50	\$115.57
Dietitians and Nutritionists		29-1031	30	#	#	#	#
Optometrists		29-1041	30	\$21.15	\$40.03	\$27.47	\$49.47
Pharmacists		29-1051	100	\$49.88	\$60.57	\$63.51	\$65.92
Family and General Practitioners		29-1062	80	\$59.31	\$83.40	\$84.75	\$95.44
Obstetricians and Gynecologists		29-1064	NP	\$81.17	\$112.54	\$95.85	#
Physicians and Surgeons, All Other		29-1069	390	\$60.59	\$108.27	\$95.03	#
Physician Assistants		29-1071	80	\$46.32	\$58.26	\$61.57	\$64.23
Occupational Therapists		29-1122	180	\$28.06	\$36.29	\$36.71	\$40.40
Physical Therapists		29-1123	220	\$31.64	\$39.37	\$39.75	\$43.25
Respiratory Therapists		29-1126	40	\$23.88	\$29.00	\$29.33	\$31.56

* Some occupations, such as teachers, have a nonstandard workweek and are not paid by the hour. For these occupations, annual salaries are displayed instead of hourly wage. May 2014 occupational wages were updated to June 2015 using Employment Cost Index (ECI) factors.

Regional Results - 2015

Regional Results

Pos Code(s)	Pos Title(s)	Region	# Orgs	# Obs	Hourly Base Pay Wgtd Mean	Annualized Base Pay Wgtd Mean*
100	Pharmacy Team Mgr	NE	39	7,545	65.43	136.1
100		SE	36	8,823	65.70	136.7
100		NC	44	7,032	63.64	132.4
100		SC	40	5,437	66.23	137.8
100		WC	50	4,414	74.28	154.5
200,205,210,220,250,270	Staff Pharmacist - Retail, Staff Pharmacist - Hospital, Staff Pharmacist - Healthcare Retail/Satellite, Staff Pharmacist - Mail-order/PBM, Clinical Pharmacist, Nuclear Pharmacist	NE	54	15,866	56.75	118.0
200,205,210,220,250,270		SE	44	18,294	59.86	124.5
200,205,210,220,250,270		NC	68	18,519	56.82	118.2
200,205,210,220,250,270		SC	60	13,735	57.72	120.1
200,205,210,220,250,270		WC	76	11,493	68.07	141.6
300,310	Lead Pharmacy Tech, Pharmacy Tech	NE	50	30,001	16.63	34.6
300,310		SE	43	42,142	15.06	31.3
300,310		NC	68	38,719	15.20	31.6
300,310		SC	56	28,752	16.58	34.5
300,310		WC	71	20,914	23.78	49.5

*Annualized Weighted Mean reported in thousands.

This data provides reasonable estimates of market rates in the Pharmacy industry. However, many factors contribute to the final determination of pay rates, including company philosophy and the influences of each individual incumbent. For that reason, Mercer and PharmacyWeek suggest that you use multiple resources in the development of a total compensation program.

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http://www.pharmacyweek.com/cm/salary_survey/regional_survey



STATE OF NEW HAMPSHIRE
 DEPARTMENT OF HEALTH AND HUMAN SERVICES
 OFFICE OF MEDICAID BUSINESS AND POLICY

Nicholas A. Toumpas
 Commissioner

Kathleen A. Dunn
 Associate Commissioner

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25A SW
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Approved by G+C
 Date 2-12-14
 Page _____
 Item # 25A
 Contract # _____

January 28, 2014

Her Excellency, Governor Margaret Wood Hassan
 and the Honorable Council
 State House
 Concord, NH 03301

REQUESTED ACTION

50% General funds
 50% Federal funds

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 Department of Health and Human Services (DHHS), Office of Medicaid Business & Policy (OMBP) to increase the salary of position # 30278, Administrator IV, by thirty percent (30%).

EXPLANATION

The Office of Medicaid Business & Policy (OMBP) has requested the transfer and reclassification of position #30278, from Secretary II to an Administrator IV, for the purposes of serving as the Medicaid Pharmacy Director. Due to the critical need for this position, we are submitting this request concurrently with the Division of Personnel's request for reclassification in order to promptly recruit for a qualified candidate. The temporary enhancement will allow for recruitment of a qualified candidate until a more permanent solution is sought.

The staffing for the Medicaid program requires the knowledge and expertise of a registered pharmacist to manage DHHS objectives by authorizing and directing statewide Medicaid pharmacy services policies and procedures. The Pharmacy Services Administrator directs the Pharmacy Services Unit for the Department from within the Office of Medicaid Business and Policy (OMBP); monitors and implements state and federal pharmacy policies; provides clinical oversight to the Drug Utilization Review Committee; collaborates with the Medicaid Medical Director to provide clinical and financial oversight to the Medicaid Care Management program pharmacy services; directs the clinical and service utilization components of the vendor contract for the fee-for-service pharmacy benefit management; provides leadership in OMBP's pharmacy related new initiatives; works in collaboration with the other DHHS departments to address routine needs and the needs of special Medicaid populations and services; and responds to legislative and other external stakeholder issues and concerns. Additionally, the Medicaid Pharmacy Services Administrator will analyze data on financial and utilization trends, participate in budget monitoring and development, recommend and implement new cost saving strategies, and assure the appropriate use of Medicaid funding.

Position # 30278 - Pharmacy - 30%

The State pay scale for the Administrator IV position at labor grade 33 does not provide a compensation level sufficient to recruit and retain an individual with the necessary skills. As noted in the following tables, the State pay scale is approximately 60% of what pharmacists earn in New Hampshire. It is believed that the 30% enhancement being requested, an enhancement that has been requested and applied to all state pharmacist positions for over a decade, along with the State health insurance benefit will allow the Department to attract and retain a qualified candidate.

Table 1		Table 2	
New Hampshire Employment Security Statewide Average Hourly Salary Range. Pharmacists 29-1051		State LG 33 Hourly Salary Range.	
Entry	\$49.14	Step 1	32.58
Mean	\$59.32	Step 2	34.06
Median	\$60.70	Step 3	35.67
Experienced	\$64.42	Step 4	37.36
		Step 5	39.07
		Step 6	40.91
		Step 7	42.76
		Step 8	44.61

Reference: New Hampshire Occupational Employment
 & Wages, pg 8, published by the New Hampshire
 Department of Employment Security, September, 2013

The above request would have the following financial impact:

	<u>SFY14</u>	<u>SFY15</u>
	26 Weeks	52 Weeks
State Salary Step 1	\$31,765.50	\$63,531.00
30% Enhancement	\$ 9,529.65	\$19,059.30
General Funds 50%	\$20,647.58	\$41,395.15

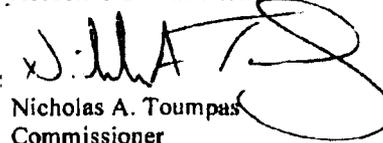
Funding for this enhancement is available accounting unit 05-95-47-470010-7937 Medicaid Administration.

Respectfully submitted,



Kathleen A. Dunn, MPH
 Associate Commissioner

Approved by:



Nicholas A. Toumpas
 Commissioner