

December 2007

# VA HEALTH CARE

## Many Medical Facilities Have Challenges in Recruiting and Retaining Nurse Anesthetists





Highlights of [GAO-08-56](#), a report to congressional requesters

## Why GAO Did This Study

Certified registered nurse anesthetists (CRNA), registered nurses who have completed a master's degree program in nurse anesthesia, provide the majority of anesthesia care veterans receive in VA medical facilities. While the demand for CRNAs is anticipated to increase, many CRNAs employed by VA—VA CRNAs—are nearing retirement eligibility age. Concerns have been raised about the challenges VA may face in maintaining its VA CRNA workforce. GAO (1) identified VA CRNA workforce challenges that VA medical facilities may experience related to VA CRNAs, (2) identified the key mechanisms that VA medical facilities can use to recruit and retain VA CRNAs, and (3) determined the extent to which facilities use the key mechanisms. To identify VA CRNA workforce challenges, GAO analyzed Web-based surveys it sent to VA chief anesthesiologists, VA human resources officers, and VA CRNAs, with survey response rates of 92, 85, and 76 percent, respectively. GAO also identified the key mechanisms VA medical facilities can use to recruit and retain VA CRNAs and the extent that these mechanisms are used.

## What GAO Recommends

GAO recommends that VA expedite development and implementation of the training course on VA's LPS policy for VA facility officials responsible for compliance with the policy. VA generally concurred with the conclusions and recommendation and stated that it had developed a draft action plan.

To view the full product, including the scope and methodology, click on [GAO-08-56](#). For more information, contact Laurie E. Ekstrand at (202) 512-7114 or [ekstrand@gao.gov](mailto:ekstrand@gao.gov).

## VA HEALTH CARE

### Many Medical Facilities Have Challenges in Recruiting and Retaining Nurse Anesthetists

#### What GAO Found

Department of Veterans Affairs (VA) medical facilities have challenges in recruiting and retaining VA CRNAs for their workforce. About three-fourths of all VA medical facility chief anesthesiologists responding to GAO's survey reported that they had difficulty recruiting VA CRNAs. The challenge recruiting VA CRNAs has made it difficult to fill existing VA CRNA vacancies at VA medical facilities. Overall, 54 percent of VA medical facility chief anesthesiologists reported temporarily closing some operating rooms and 72 percent reported delaying some elective surgeries. VA's retention challenge comes from a projected substantial attrition rate. Based on the results of its survey, GAO projects that 26 percent of VA's CRNAs will either retire from or leave VA in the next 5 years. VA medical facility officials reported in GAO's survey that the recruitment and retention challenges are caused primarily by the low level of VA CRNA salaries when compared with CRNA salaries in local market areas.

VA has three key mechanisms its medical facilities can use to recruit and retain VA CRNAs. VA medical facilities can give bonuses to VA CRNAs—recruitment, relocation, and retention bonuses. In addition, VA has education payment programs that provide funding to cover CRNA education costs. Finally, medical facilities can also use VA's locality pay system (LPS) to determine whether to adjust VA CRNA salaries to help the facilities remain competitive with CRNA salaries in local market areas.

Each of the three key recruitment and retention mechanisms—bonuses, education payment programs, and VA's LPS—are used by some VA medical facilities. GAO found that in fiscal years 2005 or 2006, just over one-third of VA medical facilities that hired VA CRNAs gave recruitment bonuses. For VA medical facilities that have VA CRNAs, less than one-third gave retention bonuses in fiscal years 2005 or 2006. In addition, all VA CRNAs that applied for funds to attend a CRNA school or to offset their educational debt and were eligible received these funds in fiscal years 2005 and 2006. GAO also found that more than half of VA medical facilities used VA's LPS to determine whether to adjust VA CRNA salaries in 2005 and in 2006. However, in the eight VA medical facilities visited, GAO found that although the facilities used VA's LPS, the majority of them did not fully follow VA's LPS policy correctly in either 2005 or 2006. Officials at these facilities did not always know or were not aware of certain aspects of the LPS policy, and VA has not provided training on the LPS to VA medical facility officials since the policy was changed in 2001. As a result, VA medical facility officials have not received LPS training that reflects VA's current LPS policy, and accordingly, cannot ensure that VA CRNA salaries have been adjusted as needed to be competitive. Although VA is in the process of developing a Web-based training course for the LPS, the department has not established a time frame for finalizing the development and implementation of this training course.

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# Contents

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<b>Letter</b>		<b>1</b>
	Results in Brief	3
	Background	5
	VA Medical Facilities Have VA CRNA Recruitment and Retention Challenges Partly Because of Noncompetitive Salaries	7
	VA Can Offer Bonuses, Pay Education Costs, and Adjust Salaries to Recruit and Retain VA CRNAs	16
	Some Medical Facilities Use the Key Recruitment and Retention Mechanisms, Though in Some Cases LPS Was Used Incorrectly	20
	Conclusions	23
	Recommendation for Executive Action	24
	Agency Comments and Our Evaluation	24
<b>Appendix I</b>	<b>Scope and Methodology</b>	<b>26</b>
<b>Appendix II</b>	<b>Analysis of GAO Survey of Certified Registered Nurse Anesthetists Employed by VA</b>	<b>30</b>
<b>Appendix III</b>	<b>Analysis of GAO Survey of Chief Anesthesiologists Employed by VA</b>	<b>35</b>
<b>Appendix IV</b>	<b>Analysis of GAO Survey of VA Medical Facility Human Resources Officers</b>	<b>44</b>
<b>Appendix V</b>	<b>Description of Education and Training Requirements for Anesthesia Practitioners</b>	<b>54</b>
<b>Appendix VI</b>	<b>Comments from the Department Of Veterans Affairs</b>	<b>55</b>

**Tables**

Table 1: Reported Effects of VA CRNA Vacancies on Delivery of Services at VA Medical Facilities	9
Table 2: Reported Reasons VA Medical Facilities Used Contract CRNAs, Fiscal Years 2005 and 2006	10
Table 3: Differences in VA CRNA Salaries and CRNA Salaries in Local Market Areas, as Reported by VA Chief Anesthesiologists, Fiscal Years 2005 and 2006	13

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**Abbreviations**

AA	anesthesiologist assistant
AANA	American Association of Nurse Anesthetists
BLS	Bureau of Labor Statistics
CRNA	certified registered nurse anesthetist
DOD	Department of Defense
EISP	Employee Incentive Scholarship Program
EDRP	Education Debt Reduction Program
HR	human resources
HRRO	Healthcare Retention and Recruitment Office
LPS	locality pay system
VA	Department of Veterans Affairs

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United States Government Accountability Office  
Washington, DC 20548

December 13, 2007

The Honorable Daniel K. Akaka  
Chairman  
Committee on Veterans' Affairs  
United States Senate

The Honorable Ken Salazar  
United States Senate

Certified registered nurse anesthetists (CRNA) provide the majority of anesthesia care<sup>1</sup> veterans receive in medical facilities operated by the Department of Veterans Affairs (VA). CRNAs are registered nurses who have completed a 2 to 3 year master's degree program in nurse anesthesia and who typically provide anesthesia care in health care settings with anesthesiologists and surgeons. There are approximately 500 VA-employed CRNAs (VA CRNA) who provide anesthesia care to veterans in VA medical facilities. The demand for CRNAs in VA medical facilities has continued to increase because CRNAs are no longer used only in the operating room, but are used in other areas of a medical facility, such as administering anesthesia to patients who are undergoing cardiac catheterization and providing airway management to patients during cardiac emergencies.

While the demand for CRNAs is anticipated to increase, many VA CRNAs are nearing retirement eligibility age. According to VA officials, more than half of VA CRNAs are over the age of 51, and the average VA CRNA is 7 years closer to retirement eligibility than the average CRNA nationally. Because CRNAs provide the majority of anesthesia services in VA medical facilities and facility officials have reported problems with recruiting and retaining VA CRNAs, concerns have been raised about the challenges VA may face in maintaining its VA CRNA workforce, particularly in some local market areas where the labor market for CRNAs can be highly competitive.

You asked that we review VA's efforts to recruit and retain VA CRNAs. In this report, we (1) identify workforce challenges that VA medical facilities

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<sup>1</sup>Anesthesia care involves the administration of anesthesia to patients undergoing surgical or other invasive procedures.

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may experience related to VA CRNAs, (2) identify the key mechanisms that VA medical facilities can use to recruit and retain VA CRNAs, and (3) determine the extent to which VA medical facilities use the key mechanisms to recruit and retain VA CRNAs.

To identify workforce challenges VA medical facilities may experience related to VA CRNAs, we analyzed data obtained from three of our Web-based surveys. The first survey, administered to VA CRNAs, obtained a response rate of 76 percent and allowed us to determine whether these VA CRNAs plan to retire or leave VA's health care system within the next 5 years. The second survey was administered to VA medical facilities' chief anesthesiologists and obtained a 92 percent response rate, and the third survey was administered to VA human resources (HR) officers and obtained an 85 percent response rate. We used the second and third surveys to identify the issues VA medical facilities face when recruiting and retaining VA CRNAs. We also analyzed data on VA CRNA vacancies—the number of unfilled VA CRNA positions at VA medical facilities—obtained from VA headquarters. These data were from 2005, the most recent year for which vacancy data were available. Additionally, we obtained data on VA CRNAs' salaries for 2005, 2006, and 2007 and compared these to salary data we obtained from the American Association of Nurse Anesthetists (AANA), a professional organization for CRNAs, to determine whether VA medical facilities' salaries for VA CRNAs are competitive with CRNA salaries in local market areas.<sup>2</sup> We interviewed a representative from Kaiser Permanente, a large health care plan that primarily uses CRNAs to deliver anesthesia services, to identify what steps this health plan takes to ensure it has a sufficient number of CRNAs and to determine the indicators this plan uses to identify a CRNA shortage or potential future CRNA shortage.

To ensure the reliability of the data we used, we interviewed VA and AANA officials about the quality checks and edits they performed on their data. In addition, we assessed the data obtained from our three Web-based surveys by performing a systematic review of the returned questionnaires.

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<sup>2</sup>For this report, we used the salaries reported by AANA CRNA members in the state where a VA medical facility is located as a proxy for the salary of CRNAs in the local market area. We used CRNA salaries excluding benefits because although we could obtain quantifiable benefits data from VA, we could not obtain the same data from non-VA sources. We also learned from a VA official that salaries, rather than benefits, were more important to new CRNA graduates.

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On the basis of our assessment we determined these data were adequate for our purposes.

To determine the key mechanisms that VA medical facilities use to recruit and retain VA CRNAs, we reviewed VA's policies and directives related to VA CRNAs and obtained reports on VA CRNAs' salaries, bonuses,<sup>3</sup> education programs, and qualification standards. We interviewed officials at VA headquarters and selected VA medical facilities. To determine the extent to which VA medical facilities use key mechanisms to recruit and retain VA CRNAs, we visited eight VA medical facilities located in Denver, Colorado; Houston, Texas; Minneapolis, Minnesota; New York, New York; Portland, Oregon; Seattle, Washington; Tampa, Florida; and Togus, Maine. We selected these facilities because they are geographically dispersed across the country and employ VA CRNAs. At each VA medical facility we visited, we interviewed chief anesthesiologists, VA CRNAs, HR officers, and other facility officials and asked them about their efforts to recruit and retain VA CRNAs. We also analyzed data obtained from our three Web-based surveys to determine the extent to which VA medical facilities use the key mechanisms to recruit and retain VA CRNAs. For a complete description of our scope and methodology, see appendix I. The results of our surveys are provided in appendixes II, III, and IV. We conducted our work from June 2006 through October 2007 in accordance with generally accepted government auditing standards.

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## Results in Brief

VA medical facilities have challenges in recruiting and retaining VA CRNAs for their workforce. About three-fourths of all VA medical facility chief anesthesiologists responding to our survey reported that they had difficulty recruiting VA CRNAs. The challenge recruiting VA CRNAs has made it difficult to fill existing vacancies—or the number of unfilled VA CRNA positions—at VA medical facilities. Overall, 54 percent of VA medical facility chief anesthesiologists reported temporarily closing some operating rooms and 72 percent reported delaying some elective surgeries. In addition, VA's retention challenge comes from a projected substantial attrition rate. On the basis of our survey results, we project that 26 percent of VA's CRNAs will either retire from or leave VA in the next 5 years. While some facilities are likely to experience substantially less than 26 percent attrition, many others are likely to have to manage with much higher rates.

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<sup>3</sup>The Office of Personnel Management regulations use the word incentive in lieu of the word bonus. However, for the purposes of this report, we continue to use the term bonus.

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VA medical facility officials reported in our survey that the recruitment and retention challenges are caused primarily by the low level of VA CRNA salaries when compared with CRNA salaries in local market areas.

VA has three key mechanisms its medical facilities can use to recruit and retain VA CRNAs. VA medical facilities can give bonuses to VA CRNAs—recruitment, relocation, and retention bonuses. Each of these bonuses can be up to 25 percent of a VA CRNA's salary, according to VA's policy. Further, VA CRNAs who are receiving a recruitment or relocation bonus are not eligible for a retention bonus while receiving either of the other two types of bonuses, according to a VA official. Additionally, VA has two education payment programs medical facilities may use to help recruit and retain VA CRNAs. One program provides funding to registered nurses for training to become a CRNA, and the other provides funding to offset educational debt incurred by VA CRNAs. Finally, medical facilities can use VA's locality pay system (LPS) to determine whether to adjust VA CRNA salaries to help the facilities remain competitive with CRNA salaries in local market areas.

Each of the three key recruitment and retention mechanisms—bonuses, education payment programs, and VA's LPS are used by some VA medical facilities. We found that in fiscal year 2005, of the 47 VA medical facilities that hired VA CRNAs, 18 gave recruitment bonuses, and in fiscal year 2006, 15 of 43 facilities that hired VA CRNAs gave recruitment bonuses. In addition, less than one-third of VA medical facilities that employ VA CRNAs gave retention bonuses. Specifically, 32 facilities gave retention bonuses in fiscal year 2005 and 36 facilities gave them in fiscal year 2006. Two facilities gave relocation bonuses in fiscal year 2005 and 3 in fiscal year 2006. In addition, all VA CRNAs that applied for funds to attend a CRNA school or to offset their educational debt and were eligible received these funds in fiscal years 2005 and 2006. We also found that more than half of VA medical facilities that have VA CRNAs used VA's LPS to determine whether to adjust VA CRNA salaries. However, in the 8 VA medical facilities we visited, we found that although the facilities used VA's LPS, the majority of them did not fully follow VA's LPS policy correctly in either 2005 or 2006. Officials at these facilities did not always know or were unaware of certain aspects of the LPS policy. VA has not provided training on its policy to VA medical facility officials since the policy was changed in 2001. As a result, VA medical facility officials have not received LPS training that reflects VA's current policy, and accordingly, cannot ensure that VA CRNA salaries have been adjusted as needed to be competitive. Although VA is in the process of developing a Web-based training course for LPS, the department has not established a



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time frame for finalizing the development and implementation of this training course.

To improve VA's ability to recruit and retain VA CRNAs, we recommend that the Secretary of Veterans Affairs direct the Assistant Secretary for Human Resources and Administration to expedite development and implementation of the training course on VA's LPS policy for VA medical facility officials responsible for compliance with the policy. In commenting on a draft of this report, VA generally agreed with our conclusions. VA also concurred with our recommendation to expedite the development and implementation of the training course on VA's LPS policy and stated that it has developed a draft action plan for training staff on this policy and anticipates the on-line training course will be available by the end of fiscal year 2008. VA also provided technical comments, which we have incorporated as appropriate.

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## Background

Anesthesia services are provided by anesthesia practitioners—typically anesthesiologists and CRNAs. Anesthesiologists are physicians who have completed medical school and typically a 4-year anesthesiology residency. Both anesthesiologists and CRNAs administer anesthesia for all types of surgical procedures, working either as single providers or together. Anesthesia services can be provided by anesthesiologists alone, by anesthesiologists working with CRNAs, by CRNAs alone, or by anesthesiologist assistants (AA), working under the supervision of an anesthesiologist. AAs are graduates of a medical-school-based AA education program. (See app. V for the education and training requirements for anesthesiologists, CRNAs, and AAs.)

The nurse anesthetist profession has made efforts to meet the demand for CRNA services in the public and private health care sectors. The profession has increased the number of accredited CRNA training programs, and as a result the number of CRNA graduates has increased—over 2,000 graduates in 2007, 57 percent more than in the year 2000. The growth in the demand for CRNAs is expected to continue.

A joint Department of Defense (DOD)/VA program in nurse anesthesia education was established in 2004 at Fort Sam Houston in San Antonio, Texas. This 30-month program, run by the United States Army, educates military personnel and VA registered nurses to become CRNAs. New VA CRNAs who complete this program have a 3-year service obligation to VA upon graduation.

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When hiring VA CRNAs, VA places them in one of five pay grades, based on the CRNA's education and experience. VA's qualification standards for VA CRNAs establish the five grades with grade I being the lowest. The grades ultimately determine the salary for each VA CRNA working in a VA medical facility. Within each grade, there are a number of steps—generally 12—that represent progressive increments of a 3 percent increase in salary within the grade. For example, the salary of a VA CRNA that is at grade II, step 2, is 3 percent more than a VA CRNA's salary at grade II, step 1. VA CRNA qualification standards indicate that new graduate VA CRNAs usually begin at grade I, receiving a lower salary because of the lack of work experience, whereas experienced VA CRNAs might start at grade II or III receiving a higher salary. VA medical facilities' salaries for a VA CRNA at a grade I, step 1, range from a low of \$37,432 to a high of \$104,575 in market areas where salaries are higher.

VA CRNAs typically work under the medical direction of a chief anesthesiologist, who is responsible for supervising anesthesia clinical staff, such as other anesthesiologists and nurse anesthetists. Chief anesthesiologists are responsible for the quality and safety of anesthesia services provided in the medical facility. VA CRNA benefits and other personnel issues, such as hiring and setting base salaries, are managed by VA medical facilities' HR officers. HR officers are also responsible for issues related to compensation, employee and labor relations, recruitment, and performance management.

VA medical facilities have clinical staff that are trained to provide different types of health care services. In many cases, the ability to provide health care services to veterans is dependent on the availability of numerous types of clinical staff that work in concert with one another to provide these services. If one of these types of staff is not available, the health care service may be delayed or not provided. For example, even though a CRNA is available to provide anesthesia services, if other personnel, such as operating room nurses or nurses that staff the post-anesthesia recovery unit, are not available, the surgical procedure may be delayed or cancelled. Likewise, if a CRNA, or other professional anesthesia staff, are not available, the surgical procedure may have to be delayed or cancelled.

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## VA Medical Facilities Have VA CRNA Recruitment and Retention Challenges Partly Because of Noncompetitive Salaries

VA medical facilities have challenges recruiting and retaining VA CRNAs. Most surveyed officials reported that they had difficulty recruiting VA CRNAs at their facilities. The challenge recruiting VA CRNAs affects the ability of VA officials to reduce existing VA CRNA vacancy rates—the number of unfilled VA CRNA positions—at their medical facilities. These rates vary across VA, with 26 medical facilities having vacancy rates of 25 percent or more and 15 of them having vacancy rates of 40 percent or more.<sup>4</sup> Overall, 54 percent of the chief anesthesiologists responding to our survey reported temporarily closing some operating rooms and 72 percent reported delaying some elective surgeries because of VA CRNA vacancies in fiscal year 2006. On the basis of our survey results, in addition to their current recruiting challenges, VA medical facilities will likely face a challenge retaining VA CRNAs in the next 5 years due to the number of VA CRNAs projected to either retire from or leave VA. VA medical facility officials reported in our survey that the recruitment and retention challenges are caused primarily by the low level of VA CRNA salaries when compared with CRNA salaries in local market areas.

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## VA Officials Report Challenges Recruiting CRNAs, and Projected VA CRNA Attrition Will Create a Retention Challenge in the Next 5 Years

Our survey results indicate that VA medical facilities have a challenge recruiting VA CRNAs. Of all VA medical facility chief anesthesiologists that responded to our survey, 74 percent reported that they had difficulty recruiting CRNAs in fiscal years 2005 and 2006. The recruiting challenges also affect VA medical facility officials' ability to reduce existing VA CRNA vacancy rates at their medical facilities. Additionally, VA medical facility officials responding to our survey reported that it takes VA facilities a long time—on average about 15 months—to fill a VA CRNA vacancy from the time facility management approval is granted to fill the position until the time the VA CRNA actually begins providing services at the facility. In particular, VA chief anesthesiologists at 11 medical facilities reported that their facilities took 2 years or more on average to fill a VA CRNA vacancy. In our survey, the shortest time taken to fill a vacancy as reported by the chief anesthesiologists was 2 months, and the longest was 60 months.

The challenge of recruiting CRNAs limits the ability of VA officials to reduce existing vacancy rates at their medical facilities. VA's fiscal year 2005 vacancy data<sup>5</sup> show VA had about a 13 percent VA CRNA vacancy

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<sup>4</sup>Eight of 15 VA medical facilities that had a 40 percent or more vacancy rate had three or fewer VA CRNA positions. Therefore, one vacant VA CRNA position represents a large proportion of their total VA CRNA workforce.

<sup>5</sup>Fiscal year 2005 is the most current VA vacancy data available.

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rate systemwide, or 70 unfilled VA CRNA positions at 43 medical facilities.<sup>6</sup> These rates vary across VA, with 26 medical facilities having vacancy rates of 25 percent or more and 15 of them having vacancy rates of 40 percent or more in fiscal year 2005. According to the director of Kaiser Permanente's school of anesthesia for nurse anesthetists, a vacancy rate of 40 percent or higher is considered indicative of a staffing problem. Like VA's vacancy data, our survey also suggests that VA CRNA vacancies are common across VA medical facilities. Of the chief anesthesiologists responding to our survey, 54 percent reported that they had VA CRNA vacancies at their VA medical facility, with the number of VA CRNA vacancies ranging from one to six.

According to our survey, VA CRNA vacancies have impacted the delivery of services at VA medical facilities. For example, 54 percent of the VA chief anesthesiologists with VA CRNA vacancies reported that they temporarily closed operating rooms, 72 percent delayed elective surgeries, and 68 percent increased the use of overtime for VA CRNAs, as a result of VA CRNA vacancies in fiscal year 2006. Moreover, 44 percent of chief anesthesiologists that had VA CRNA vacancies reported that contract CRNAs were used.<sup>7</sup> In addition, almost one-third of the chief anesthesiologists whose vacancies were filled reported that they still had a shortage of VA CRNAs. See table 1 for the types of effects that VA CRNA vacancies have had on the delivery of services, as reported by chief anesthesiologists who reported VA CRNA vacancies.

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<sup>6</sup>According to VA's 2005 vacancy data, vacancy rates varied significantly across VA's medical facilities. Many factors contribute to the difficulty in recruiting VA CRNAs, including difficulty finding suitable CRNA candidates in the local market area and difficulties or delays in the hiring process.

<sup>7</sup>Contract CRNAs work for companies that VA medical facilities contract with to supplement their VA CRNA workforce.

**Table 1: Reported Effects of VA CRNA Vacancies on Delivery of Services at VA Medical Facilities**

Type of effects that VA CRNA vacancies have had on delivery of services	Percentage of chief anesthesiologists reporting type of effect
Some elective surgeries were delayed	72
VA CRNA overtime increased	68
Some operating rooms were closed temporarily	54
Contract CRNAs were used	44
Other effects <sup>a</sup>	34
Some patients were diverted to other facilities	32
Intermittent or fee-basis CRNAs were used <sup>b</sup>	30
No effect on the medical facility	2

Source: GAO survey of VA medical facility chief anesthesiologists.

Note: Chief anesthesiologists may have reported more than one effect that VA CRNA vacancies have on the delivery of services.

<sup>a</sup>A few of the other effects cited by the chief anesthesiologists include anesthesiologists working overtime or through their lunch hour, the use of contract anesthesiologists, and general staff dissatisfaction.

<sup>b</sup>Intermittent CRNAs are those that work at VA on an irregular or occasional basis and whose hours or days of work are not on a prearranged schedule and they are paid only for the hours actually worked. Fee-basis CRNAs are those that work at VA on a limited basis and are paid per procedure and not on an hourly rate.

According to some VA chief anesthesiologists who responded to our survey, the use of contract CRNAs has increased over the last 3 years. In fiscal years 2005 and 2006, about 30 percent of VA medical facility chief anesthesiologists who responded to our survey reported using contract CRNAs to supplement their anesthesia workforce. See table 2 for the reasons cited by chief anesthesiologists for using contract CRNAs. These chief anesthesiologists reported on our survey that they used an average of less than one full-time contract CRNA in both fiscal years 2005 and 2006. According to our survey, the chief anesthesiologists who reported data for both contract hours and contract costs reported a median hourly CRNA

contract cost of \$112 in fiscal year 2005 and \$114 in fiscal year 2006.<sup>8</sup> This compares to an hourly cost for a full-time VA CRNA of \$82 in fiscal year 2005 and \$84 in fiscal year 2006 for a VA CRNA earning the maximum statutory salary.<sup>9</sup>

**Table 2: Reported Reasons VA Medical Facilities Used Contract CRNAs, Fiscal Years 2005 and 2006**

<b>Reasons VA medical facilities used contract CRNAs</b>	<b>Percentage of chief anesthesiologists reporting reason in fiscal year 2005</b>	<b>Percentage of chief anesthesiologists reporting reason in fiscal year 2006</b>
Difficulty recruiting VA CRNAs	52	45
Shortage of CRNAs in the local market area	41	39
Difficulty retaining VA CRNAs	27	30
Short-term coverage for a VA CRNA's absence	32	27
Other reasons	16	16
Coverage for a VA CRNA called to active military duty	16	9
Retirement of a VA CRNA	14	14
Higher than anticipated surgical volume	14	11
Higher than anticipated VA CRNA vacancy rate	9	11
Hiring freeze	5	2

Source: GAO survey of VA medical facility chief anesthesiologists.

Note: Chief anesthesiologists may have reported more than one reason why contract CRNAs were used.

<sup>8</sup>Not all VA chief anesthesiologists who reported using contract CRNAs in our survey provided data on the number of full-time contract CRNAs used, the number of hours contracted by their facilities, and the total contract costs. These numbers represent data for VA medical facilities that reported both the number of hours and the cost for contract CRNAs on our survey of VA chief anesthesiologists. These chiefs reported contracting for CRNAs for a total of 64,938 hours at a cost of \$6,043,826 in fiscal year 2005 and 61,989 hours at a cost of \$5,577,092 in fiscal year 2006.

<sup>9</sup>The VA CRNA hourly rates exclude any recruitment or retention bonuses. We assumed that full-time VA CRNAs work 40 hours per week or 2,080 hours a year. We also calculated benefits at 30 percent of the VA CRNA's maximum statutorily prescribed base salary, which was \$131,400 in fiscal year 2005 and \$133,900 in fiscal year 2006. See 38 U.S.C. §7451(c)(2)(2000). Because VA CRNA salaries differ across locations with some locations paying higher salaries, this comparison of VA CRNA salaries with contract CRNA salaries will differ by location.

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In addition to the current challenges of recruiting CRNAs, VA medical facilities are also likely to face another workforce challenge in the future. Specifically, in the next 5 years VA medical facilities will likely have difficulty retaining VA CRNAs in their workforce and this trend could increase the number of VA CRNA vacancies across VA. On the basis of VA CRNA responses to our survey, we project a VA CRNA attrition rate of 26 percent across VA in the next 5 years—that is, 26 percent of VA CRNAs either plan to retire or leave VA’s health care system within the next 5 years.<sup>10</sup> Overall, 93 VA CRNAs at 53 of VA’s 120 medical facilities that employ VA CRNAs reported that they plan to retire or leave VA’s health care system. While the overall projected attrition rate across VA, on the basis of our survey results, is likely to be 26 percent, this rate will vary by medical facility. In 27 VA medical facilities, we project that the attrition rate is likely to be 50 percent or higher. According to the director of Kaiser Permanente’s school of anesthesia for nurse anesthetists, an attrition rate of 50 percent or higher is considered indicative of a future staffing problem.

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### According to VA Officials and VA CRNAs, Difficulty Recruiting and Retaining VA CRNAs is Due to Noncompetitive VA CRNA Salaries

Our surveys of VA medical facility chief anesthesiologists and HR officers indicate that medical facilities have trouble recruiting and will have trouble retaining VA CRNAs because salaries for VA CRNAs are low compared to CRNA salaries in local market areas. Of the 69 chief anesthesiologists who reported having difficulty recruiting VA CRNAs during fiscal years 2005 and 2006, about 60 of them attributed this difficulty primarily to the fact that salaries for VA CRNAs at their medical facilities were not competitive with CRNA salaries in local market areas.<sup>11</sup> Additionally, of the 46 chief anesthesiologists who reported having difficulty retaining VA CRNAs during fiscal years 2005 and 2006, 36 of them attributed this primarily to the fact that salaries for experienced VA CRNAs<sup>12</sup> at their medical facilities were not competitive with CRNA salaries in local market areas. Other reasons most frequently cited by the

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<sup>10</sup>While CRNA respondents reported their plans for retirement or departure from VA, some will change their plans. On the basis of our survey of VA CRNAs, about one-third of those eligible to retire were unsure of their retirement plans. However, others who indicated that they plan to stay may change their plans as well and leave VA. Thus, this measure is an approximation of likely attrition.

<sup>11</sup>Other reasons that were most frequently cited by chief anesthesiologists were VA’s lengthy hiring process and a shortage of CRNAs in the local market area.

<sup>12</sup>Experienced VA CRNAs have 2 or more years of experience.

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chief anesthesiologists were indirectly associated with the level of VA CRNA salaries.<sup>13</sup>

Of the chief anesthesiologists surveyed, 72 percent (67) of chief anesthesiologists reported that VA CRNA starting salaries for new graduates at their facility were lower than local market area salaries in fiscal year 2005, and 69 percent (64) of chiefs reported this in fiscal year 2006. In fiscal years 2005 and 2006, 79 percent (73) of chief anesthesiologists estimated that salaries for experienced VA CRNAs at their medical facility were lower than local market area CRNA salaries.

Furthermore, about 40 percent of chief anesthesiologists also reported that salaries for both new graduate and experienced VA CRNAs at their facility were \$10,000 to \$30,000 lower than CRNAs salaries in local market areas during fiscal years 2005 and 2006. See table 3 for the differences in VA CRNA salaries and CRNA salaries in local market areas in fiscal years 2005 and 2006, as reported by VA chief anesthesiologists.

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<sup>13</sup>The reason contributing to the difficulty in recruiting and retaining VA CRNAs most frequently cited by the chief anesthesiologists besides CRNA salary was inadequate retention bonuses, which, according to VA HR officers, are often paid because VA CRNA salaries are lower than the local market area CRNA salaries.



**Table 3: Differences in VA CRNA Salaries and CRNA Salaries in Local Market Areas, as Reported by VA Chief Anesthesiologists, Fiscal Years 2005 and 2006**

	Percentage of chief anesthesiologists reporting for fiscal year 2005		Percentage of chief anesthesiologists reporting for fiscal year 2006	
	New graduate VA CRNA <sup>a</sup>	Experienced VA CRNA <sup>b</sup>	New graduate VA CRNA <sup>a</sup>	Experienced VA CRNA <sup>b</sup>
VA CRNA salaries lower than CRNA salaries in local market areas by \$10,000 or less	12	13	9	12
VA CRNA salaries lower than CRNA salaries in local market areas by \$10,001 to \$30,000	41	40	42	42
VA CRNA salaries lower than CRNA salaries in local market areas by more than \$30,000	19	26	18	23
Not checked <sup>c</sup>	8	3	9	7
Not applicable <sup>d</sup>	20	18	23	17

Source: GAO survey of VA medical facility chief anesthesiologists.

Note: Column totals may not add to 100 percent due to rounding and not all chief anesthesiologists who reported salaries were lower specified how much lower.

<sup>a</sup>New graduate VA CRNAs have less than 2 years experience.

<sup>b</sup>Experienced VA CRNAs have 2 or more years of experience.

<sup>c</sup>Represents the chief anesthesiologists who did not provide a response to this question.

<sup>d</sup>Represents the chief anesthesiologists who reported that VA CRNA salaries were not lower than the local market area.

Although the majority—about 79 percent—of VA medical facility chief anesthesiologists reported that VA CRNA salaries are not competitive with local market CRNA salaries, less than half of VA medical facility HR officers who responded to our survey concurred. Our survey results for new graduates and experienced VA CRNAs showed that in fiscal years 2005 and 2006 about 45 percent of HR officers reported that their facilities’ starting salaries for new graduate VA CRNAs were low when compared with CRNA salaries in local market areas.<sup>14,15</sup> In addition, about 47 percent of HR officers reported that salaries for experienced VA CRNAs were low when compared with CRNA salaries in local market areas in fiscal years

<sup>14</sup>In fiscal year 2005, 44 percent (48) of HR officers reported that their facilities’ starting salaries for new graduate VA CRNAs were low when compared with CRNA salaries in local market areas, and in fiscal year 2006, 46 percent (51) of HR officers reported this.

<sup>15</sup>In fiscal year 2005, 48 percent (53) of HR officers reported that salaries for experienced VA CRNAs were low when compared with CRNA salaries in local market areas, and in fiscal year 2006, 45 percent (50) of HR officers reported this.

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2005 and 2006. Further, our survey asked HR officers to report how much lower VA salaries were than local market area salaries for new graduate and experienced VA CRNAs. Our survey results showed that 17 percent of HR officers reported that salaries for new graduate VA CRNAs were \$10,001 to \$30,000 lower than CRNAs' salaries in local market areas in fiscal years 2005 and 2006. Also, about 19 percent of HR officers reported that salaries for experienced VA CRNAs were \$10,001 to \$30,000 lower than CRNAs' salaries in local market areas in both fiscal years.

Furthermore, of the VA CRNAs who responded to our survey, 69 percent (250) of VA CRNAs reported that higher starting salaries for new graduate CRNAs would strengthen VA's recruitment efforts.<sup>16</sup> When VA CRNAs who are considering retirement were asked what would make them postpone retirement, 91 percent (94) reported that higher salaries would delay their retirement from a VA medical facility. In addition, when VA CRNAs who are not eligible to retire in the next 5 years were asked what would keep a VA CRNA from leaving VA, 82 percent (119) of VA CRNAs reported that a higher salary would keep them working at VA.<sup>17</sup>

A VA headquarters official acknowledged that some medical facilities currently face recruitment challenges related to VA CRNA salaries. This official stated that according to anecdotal reports, there are CRNA recruiting challenges in some local market areas, while in other market areas there are no problems with recruitment. To address this problem, VA CRNAs and the director of VA's anesthesia services told us they are revising VA CRNA qualification standards, which will have the effect of increasing starting salaries for new graduate VA CRNAs from grade I to grade II. However, this revision to VA CRNA qualification standards— increase in grade and resulting starting salary—would be unlikely to make most VA CRNA starting salaries competitive with local market area CRNA starting salaries. We compared VA CRNA 2007 salary schedules to projected AANA 2007 salary data to determine whether VA CRNA salaries would be competitive with local market area CRNA salaries if salaries for new graduate VA CRNAs were changed from grade I to grade II. Our

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<sup>16</sup>As reported in appendix II, VA CRNAs responding to our survey indicated that benefits and a broader scope of practice initially attracted them to work at VA. Survey respondents, however, also reported that higher salaries for new graduate CRNAs would improve recruitment.

<sup>17</sup>Only VA CRNAs who are not eligible to retire in the next 5 years and who expressed a future employment preference were included in this analysis.

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analysis showed that this revision to VA CRNA qualification standards will not make most VA CRNA starting salaries competitive with local market area starting CRNA salaries. Specifically, 75 of 120 VA medical facilities that employ VA CRNAs would have VA CRNA starting salaries below local market area CRNA salaries by \$20,000 or more.

Similar challenges exist related to the retention of VA CRNAs. More than half of all VA CRNAs earned the maximum statutory salary cap<sup>18</sup> for a VA CRNA in 2006, which was \$133,900. However, at 107 of VA's 120 medical facilities that employ VA CRNAs this maximum statutory salary cap is at least \$20,000 lower than CRNA salaries in local market areas, based on our analysis comparing AANA salary data for CRNAs to VA's maximum statutory salary cap of \$133,900. According to VA officials, VA has proposed legislation to increase the maximum statutory salary cap. The proposal would increase the maximum statutory salary cap for VA CRNAs by about \$9,000. Our analysis comparing AANA salary data for CRNAs to VA's CRNA maximum statutory salary cap indicated that increasing the VA CRNA maximum statutory salary cap by about \$9,000 will not, at a majority of VA medical facilities, make VA CRNA salaries competitive with CRNA salaries in local market areas. Specifically, we found that after the proposed change, 70 of the 120 VA medical facilities' VA CRNA salaries would still be \$20,000 or more below the local market area CRNA salaries.<sup>19</sup>

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<sup>18</sup>The maximum statutory salary cap is the maximum base salary a VA CRNA can earn.

<sup>19</sup>We used VA CRNAs' current fiscal year 2007 maximum statutory salary cap to determine whether this salary cap when increased by \$9,200, as proposed by the legislation, would be competitive with CRNA salaries in local market areas. We compared VA CRNA's fiscal year 2007 maximum statutory salary cap, which is currently \$136,200 and would increase to \$145,400 with the proposed legislation, with AANA's 2007 salary data for each state in which a VA medical facility is located to determine whether increasing VA's maximum statutory salary cap as VA proposes would make VA CRNA salaries competitive with local market area salaries.

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## VA Can Offer Bonuses, Pay Education Costs, and Adjust Salaries to Recruit and Retain VA CRNAs

VA has three key mechanisms its medical facilities can use to recruit and retain VA CRNAs. VA medical facilities can award recruitment, relocation, and retention bonuses of up to 25 percent of a VA CRNA's salary, according to VA's policy. Additionally, VA has two education payment programs medical facilities may use to help recruit and retain VA CRNAs. One program provides funding to registered nurses for training to become a CRNA, and the other provides funding to offset educational debt incurred by VA CRNAs. Finally, medical facilities can use VA's LPS to determine whether to adjust VA CRNA salaries to help the facilities remain competitive with CRNA salaries in local market areas.

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## VA Medical Facilities Can Use Bonuses to Recruit and Retain VA CRNAs

VA medical facilities can use two types of bonuses—recruitment and relocation—to recruit VA CRNAs, and another type of bonus—retention—to retain VA CRNAs.<sup>20</sup> Recruitment, relocation, and retention bonuses can be used to recruit and retain employees in positions that are difficult to fill, such as VA CRNAs. VA's policy allows medical facility officials to approve bonuses up to 25 percent of VA CRNAs' salaries for each year the VA CRNA agrees to work for the VA medical facility. Before approving a bonus, medical facility officials are required to document that certain criteria have been met, such as whether the facility is having difficulty recruiting and retaining VA CRNAs, whether the facility's VA CRNA salaries are competitive with CRNA salaries in local market areas, or whether the facility has a high VA CRNA turnover rate.<sup>21</sup> VA medical facilities may terminate an agreement to pay a recruitment, relocation, or retention bonus if this payment does not meet the needs of VA, such as a lack of medical facility funds. Medical facility directors have discretion to determine whether to pay a bonus to VA CRNAs.

To receive a recruitment bonus, a VA CRNA must agree to work a minimum of 6 months and the bonus may be given for a maximum service period of 4 years. There is a great deal of flexibility in paying out this bonus, according to VA officials. Facility officials can choose to pay all or part of the bonus up front or split the bonus over any number of pay

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<sup>20</sup>38 U.S.C. §7410(2000) (authority that VA relies on for relocation bonuses); 38 U.S.C. §7458(2000) (authorizes payments for recruitment and retention bonuses). See also 5 U.S.C. §5753(2000).

<sup>21</sup>Evidence that these factors were considered must be fully documented in the request to pay a bonus.

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periods. VA medical facilities have authority to use a recruitment bonus if they are likely to have difficulty recruiting VA CRNAs.

VA CRNAs may receive a relocation bonus to entice them to relocate to the area where the VA medical facility is located. To receive this bonus, a VA CRNA must agree to work a minimum of 6 months. Relocation bonuses are given to CRNAs who must change their job sites and physically relocate to a different geographic area.

A retention bonus may be given to a VA CRNA for an unlimited service period and is paid out after the service period is completed if paid on any basis other than biweekly. VA medical facilities may give a retention bonus if a special need exists for the VA CRNA's services and it is likely that the VA CRNA will resign without the bonus. VA CRNAs who are receiving a recruitment or relocation bonus are not eligible for a retention bonus while receiving either of the other two types of bonuses, according to a VA HR official.

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## Two VA Education Payment Programs Allow Medical Facilities to Provide Funding to Cover CRNA Education Costs to Recruit and Retain VA CRNAs

Medical facilities also have two VA education payment programs to aid in recruiting and retaining VA CRNAs—VA's Employee Incentive Scholarship Program (EISP) and VA's Education Debt Reduction Program (EDRP). VA's Healthcare Retention and Recruitment Office (HRRO) manages these two programs.<sup>22</sup> VA's EISP was established in March 2000 and is a scholarship program for VA registered nurses who attend CRNA training programs.<sup>23</sup> These registered nurses are eligible for an EISP scholarship after a minimum of 1 year of continuous VA employment. VA's student CRNAs can use EISP funding to pay for the cost of their tuition, books, and for other related educational expenses, such as registration and fees. Additionally, EISP covers half of the salary of a registered nurse to replace the CRNA student and the other half is paid by the VA medical facility where the student will work once the CRNA training program is completed. VA CRNA students may use EISP funds to attend the joint DOD/VA nurse anesthesia training program. In fiscal year 2006, the lifetime maximum amount of a scholarship that could be paid to a VA CRNA through EISP was \$35,024, and the VA CRNA then had a service obligation to VA for 3 years.

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<sup>22</sup>See 38 U.S.C. §§7671-75; §§7681-83(2000).

<sup>23</sup>EISP provides funding to VA employees, not just VA CRNAs, who are pursuing educational degrees or training.

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VA's EDRP, a student loan repayment program established in May 2002, is available to newly hired clinicians, such as VA CRNAs, and is used as a recruitment tool by VA medical facilities. In fiscal year 2006, the maximum amount that could be paid to a VA CRNA for EDRP was \$38,000 divided into annual payments over a 5-year period.

The distribution of funds for both EISP and EDRP varies by medical facility and is contingent upon the availability of VA funds. Applicants must be recommended by the medical facility director and approved by HRRO. VA medical facility selection criteria for both EISP and EDRP include an individual's career goals, work performance, workforce needs of VA, and a recommendation from an immediate supervisor.

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### Medical Facilities Can Adjust VA CRNA Salaries Using VA's LPS

While VA CRNA grades, which establish VA CRNA salaries, are initially determined by VA's qualification standards for VA CRNAs, VA medical facilities have the option of adjusting these salaries to recruit and retain VA CRNAs.<sup>24</sup> When adjusting VA CRNA salaries, VA medical facilities are required to use a process known as LPS.<sup>25</sup> The system is intended to help VA medical facilities determine whether to adjust VA CRNA salaries to be regionally competitive. VA's LPS supports these goals by providing information on salaries paid to CRNAs in a facility's local market area. To collect data for the LPS, medical facility directors, who are responsible for their facility's LPS, can either use a salary survey conducted by another entity or conduct their own survey in order to determine the CRNA salary levels paid by health care establishments in the local market area. VA's LPS policy requires that a medical facility director initiate an LPS survey if the director determines that a significant pay-related staffing problem exists or is likely to exist for any occupation or specialty.

VA's LPS policy instructs medical facilities to use a survey conducted by the Bureau of Labor Statistics (BLS); however, if data from this survey are not available or not current, facilities are to use a third-party locality pay survey. Third-party surveys include those that are purchased from a third-party service that collects compensation data on salaries of health care

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<sup>24</sup>Title 38 U.S.C. §7451(d)(2000). VA medical facilities may not set the minimum rate of basic pay for a grade so that it is greater than the beginning pay rates for comparable positions at health care establishments in local market areas. 38 U.S.C. §7451(d)(3)(E)(2000).

<sup>25</sup>The LPS is also used for other occupations, such as registered nurses.

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occupations. These surveys can also include salary data collected by local hospital associations for their member health care establishments. When BLS or other third-party surveys are not available or do not contain sufficient salary data, facilities are to conduct their own locality pay survey.

Under VA's LPS policy, a third-party locality pay survey must include data from at least three non-VA health care establishments, such as hospitals and outpatient clinics. VA's LPS policy requires that a third-party survey cover an appropriate local market area, which is defined by VA as one that includes the county in which the VA medical facility is located and includes health care establishments that compete for the same type of clinical employees, such as CRNAs. The health care establishments that participate in a third-party survey should provide job descriptions that include the duties, responsibilities, and education and experience requirements of CRNAs and should be able to be readily job-matched to VA's description of the VA CRNA grade levels.

If a VA medical facility conducts its own LPS survey, VA's LPS policy requires that the geographic area surveyed be defined. In order to be valid, three health care establishments must have job descriptions for CRNAs that can be job-matched to VA CRNA grade levels. A VA medical facility may expand the geographic area surveyed when the surveyed area will not adequately reflect the local market area salaries for CRNAs or there are less than three job matches.<sup>26</sup>

Once the survey is completed, a facility's HR officer reports the results to the medical facility director and based on the survey data, recommends whether to adjust VA CRNA salaries. The facility director makes the final decision on whether to adjust VA CRNA salaries and, therefore, may choose not to adjust existing salaries regardless of what the survey data show, according to VA's policy. VA medical facility directors consider the competing demands for funding across the facility when making decisions about VA CRNA salary increases.

VA's LPS policy requires VA medical facilities to report annually to VA headquarters on VA CRNA staffing, such as the vacancy and turnover rates

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<sup>26</sup>VA medical facilities may still use salary data if there are fewer than three job matches at a VA CRNA grade level if the facility believes the salary data collected are representative of the rates paid in the local market area and further expansion of the surveyed area will not be useful.

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for VA CRNAs within the recent fiscal year. VA medical facilities are also required to report whether the facility had a pay-related staffing problem as determined by the medical facility director and whether a medical facility director used a locality pay survey to determine if VA CRNA salaries should be adjusted. VA reported that in 2005 and 2006 all VA medical facility directors who determined that a significant pay-related staffing problem existed or was likely to exist at their facility used a locality pay survey to determine whether VA CRNA salaries should be adjusted.

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### Some Medical Facilities Use the Key Recruitment and Retention Mechanisms, Though in Some Cases LPS Was Used Incorrectly

Each of the three key recruitment and retention mechanisms—bonuses, education payment programs, and VA’s LPS—are used by some VA medical facilities. We found in fiscal years 2005 or 2006, of those VA medical facilities that hired VA CRNAs, just over one-third gave recruitment bonuses. In addition, less than one-third of all VA medical facilities that employ VA CRNAs gave retention bonuses, and a few gave relocation bonuses. We also found, according to data we obtained from VA, that all who applied and were eligible for EISP and EDRP funds for CRNA training received these funds. Further, more than half of the VA medical facilities responding to our survey reported using VA’s LPS in 2005 and in 2006 to determine whether to adjust VA CRNA salaries. However, five of the eight VA medical facilities we visited did not fully follow VA’s LPS policy in either 2005 or 2006, and officials at these facilities did not appear to understand certain aspects of the policy. These problems indicate VA has not provided adequate training on the LPS process since the policy was changed in 2001.

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### Some VA Medical Facilities Give Bonuses to VA CRNAs

According to VA data, of the 47 VA medical facilities that hired a VA CRNA in fiscal year 2005, 18 of these facilities paid recruitment bonuses. Five facilities gave recruitment bonuses of \$15,000 or more, seven gave recruitment bonuses of between \$10,000 and \$14,999, and five gave recruitment bonuses of less than \$10,000. One facility gave recruitment bonuses in two of the categories—the more than \$15,000 and less than \$15,000 categories. In fiscal year 2006, of the 43 VA medical facilities that hired a VA CRNA, 15 of these facilities paid recruitment bonuses. Five facilities gave recruitment bonuses of \$15,000 or more, six gave recruitment bonuses of between \$10,000 and \$14,999, and three gave recruitment bonuses of less than \$10,000. One facility gave recruitment bonuses in two of the categories—the more than \$15,000 and less than \$10,000 categories. According to VA HR officers who responded to our



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survey, facilities gave recruitment bonuses to VA CRNAs because VA CRNA salaries at VA facilities were lower than local market area salaries.

According to VA data, 32 and 36 VA medical facilities gave retention bonuses to VA CRNAs in fiscal years 2005 and 2006, respectively. The majority of these facilities gave a retention bonus of \$10,000 or more. According to more than one-fourth of VA medical facility HR officers who responded to our survey, retention bonuses are used to make VA CRNA salaries competitive with CRNA salaries in local market areas.

Compared with recruitment and retention bonuses, relocation bonuses are less frequently used by VA medical facilities. According to VA data, two VA medical facilities paid relocation bonuses of about \$31,000 in fiscal year 2005 to two VA CRNAs. In fiscal year 2006, VA data show that three VA medical facilities gave relocation bonuses to four VA CRNAs, with three bonuses ranging from \$8,000 to \$10,000, and one bonus of \$25,000.

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### VA Medical Facilities Use VA's Education Payment Programs for Nurse Anesthetist Training

VA medical facilities use VA's education payment programs, EISP and EDRP, to expand the VA CRNA workforce. According to data we obtained from VA, from March 2000 through September 2006, 25 VA registered nurses at various medical facilities that were enrolled in nurse anesthetist training programs applied for and were awarded EISP scholarships. For fiscal years 2005 and 2006, 13 registered nurses received EISP scholarships, of which 8 attended the joint DOD/VA CRNA training program. Two of the eight VA medical facilities we visited had approved an EISP award for students attending the joint DOD/VA CRNA training program.

In addition to the EISP scholarships, VA CRNAs may be eligible for VA's EDRP funds. VA data show that seven VA CRNAs applied for and were approved to receive tuition reimbursement through the EDRP in fiscal year 2005, and in fiscal year 2006, three VA CRNAs applied and were approved to receive this funding. Two of the eight VA medical facilities we visited had approved a total of three EDRP awards. At one of these facilities, officials told us that they had remaining EDRP funds in fiscal year 2006 because there were no employee applications, so these funds were not used. VA medical facility officials determine which occupations have priority in receiving EDRP funds based on difficulty in recruiting these occupations.

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## A Majority of Medical Facilities Use VA's LPS to Determine Whether to Adjust VA CRNA Salaries, but Instances of Incorrect Use Indicate Inadequate Training on LPS Policy

According to VA's 2005 data, 86 VA medical facilities that employ VA CRNAs used VA's LPS to determine whether to adjust salaries of VA CRNAs at their facilities. Of those that used VA's LPS, 63 facilities used a third-party survey to obtain data on local market area salary rates for CRNAs.

While VA's data showed that a majority of VA medical facilities that employ VA CRNAs are using VA's LPS, we found that five of the eight facilities we visited did not use the LPS in accordance with VA's LPS policy in 2005 or 2006. The policy is designed to ensure that facility officials have a mechanism to determine whether their VA CRNA salaries should be adjusted to be competitive in recruiting and retaining VA CRNAs. By not fully following this policy, officials at these five facilities are making decisions to adjust or not adjust VA CRNA salaries without sufficient data on the salaries of CRNAs in their local market areas.

At the five VA medical facilities that did not fully follow VA's LPS policy correctly, facility officials with oversight responsibility for the LPS were not knowledgeable about certain aspects of the LPS policy. One facility official told us that the third-party salary survey data were determined to be insufficient, so the facility used salary data from a Hot Jobs Web site to determine whether to adjust VA CRNA salaries. The official was unaware that this data source cannot be considered valid survey data for the purpose of adjusting VA CRNA salaries. At one facility, officials applied an outdated methodology for adjusting VA CRNA salaries and in doing so did not fully follow the most current LPS policy. The outdated policy only permitted VA medical facility officials to adjust salary rates for each VA CRNA grade at 5 percent above or below the beginning CRNA salary rates in local market areas. In contrast, VA's current LPS policy allows facility officials to adjust these salaries in order to be competitive. The remaining three facilities did not have sufficient salary data to determine whether VA CRNA salaries should be adjusted, and believed they could not use salary data of CRNAs that work for organizations that contract CRNA anesthesia services. These officials were unaware that VA's policy allows them to expand their data collection to include this type of salary data if the data they had previously collected were insufficient.

The problems some VA medical facilities had fully following VA's LPS policy, along with the explanations of facility officials, indicate that VA has not provided adequate training on its LPS policy. Currently, VA medical facility officials can refer to VA's LPS policy when they have questions, or they can contact VA headquarters, according to a VA official. VA last changed its LPS policy in 2001, which resulted in a number of changes,

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such as the use of third-party surveys and the use of salary data of CRNAs that work for organizations that contract anesthesia services. VA, however, has not conducted nationwide training on its LPS policy since 1995.<sup>27</sup> As a result, VA medical facility officials have not received LPS training that reflects VA's current LPS policy, and accordingly, cannot ensure that VA CRNA salaries have been adjusted as needed to be competitive.

VA is in the process of developing a Web-based training course for the LPS that VA medical facility officials can complete on-line. VA is early in the development of this project because it is assigned to two staff that have other job priorities, according to a VA official. Because VA has not made the training a priority, it has not established a time frame for finalizing the development and implementation of this training course.

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## Conclusions

VA's difficulty recruiting and retaining VA CRNAs has created workforce challenges that the department must confront now and in the future. Because a significant number of VA CRNAs plan to retire or leave VA's health care system in the next 5 years and because many VA medical facilities do not have salaries that attract CRNAs, some VA medical facilities may face significant challenges delivering anesthesia services to veterans. It is important that VA maximize its ability to recruit and retain VA CRNAs. A key mechanism VA medical facilities have is the LPS, which is used to help facilities determine to what extent VA CRNA salaries are competitive with the CRNA salaries paid by competing health care establishments.

While the LPS is used across VA, at five of eight facilities we visited officials used it incorrectly and appeared unaware of some of the policy requirements related to the LPS. The lapses at the five facilities reveal a larger problem: VA has not taken the necessary steps to ensure that VA officials are aware of the current LPS policy and can use it correctly. VA last provided training on the LPS in 1995, but since then some aspects of the policy have changed. While VA has indicated that it is developing Web-based training on the LPS, VA has not made the development of this training a priority or indicated when the training will be available. Current

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<sup>27</sup>VA stated in its comments on our draft report that a 2-hour conference call in November 2002 provided nationwide training on the new provisions in VA's LPS policy. However, none of the VA medical facility officials we interviewed mentioned this training session.

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training on the LPS is necessary to help ensure that VA medical facilities are competitive as an employer by allowing medical facility officials to make salary decisions for VA CRNAs with sufficient information on the CRNA salaries in their local market areas.

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## Recommendation for Executive Action

To improve VA's ability to recruit and retain VA CRNAs, we recommend that the Secretary of Veterans Affairs direct the Assistant Secretary for Human Resources and Administration to expedite development and implementation of the training course on VA's LPS policy for VA medical facility officials responsible for compliance with the policy.

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## Agency Comments and Our Evaluation

In commenting on a draft of this report, VA generally agreed with our conclusions. VA also concurred with our recommendation to expedite the development and implementation of the training course on VA's LPS policy and stated that it has developed a draft action plan for training staff on this policy and anticipates the on-line training course will be available by the end of fiscal year 2008. VA provided technical comments, which we have incorporated as appropriate.

VA expressed reservations about our reliance on information obtained from VA CRNAs and VA chief anesthesiologists who responded to our surveys. VA stated that those being surveyed may have inflated their perceptions of recruitment and retention challenges with the hope that findings may encourage additional resources for their professions. We recognize there is a potential for bias in self-reported data; however, we used other information to corroborate our survey findings. Specifically, we also used information obtained from interviews with VA headquarters officials, as well as survey data obtained from VA medical facilities' human resources officers.

VA expressed concern about our projected VA CRNA attrition rate. On the basis of VA CRNAs who reported they would retire or leave the VA within the next 5 years, we projected a 26 percent attrition rate of VA CRNAs systemwide. We anticipate that this rate will vary by VA medical facility, with some facilities having a rate of 50 percent or higher and others having a much lower rate. In commenting on our projected VA CRNA attrition rate, VA noted that the 26 percent attrition rate indicated that the VA CRNA turnover rate during the 5 years would average 5.2 percent annually and that this turnover rate was low compared to VA's actual turnover rate for VA CRNAs, which has ranged from a low of 10.02 percent to a high of 15.6 percent.

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VA also commented that our report highlighted the fact that more than 50 percent of VA CRNAs are over 51 years of age and nearing the retirement eligibility age, implying that VA is at risk of losing a significant number of VA CRNAs to retirement. VA stated that these VA CRNAs are not necessarily retirement eligible or inclined to retire when eligible. This information was included in the report with other demographic information about VA CRNAs to provide some prospective on VA's CRNA workforce. VA's written comments are reprinted in appendix VI.

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We are sending copies of this report to the Secretary of Veterans Affairs and other interested parties. We will also provide copies to others upon request. In addition, the report is available at no charge on the GAO Web site at <http://www.gao.gov>.

If you or your staff members have any questions about this report, please contact me at (202) 512-7114 or at [Ekstrandl@gao.gov](mailto:Ekstrandl@gao.gov). Contact points for our Offices of Congressional Relations and Public Affairs can be found on the last page of this report. GAO staff members who made major contributions to this report are listed in appendix VII.



Laurie E. Ekstrand  
Director, Health Care

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# Appendix I: Scope and Methodology

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We examined the Department of Veterans Affairs' (VA) certified registered nurse anesthetists (CRNA) workforce issues and the mechanisms that VA medical facilities use to recruit and retain VA employed CRNAs (VA CRNA). Specifically, we (1) identified workforce challenges that VA medical facilities may experience related to VA CRNAs, (2) identified the key mechanisms that VA medical facility officials can use to recruit and retain VA CRNAs, and (3) determined the extent to which VA medical facilities use the key mechanisms to recruit and retain VA CRNAs.

To identify workforce challenges that VA medical facilities experience related to VA CRNAs, we analyzed data from our three Web-based surveys, which captured information from fiscal years 2005 and 2006. Each of the three surveys contained questions that helped us identify current and future challenges that VA medical facilities will experience in recruiting and retaining VA CRNAs. The first survey was administered in December 2006 to 474 VA CRNAs. We contacted officials at all VA medical facilities to determine whether they employed VA CRNAs both on a full-time or part-time basis, and for those that did, obtained e-mail addresses for the VA CRNAs. We verified our list of VA CRNAs with a list obtained from VA's Personnel Accounting Integrated Data system, which houses VA's payroll and human resources (HR) information. This survey of VA CRNAs covered various workforce issues, including their plans to retire or leave VA's health care system, the use of contract CRNAs to supplement VA CRNAs, and recruitment and retention of VA CRNAs. The survey had an overall response rate of 76 percent, which allowed us to generalize to the VA CRNA population. The second survey was administered in May 2007 to 125 chief anesthesiologists working in the VA medical system.<sup>1</sup> We obtained the contact list for chief anesthesiologists from VA headquarters anesthesia services. This survey covered CRNA workforce issues, including VA CRNA salaries, staffing, recruitment and retention, the effect of vacancies on medical facilities' services, and the use of contract CRNAs. The survey had an overall response rate of 92 percent, which allowed us to generalize to all VA medical facilities that employ VA CRNAs. The third survey was administered in May 2007 to HR officers at 170 VA medical facilities.<sup>2</sup> We obtained the contact list for VA HR officers from VA. The

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<sup>1</sup>Some of the chief anesthesiologists surveyed reported that they did not have VA CRNAs at their facility.

<sup>2</sup>We sent the HR survey to 170 VA medical facilities because facilities were answering for both VA CRNA and VA registered nurse workforce issues. We will be issuing a report on VA registered nurse workforce issues in fiscal year 2008.

survey covered CRNA workforce issues including salary, locality pay surveys, and bonuses given for recruitment and retention. This survey had an overall response rate of 85 percent, which allowed us to generalize to all VA medical facilities that employ VA CRNAs. We also obtained VA medical facility data on the number of VA CRNA vacancies and VA CRNA vacancy rates. These data are reported by VA medical facilities to VA headquarters and were included in VA's 2006 annual report to Congress on staffing.

Additionally, we obtained VA CRNA salary schedules for 2005, 2006, and 2007 from VA headquarters for each VA medical facility. These salary schedules contained the VA CRNA salary rates for grades I through V and steps 1 to 12 for each of the grades. Using these salary schedules, we compared VA CRNA salaries with CRNA salary data we obtained from the American Association of Nurse Anesthetists (AANA), a professional organization for CRNAs. AANA's salary data for CRNAs was compiled in its 2006 Practice Profile Survey—a national survey of AANA's membership—and included self-reported 2005 salary information that was reported by state.<sup>3</sup> To compare salaries for 2006 and 2007, we projected the 2005 AANA salary data using the Bureau of Labor Statistics (BLS) employment cost index.<sup>4</sup> According to VA officials, VA is seeking legislation that would increase VA CRNAs' maximum statutory salary cap.<sup>5</sup> On the basis of this proposed legislation, we used VA's 2007 VA CRNA maximum statutory salary cap that was \$136,200 and would increase to \$145,400 with the proposed legislation. We compared VA's proposed increase to AANA's 2007 salary data for each state in which a VA medical facility is located to determine whether increasing VA's maximum statutory salary cap as VA proposes would make VA CRNA salaries competitive with local market area salaries. We used the 90th percentile AANA CRNA salary in each state for this comparison because this percentile represents the higher end of the salary range for the local market area. In addition, we compared VA CRNA qualification standards to VA's proposed revision, which would increase starting salaries for new

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<sup>3</sup>AANA provided salary tables for CRNAs employed in a variety of health care settings that included the mean, median, 25th percentile, and 90th percentile for each state.

<sup>4</sup>The BLS employment cost index for wages and salaries in 2006 and 2007 was 2.8 and 3.4 percent, respectively. See BLS, "Employment Cost Index news release text" (Washington, D.C., 2007) <http://www.bls.gov/news.release/eci.nr0.htm> (accessed Aug. 14, 2007).

<sup>5</sup>The maximum statutory salary is the maximum base salary a CRNA can earn.

graduate VA CRNAs from grade I to grade II. We compared 2007 VA CRNA salary schedules at the grade II level for each facility to AANA's CRNA salary data for each state in which a VA medical facility is located to determine whether grade II salaries would be competitive with local market area salaries. We used the 25th percentile AANA salary in each state for this comparison because this percentile represents the lower end of the salary range for the local market area.

We interviewed the director of Kaiser Permanente's school of anesthesia for nurse anesthetists to identify what steps this director takes to ensure it has a sufficient number of CRNAs to deliver anesthesia services and to learn the indicators used to identify a CRNA shortage or potential future shortage. We also interviewed the director of VA headquarters anesthesia services to obtain information on VA CRNA workforce challenges.

To determine the key mechanisms that VA medical facilities use to recruit and retain VA CRNAs, we reviewed VA's policies and directives related to VA CRNAs and obtained reports on VA CRNA salaries. We also reviewed and analyzed policies, legislation, and regulations on VA's locality pay system (LPS), and VA's authority to give recruitment, relocation, and retention bonuses to VA CRNAs. In addition, we reviewed legislation and policies related to two VA employee education programs—the Employee Incentive Scholarship Program (EISP) and the Education Debt Reduction Program (EDRP). We interviewed officials at VA headquarters, including HR officers. We interviewed chief anesthesiologists, VA CRNAs, HR officers, and other officials at selected VA medical facilities. We also interviewed officials from VA's Healthcare Retention and Recruitment Office (HRRO), located in New Orleans, Louisiana, to obtain information about the implementation of EISP and EDRP.

To determine the extent to which VA medical facilities use the key mechanisms to recruit and retain VA CRNAs, we analyzed data from our three Web-based surveys. We analyzed data included in VA's 2006 annual report to Congress on staffing, which included information on each VA medical facility's use of LPS. We also obtained data from VA headquarters on the number and amount of recruitment, relocation, and retention bonuses paid to VA CRNAs in fiscal years 2005 and 2006. Additionally, we obtained data from VA's HRRO on funds distributed to VA medical facilities for the EISP and EDRP.

To gain further information on the extent to which VA medical facilities use the key mechanisms, we visited eight VA medical facilities. We selected these facilities to obtain anecdotal examples, which are



supported by our data collection. The findings from these eight facilities cannot be generalized to all VA medical facilities. We also selected the facilities based on geographical variation and because they employed VA CRNAs. The eight VA medical facilities we visited are located in Denver, Colorado; Houston, Texas; Minneapolis, Minnesota; New York, New York; Portland, Oregon; Seattle, Washington; Tampa, Florida; and Togus, Maine. At each medical facility, we interviewed chief anesthesiologists, VA CRNAs, HR officers, and other facility officials. In addition, we obtained copies of locality pay surveys for 2005 and 2006 from the eight medical facilities.

We obtained data from VA headquarters and AANA and surveyed VA CRNAs, VA chief anesthesiologists, and VA HR officers. Data obtained from VA headquarters included CRNA salaries for each VA medical facility by VA CRNA grade and step, medical facility VA CRNA vacancy rates, and type of VA CRNA locality pay survey used at each VA medical facility. We also obtained from VA headquarters data from its Personnel Accounting Integrated Data (PAID) system that contained the amounts of individual VA CRNA recruitment, relocation, and retention bonuses. We contacted VA officials responsible for these data sets to gain an understanding of the completeness and accuracy of the data VA headquarters provided and whether quality checks were performed by VA on these data. In addition, we obtained 2005 salary data from AANA as reported in their members' annual survey. We interviewed AANA officials to determine the quality checks they performed on the data from this survey. The AANA members' survey has an overall response rate of 60 percent and has had a similar response rate for the last 25 years. AANA noted that the income data from the survey is self reported by AANA members and in some of the smaller states the number of respondents was small. We also conducted Web-based surveys of VA CRNAs, VA chief anesthesiologists, and VA HR officers to identify workforce challenges that VA medical facilities experience related to VA CRNAs. A systematic review of the returned questionnaires was performed, checking for factors such as key questions being answered, skip patterns being followed, written entries clearly entered, and quantitative entries within scope. On the basis of our assessment of the reliability and limitations of VA headquarters' data, AANA members' survey data, and our three Web-based surveys, we determined that the data used in this report were adequate for our purposes.

We conducted our work from June 2006 through October 2007 in accordance with generally accepted government auditing standards.

# Appendix II: Analysis of GAO Survey of Certified Registered Nurse Anesthetists Employed by VA

To obtain the views of VA CRNAs on various recruitment and retention issues, we conducted a Web-based survey of all VA CRNAs employed at VA medical facilities. The questionnaire contained questions on topics such as CRNAs' views on recruitment and retention incentives, use of contract/agency CRNAs at the medical facility where they work, and the CRNAs' plans to leave the VA medical facility in the next 5 years. Not all column totals will add to 100 percent due to rounding, multiple answers to questions that ask respondents to check all that apply, and no response by VA CRNAs to some questions.

Q1. Of the factors listed, which five factors attracted you to work at this VA medical facility?

	Checked (percentage)	Number of respondents
1. Salary	26.6	361
2. Recruitment incentive	10.3	361
3. Relocation incentive	3.9	361
4. Promotion potential	4.4	361
5. Reimbursement for continuing education	5.0	361
6. VA's education debt reduction	9.4	361
7. Retirement benefits	67.6	361
8. Leave benefits (annual and sick)	64.0	361
9. Flexible work schedule	23.0	361
10. Broader scope of practice	49.9	361
11. Complexity of surgical cases	33.2	361
12. Working with/supervising student CRNAs	17.7	361
13. Job security	48.8	361

**Appendix II: Analysis of GAO Survey of  
 Certified Registered Nurse Anesthetists  
 Employed by VA**

Q2. Of the factors listed, which five factors keep you working at this VA medical facility?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Salary	25.0	361
2. Retention incentive	14.4	361
3. Promotion potential	1.1	361
4. Reimbursement for continuing education	6.1	361
5. VA's education debt reduction	5.8	361
6. Retirement benefits	71.8	361
7. Leave benefits (annual and sick)	63.2	361
8. Flexible work schedule	25.8	361
9. Broader scope of practice	36.8	361
10. Complexity of surgical cases	28.0	361
11. Working with/supervising student CRNAs	19.1	361
12. Job security	45.2	361

Q3. Are you eligible to retire now or within the next 5 years?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Yes, I am eligible to retire now	10.0	361
2. Yes, I am eligible to retire within the next 5 years	26.0	361
3. No	64.0	361

Q4. If you are eligible or when you become eligible, do you plan to retire?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Yes	43.9	130
2. No	20.8	130
3. Don't know	35.4	130

**Appendix II: Analysis of GAO Survey of  
Certified Registered Nurse Anesthetists  
Employed by VA**

Q5. Of the factors listed, which three factors would encourage you to postpone retiring?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Higher salary	91.3	103
2. Shorten the number of years to advance to the next grade level	11.7	103
3. More monetary awards	47.6	103
4. Reimbursement for continuing education	30.1	103
5. Feeling valued	35.0	103
6. Broader scope of practice	12.6	103
7. More involvement in decisions involving this VA medical facility's anesthesia services	35.0	103

Q6. After you retire from the federal government, do you plan to work as a CRNA outside of VA's health care system?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Yes	60.2	103
2. No	10.7	103
3. Don't know	28.2	103

Q7. Do you plan to leave this VA medical facility within the next 5 years?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Yes, to work for another VA medical facility	4.7	232
2. Yes, to leave VA's health care system	15.5	232
3. No	37.5	232
4. Don't know	37.1	232

**Appendix II: Analysis of GAO Survey of  
 Certified Registered Nurse Anesthetists  
 Employed by VA**

Q8. Of the factors listed, which three factors not currently available at this VA medical facility would keep you working here?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Higher salary	81.5	146
2. Shorten the number of years to advance to the next grade level	13.0	146
3. More monetary awards	32.2	146
4. Reimbursement for continuing education	34.9	146
5. Greater availability of VA's education debt reduction program funds	10.3	146
6. Feeling valued	26.7	146
7. Broader scope of practice	13.0	146
8. More involvement in decisions involving this VA medical facility's anesthesia services	24.0	146

Q9. Has this VA medical facility used contract/agency CRNAs during the last 2 years (from October 1, 2004 through September 30, 2006)?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Yes	47.7	361
2. No	46.8	361
3. Don't know	5.0	361

**Appendix II: Analysis of GAO Survey of  
 Certified Registered Nurse Anesthetists  
 Employed by VA**

Q10. Is there a shortage of CRNAs at this VA medical facility?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Yes	65.4	361
2. No	28.8	361
3. Don't know	5.3	361

Q11. Of the factors listed, which five factors would strengthen recruitment of CRNAs at this VA medical facility?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Higher salaries for CRNAs with experience	90.9	361
2. Higher salaries for new CRNA graduates	69.3	361
3. Shorten the number of years to advance to the next grade level	36.0	361
4. Using more recruitment incentives	39.1	361
5. Higher recruitment incentives	31.3	361
6. Greater availability of VA's education debt reduction program funds	26.9	361
7. Reimbursement for continuing education	52.1	361
8. Timely hiring practices	45.4	361
9. Ability to quote a firm starting salary prior to hiring a CRNA	44.6	361
10. Broader scope of practice for VA CRNAs	19.7	361

# Appendix III: Analysis of GAO Survey of Chief Anesthesiologists Employed by VA

To obtain the views of VA's chief anesthesiologists on various recruitment and retention issues, we conducted a Web-based survey of all VA chief anesthesiologists employed at VA medical facilities. The questionnaire contained questions on topics, such as the chief anesthesiologists' views on CRNA recruitment and retention issues; CRNA vacancies, the effects of the vacancies, and the time it takes to fill CRNA vacancies; whether CRNA salaries at VA medical facilities are competitive with CRNA salaries in local market areas; and the use of contract CRNAs. Not all column totals will add to 100 percent due to rounding, multiple answers to questions that ask respondents to check all that apply, and no response by VA chief anesthesiologists to some questions.

Q1. How many months on average did it take to fill a vacant VA CRNA position from the time the request to fill the vacancy was approved to the time the vacancy was filled?

Months	Checked (percentage)	Number of respondents
2	2.3	43
3	7.0	43
4	2.3	43
5	4.7	43
6	16.3	43
8	2.3	43
9	7.0	43
10	2.3	43
11	4.7	43
12	14.0	43
14	2.3	43
18	7.0	43
20	2.3	43
24	16.3	43
36	4.7	43
42	2.3	43
60	2.3	43

Q2. What were the effects on this facility of having VA CRNA vacancies?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Some operating rooms were closed temporarily	54.0	50
2. Some patients were diverted to other facilities	32.0	50
3. Some elective surgeries were delayed	72.0	50
4. VA CRNA overtime increased	68.0	50
5. Contract CRNAs were used	44.0	50
6. Intermittent, per diem, and /or fee-basis CRNAs were used	30.0	50
7. No effect	2.0	50

Q3. As of September 30, 2006, did this facility have a shortage of CRNAs even though all its VA CRNA allocated positions were filled?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Yes	29.0	93
2. No	39.8	93
3. Don't know	31.2	93

Q4. What were the effects on this facility of having a shortage of VA CRNAs?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Some operating rooms were closed temporarily	28.6	56
2. Some patients were diverted to other facilities	3.6	56
3. Some elective surgeries were delayed	35.7	56
4. VA CRNA overtime increased	30.4	56
5. Contract CRNAs were used	16.1	56
6. Intermittent, per diem, and /or fee-basis CRNAs were used	12.5	56
7. No effect	0	56



**Q5. Has this facility had any difficulty in recruiting CRNAs in the last 2 years (October 1, 2004 – September 30, 2006)?**

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Yes	74.2	93
2. No	25.8	93

**Q6. What are the reasons this facility has had difficulties in recruiting CRNAs?**

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Salary level for new graduate VA CRNAs is low compared to the local market area	88.4	69
2. Salary level for experienced VA CRNAs is low compared to the local market area	85.5	69
3. Recruitment incentives are not available	29.0	69
4. Recruitment incentives are not sufficient	46.4	69
5. Tuition reimbursement is not available	29.0	69
6. Tuition reimbursement is not sufficient	18.8	69
7. Reimbursement for continuing education expenses is not available	33.3	69
8. Reimbursement for continuing education expenses is not sufficient	34.8	69
9. Shortage of CRNAs in the local market area	66.7	69
10. Lengthy hiring process	71.0	69
11. Inability to make salary offer promptly	53.6	69
12. Inability to hire new CRNAs prior to them passing their boards	14.5	69

**Q7. Has this facility had difficulty with VA CRNAs leaving or with retaining VA CRNAs in the last 2 years (October 1, 2004–September 30, 2006)?**

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Yes, difficulty with VA CRNAs leaving	12.9	93
2. Yes, difficulty with retaining VA CRNAs	14.0	93
3. Both – difficulty with VA CRNAs leaving and with retaining VA CRNAs	22.6	93
4. No	50.5	93

**Appendix III: Analysis of GAO Survey of Chief Anesthesiologists Employed by VA**

**Q8. What are the reasons this facility has had difficulty with VA CRNAs leaving or with retaining VA CRNAs?**

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Salary level for new graduate VA CRNAs is low compared to the local market area	45.7	46
2. Salary level for experienced VA CRNAs is low compared to the local market area	78.3	46
3. Retention incentive is not available	21.7	46
4. Retention incentive is not sufficient	47.8	46
5. Reimbursement for continuing education expenses is not available	26.1	46
6. Reimbursement for continuing education expenses is not sufficient	32.6	46
7. Scope of practice includes complex procedures not routinely performed by CRNAs in non-VA facilities	8.7	46
8. Scope of practice does not include complex procedures not routinely performed by CRNAs in non-VA facilities	0	46

**Q9. How did VA CRNA annual salaries at this facility generally compare with local market area CRNA salaries from October 1, 2004–September 30, 2005 for new graduate CRNAs?**

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. VA CRNA salaries were higher	4.3	93
2. VA CRNA salaries were lower	72.0	93
3. VA CRNA salaries were commensurate	6.5	93
4. Don't know	14.0	93

Q10. How did VA CRNA annual salaries at this facility generally compare with local market area CRNA salaries from October 1, 2004–September 30, 2005 for experienced CRNAs?

	Checked (percentage)	Number of respondents
1. VA CRNA salaries were higher	4.3	93
2. VA CRNA salaries were lower	78.5	93
3. VA CRNA salaries were commensurate	9.7	93
4. Don't know	7.5	93

Q11. If this facility's 2005 VA CRNA salaries were higher than local market area salaries, how much higher were the salaries for new graduate CRNAs?

	Checked (percentage)	Number of respondents
1. \$5,000 or less	1.1	93
2. \$5,001 to \$10,000	1.1	93
3. \$10,001 to \$20,000	1.1	93
4. \$20,001 to \$30,000	1.1	93
5. \$30,001 to \$40,000	1.1	93
6. \$40,001 to \$50,000	0	93
7. Over \$50,000	0	93
8. Not applicable	62.4	93

Q.12. If this facility's 2005 VA CRNA salaries were higher than local market area salaries, how much higher were the salaries for experienced CRNAs?

	Checked (percentage)	Number of respondents
1. \$5,000 or less	0	93
2. \$5,001 to \$10,000	2.2	93
3. \$10,001 to \$20,000	1.1	93
4. \$20,001 to \$30,000	2.2	93
5. \$30,001 to \$40,000	0	93
6. \$40,001 to \$50,000	1.1	93
7. Over \$50,000	0	93
8. Not applicable	61.3	93

Q13. If this facility's 2005 VA CRNA salaries were lower than local market area salaries, how much lower were the salaries for new graduate CRNAs?

	Checked (percentage)	Number of respondents
1. \$5,000 or less	2.2	93
2. \$5,001 to \$10,000	9.7	93
3. \$10,001 to \$20,000	17.2	93
4. \$20,001 to \$30,000	23.7	93
5. \$30,001 to \$40,000	10.8	93
6. \$40,001 to \$50,000	4.3	93
7. Over \$50,000	4.3	93
8. Not applicable	20.4	93

Q14. If this facility's 2005 VA CRNA salaries were lower than local market area salaries, how much lower were the salaries for experienced CRNAs?

	Checked (percentage)	Number of respondents
1. \$5,000 or less	1.1	93
2. \$5,001 to \$10,000	11.8	93
3. \$10,001 to \$20,000	22.6	93
4. \$20,001 to \$30,000	17.2	93
5. \$30,001 to \$40,000	11.8	93
6. \$40,001 to \$50,000	10.8	93
7. Over \$50,000	3.2	93
8. Not applicable	18.3	93

Q15. How did VA CRNA annual salaries at this facility generally compare with local market area CRNA salaries from October 1, 2005–September 30, 2006 for new graduate CRNAs?

	Checked (percentage)	Number of respondents
1. VA CRNA salaries were higher	3.2	93
2. VA CRNA salaries were lower	68.8	93
3. VA CRNA salaries were commensurate	6.5	93
4. Don't know	17.2	93

Q16. How did VA CRNA annual salaries at this facility generally compare with local market area CRNA salaries from October 1, 2005–September 30, 2006 for experienced CRNAs?

	Checked (percentage)	Number of respondents
1. VA CRNA salaries were higher	4.3	93
2. VA CRNA salaries were lower	78.5	93
3. VA CRNA salaries were commensurate	9.7	93
4. Don't know	7.5	93

Q17. If this facility's 2006 VA CRNA salaries were higher than local market area salaries, how much lower were the salaries for new graduate CRNAs?

	Checked (percentage)	Number of respondents
1. \$5,000 or less	1.1	93
2. \$5,001 to \$10,000	3.2	93
3. \$10,001 to \$20,000	0	93
4. \$20,001 to \$30,000	0	93
5. \$30,001 to \$40,000	0	93
6. \$40,001 to \$50,000	0	93
7. Over \$50,000	0	93
8. Not applicable	72.0	93

Q18. If this facility's 2006 VA CRNA salaries were higher than local market area salaries, how much lower were the salaries for experienced CRNAs?

	Checked (percentage)	Number of respondents
1. \$5,000 or less	0	93
2. \$5,001 to \$10,000	3.2	93
3. \$10,001 to \$20,000	1.1	93
4. \$20,001 to \$30,000	0	93
5. \$30,001 to \$40,000	0	93
6. \$40,001 to \$50,000	0	93
7. Over \$50,000	0	93
8. Not applicable	71.0	93

Q19. If this facility's 2006 VA CRNA salaries were lower than local market area salaries, how much lower were the salaries for new graduate CRNAs?

	Checked (percentage)	Number of respondents
1. \$5,000 or less	2.2	93
2. \$5,001 to \$10,000	6.5	93
3. \$10,001 to \$20,000	20.4	93
4. \$20,001 to \$30,000	21.5	93
5. \$30,001 to \$40,000	11.8	93
6. \$40,001 to \$50,000	2.2	93
7. Over \$50,000	4.3	93
8. Not applicable	22.6	93

Q20. If this facility's 2006 VA CRNA salaries were lower than local market area salaries, how much lower were the salaries for experienced CRNAs?

	Checked (percentage)	Number of respondents
1. \$5,000 or less	1.1	93
2. \$5,001 to \$10,000	10.8	93
3. \$10,001 to \$20,000	23.7	93
4. \$20,001 to \$30,000	18.3	93
5. \$30,001 to \$40,000	10.8	93
6. \$40,001 to \$50,000	7.5	93
7. Over \$50,000	4.3	93
8. Not applicable	17.2	93

**Appendix III: Analysis of GAO Survey of Chief Anesthesiologists Employed by VA**

Q21. What were the reasons this facility used contract CRNAs from October 1, 2004-September 30, 2005?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Retirement of VA CRNAs	13.6	44
2. Short-term coverage for an absence of a VA CRNA	31.8	44
3. Hiring freeze	4.6	44
4. Shortage of CRNAs in the local market area	40.9	44
5. Higher than anticipated vacancy rate	9.1	44
6. Higher than anticipated surgical volume	13.6	44
7. Difficulty in recruiting VA CRNAs	52.3	44
8. Difficulty in retaining VA CRNAs	27.3	44
9. Coverage for VA CRNAs called to active duty	15.9	44

Q22. What were the reasons this facility used contract CRNAs from October 1, 2005-September 30, 2006?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Retirement of VA CRNAs	13.6	44
2. Short-term coverage for an absence of a VA CRNA	27.3	44
3. Hiring freeze	4.6	44
4. Shortage of CRNAs in the local market area	38.6	44
5. Higher than anticipated vacancy rate	11.4	44
6. Higher than anticipated surgical volume	11.4	44
7. Difficulty in recruiting VA CRNAs	45.5	44
8. Difficulty in retaining VA CRNAs	29.6	44
9. Coverage for VA CRNAs called to active duty	9.1	44

# Appendix IV: Analysis of GAO Survey of VA Medical Facility Human Resources Officers

To obtain the views of VA human resources officers on various recruitment and retention issues, we conducted a Web-based survey of VA human resources officers, one representing each VA medical facility. The questionnaire contained questions related to CRNAs recruitment and retention issues, such as CRNA salary, locality pay surveys, and bonuses given for recruitment and retention. Not all column totals will add to 100 percent due to rounding, multiple answers to questions that ask respondents to check all that apply, and no response by VA medical facility human resources officers to some questions.

Q1. Over the last 2 years what criteria were used to determine whether a VA CRNA was paid a recruitment incentive?

	2005 Checked (percentage)	2005 Number of respondents	2006 Checked (percentage)	2006 Number of respondents
1. Local market area starting salaries are higher for new graduate CRNAs	27.4	73	28.8	73
2. Local market area starting salaries are higher for experienced CRNAs	31.5	73	35.6	73
3. Salary at this facility does not match a CRNA's previous employer's salary	28.7	73	36.9	73
4. Local market area tuition reimbursement is higher	4.1	73	6.9	73
5. Local market area benefit package is more competitive	6.9	73	9.6	73
6. Difficulties in commuting to this facility	4.1	73	4.1	73
7. Did not offer any recruitment incentives	27.4	73	28.8	73



**Appendix IV: Analysis of GAO Survey of VA  
Medical Facility Human Resources Officers**

Q2. Over the last 2 years what criteria were used to determine whether a VA CRNA was paid a relocation incentive?

	2005 Checked (percentage)	2005 Number of respondents	2006 Checked (percentage)	2006 Number of respondents
1. Local market area starting salaries are higher for new graduate CRNAs	6.9	73	12.3	73
2. Local market area starting salaries are higher for experienced CRNAs	9.6	73	13.7	73
3. Salary at this facility does not match a CRNA's previous employer's salary	5.5	73	11.0	73
4. Local market area tuition reimbursement is higher	2.7	73	5.5	73
5. Local market area benefit package is more competitive	2.7	73	4.1	73
6. Difficulties in commuting to this facility	2.7	73	2.7	73
7. Did not offer any relocation incentives	60.3	73	58.9	73

**Appendix IV: Analysis of GAO Survey of VA Medical Facility Human Resources Officers**

Q3. Over the last 2 years what criteria were used to determine whether a VA CRNA was paid a retention incentive?

	2005 Checked (percentage)	2005 Number of respondents	2006 Checked (percentage)	2006 Number of respondents
1. Local market area salaries are higher for experienced CRNAs	27.4	73	32.9	73
2. CRNA has an alternative job offer	20.6	73	27.4	73
3. Delay retirement of CRNAs	8.2	73	16.4	73
4. Prevent or delay CRNAs leaving this VA facility	32.9	73	37.0	73
5. Local market area benefit package is more competitive	4.1	73	8.2	73
6. Difficulties in commuting to this facility	1.4	73	1.4	73
7. Did not offer any retention incentives	41.1	73	31.5	73

Q4. What types of CRNA salary information were included in the 2005 locality pay survey?

	Checked (percentage)	Number of respondents
1. Did not conduct a locality pay survey	7.3	82
2. Salaries of CRNAs employed by universities, colleges and hospitals	68.3	82
3. Salaries of CRNAs employed by free standing ambulatory surgical centers	3.7	82
4. Salaries of CRNAs employed by physicians groups, offices and clinics	9.7	82
5. Salaries of CRNAs employed by CRNA only groups	0	82
6. Salaries of CRNAs employed by the government or military	11.0	82
7. Salaries of CRNAs working through an agency	1.2	82
8. Salaries of CRNAs working as independent contractors	2.4	82
9. Don't know	3.7	82

Q5. In the 2005 locality pay survey, did a sufficient number of respondents provide survey data?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Yes	64.6	82
2. No	17.1	82

If yes, what actions did Human Resources take to address the insufficient number of survey respondents?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Expanded the geographic boundaries of the local labor market area	11.4	35
2. Contracted for a new survey	2.9	35
3. Expanded the types of establishment surveyed	5.7	35
4. Conducted own survey	11.4	35
5. Raised wages to match the annual cost of living adjustment (COLA)	22.9	35
6. No action was taken	8.6	35

Q6. Overall were you satisfied with the CRNA salary information you received in the 2005 locality pay survey?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Yes	59.8	82
2. No	17.1	82

Q7. How did 2005 VA CRNA annual salaries at this facility generally compare with local market area annual salaries for new graduate CRNAs?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. VA CRNA salaries were higher	2.7	110
2. VA CRNA salaries were lower	43.6	110
3. VA CRNA salaries were commensurate	8.2	110
4. Don't know	39.1	110

Q8. How did 2005 VA CRNA annual salaries at this facility generally compare with local market area annual salaries for experienced CRNAs?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. VA CRNA salaries were higher	1.8	110
2. VA CRNA salaries were lower	48.2	110
3. VA CRNA salaries were commensurate	15.5	110
4. Don't know	27.3	110

Q9. If this facility's 2005 VA CRNA annual salaries were higher than local market area salaries, how much higher were the VA CRNA salaries for new graduate CRNAs?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
\$5,000 or less	1.8	110
\$5,001 to \$10,000	0.9	110
\$10,001 to \$20,000	0.9	110
\$20,001 to \$30,000	0.9	110
\$30,001 to \$40,000	0.9	110
\$40,001 to \$50,000	0	110
Over \$50,000	2.7	110
Not applicable	74.5	110

Q10. If this facility's 2005 VA CRNA annual salaries were higher than local market area salaries, how much higher were the VA CRNA salaries for experienced CRNAs?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
\$5,000 or less	2.7	110
\$5,001 to \$10,000	0	110
\$10,001 to \$20,000	0	110
\$20,001 to \$30,000	0	110
\$30,001 to \$40,000	1.8	110
\$40,001 to \$50,000	0	110
Over \$50,000	2.7	110
Not applicable	74.5	110

Q11. If this facility's 2005 VA CRNA annual salaries were lower than local market area salaries, how much lower were the VA CRNA salaries for new graduate CRNAs?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
\$5,000 or less	6.4	110
\$5,001 to \$10,000	13.6	110
\$10,001 to \$20,000	12.7	110
\$20,001 to \$30,000	4.6	110
\$30,001 to \$40,000	4.6	110
\$40,001 to \$50,000	0	110
Over \$50,000	0	110
Not applicable	47.3	110

Q12. If this facility's 2005 VA CRNA annual salaries were lower than local market area salaries, how much lower were the VA CRNA salaries for experienced CRNAs?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
\$5,000 or less	7.3	110
\$5,001 to \$10,000	15.5	110
\$10,001 to \$20,000	14.6	110
\$20,001 to \$30,000	6.4	110
\$30,001 to \$40,000	5.5	110
\$40,001 to \$50,000	0.9	110
Over \$50,000	0	110
Not applicable	39.1	110

Q13. What types of CRNA salary information were included in the 2006 locality pay survey?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
1. Did not conduct a locality pay survey	6.1	82
2. Salaries of CRNAs employed by universities, colleges and hospitals	67.1	82
3. Salaries of CRNAs employed by free standing ambulatory surgical centers	4.9	82
4. Salaries of CRNAs employed by physicians groups, offices and clinics	7.3	82
5. Salaries of CRNAs employed by CRNA only groups	0	82
6. Salaries of CRNAs employed by the government or military	11.0	82
7. Salaries of CRNAs working through an agency	0	82
8. Salaries of CRNAs working as independent contractors	0	82
9. Don't know	3.7	82

Q14. In the 2006 locality pay survey, did a sufficient number of respondents provide survey data?

	Checked (percentage)	Number of respondents
1. Yes	64.6	82
2. No	15.9	82

Q15. Overall were you satisfied with the CRNA salary information you received in the 2006 locality pay survey?

	Checked (percentage)	Number of respondents
1. Yes	62.2	82
2. No	13.4	82

Q16. How did 2006 VA CRNA annual salaries at this facility generally compare with local market area annual salaries for new graduate CRNAs?

	Checked (percentage)	Number of respondents
1. VA CRNA salaries were higher	2.7	110
2. VA CRNA salaries were lower	46.4	110
3. VA CRNA salaries were commensurate	5.5	110
4. Don't know	38.2	110

Q17. How did 2006 VA CRNA annual salaries at this facility generally compare with local market area annual salaries for experienced CRNAs?

	Checked (percentage)	Number of respondents
1. VA CRNA salaries were higher	2.7	110
2. VA CRNA salaries were lower	45.5	110
3. VA CRNA salaries were commensurate	19.1	110
4. Don't know	25.4	110

Q18. If this facility's 2006 VA CRNA annual salaries were higher than local market area salaries, how much higher were the VA CRNA salaries for new graduate CRNAs?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
\$5,000 or less	1.8	110
\$5,001 to \$10,000	1.8	110
\$10,001 to \$20,000	0.9	110
\$20,001 to \$30,000	0	110
\$30,001 to \$40,000	0.9	110
\$40,001 to \$50,000	0	110
Over \$50,000	1.8	110
Not applicable	73.6	110

Q19. If this facility's 2006 VA CRNA annual salaries were higher than local market area salaries, how much higher were the VA CRNA salaries for experienced CRNAs?

	<b>Checked (percentage)</b>	<b>Number of respondents</b>
\$5,000 or less	1.8	110
\$5,001 to \$10,000	2.7	110
\$10,001 to \$20,000	0	110
\$20,001 to \$30,000	0	110
\$30,001 to \$40,000	0.9	110
\$40,001 to \$50,000	0	110
Over \$50,000	1.8	110
Not applicable	73.6	110



Q20. If this facility's 2006 VA CRNA annual salaries were lower than local market area salaries, how much lower were the VA CRNA salaries for new graduate CRNAs?

	Checked (percentage)	Number of respondents
\$5,000 or less	5.5	110
\$5,001 to \$10,000	13.6	110
\$10,001 to \$20,000	11.8	110
\$20,001 to \$30,000	5.5	110
\$30,001 to \$40,000	4.5	110
\$40,001 to \$50,000	0	110
Over \$50,000	1.8	110
Not applicable	46.4	110

Q21. If this facility's 2006 VA CRNA annual salaries were lower than local market area salaries, how much lower were the VA CRNA salaries for experienced CRNAs?

	Checked (percentage)	Number of respondents
\$5,000 or less	3.6	110
\$5,001 to \$10,000	19.1	110
\$10,001 to \$20,000	12.7	110
\$20,001 to \$30,000	4.5	110
\$30,001 to \$40,000	3.6	110
\$40,001 to \$50,000	2.7	110
Over \$50,000	0.9	110
Not applicable	41.8	110

Q22. Has this facility ever requested approval to rehire VA CRNAs retired from federal service without affecting their retirement pay under the provisions of the Health Care Programs Enhancement Act of 2001 (P.L. 107-135)?

	Checked (percentage)	Number of respondents
1. Yes	7.3	110
2. No	92.7	110

# Appendix V: Description of Education and Training Requirements for Anesthesia Practitioners

Description	Anesthesiologists	Certified Registered Nurse Anesthetists (CRNA)	Anesthesiologist Assistants (AA)
Description of practice	Anesthesiologists are physicians who administer anesthesia services to relieve pain and medically manage a patient's vital life functions throughout any surgical, obstetrical, or other medical procedure.	CRNAs are registered nurses that work with anesthesiologists, surgeons, or dentists. In some states, CRNAs do not have to have direct supervision.	AAs are allied health professionals that work under the supervision of a licensed anesthesiologist to deliver anesthesia services.
Education and training	Must have a bachelor's degree to enter medical school. During medical school, students rotate through internal medicine, family practice, obstetrics, gynecology, pediatrics, psychiatry and surgery. Following medical school, they have a 4-year anesthesiology residency program, which includes a year of clinical medicine, two years of anesthesiology, and one year of concentrated study and experience with anesthetic complications. Following residency, they may pursue additional training in specific areas of anesthesiology.	Registered nurses with a bachelor's degree, current licensure, and at least 1 year's experience in an acute care setting. Trained in anesthesia techniques and procedures for all types of surgery and obstetrics. Must have performed 550 anesthesia cases to be eligible for certification.	Premedical undergraduate courses. Completion of an accredited anesthesiologist assistant program. Trained in patient monitoring, anesthesia delivery systems, patient assessment, and life support systems. Typically, have a minimum of 2,000 clinical hours in direct patient anesthesia-related care.
Training programs	129 medical schools with anesthesia programs in the United States.	106 accredited graduate-level programs in the United States.	4 programs within a school of medicine in the United States.
Length of training program	4 years of undergraduate school; 4 years of medical school; and 4 years of residency.	24–36 months in a CRNA training program.	24–28 months in an AA training program.
Degree conferred	Doctor of Medicine (MD) or a Doctor of Osteopathic Medicine (DO).	Masters or doctoral degree from an accredited CRNA education program.	Master of Science degree.
National Certification Examination	Must obtain a state license to practice in a state. Anesthesiologists may obtain board certification by passing an examination. They must periodically meet continuing medical education credit requirements that vary by state.	CRNAs must hold a current registered nurse license and pass a national certification exam to obtain a national certification. They recertify every 2 years by obtaining 40 continuing medical education credits and must attest to being involved in 850 hours of practice involving anesthesia.	At a minimum, AAs must obtain a national certification and must recertify every 2 years by submitting 40 continuing medical education credits. Every sixth year, AAs must pass a written board examination.

Sources: The American Society of Anesthesiologists, American Association of Nurse Anesthetists, and American Academy of Anesthesiologist Assistants.

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# Appendix VI: Comments from the Department Of Veterans Affairs

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THE SECRETARY OF VETERANS AFFAIRS  
WASHINGTON

November 14, 2007

Ms. Laurie E. Ekstrand  
Director, Health Care  
U. S. Government Accountability Office  
441 G Street, NW  
Washington, DC 20548

Dear Ms. Ekstrand:

The Department of Veterans Affairs (VA) has reviewed the Government Accountability Office's (GAO) draft report, ***VA HEALTH CARE: Many Medical Facilities Have Challenges in Recruiting and Retaining Nurse Anesthetists*** (GAO-08-56) and generally agrees with GAO's conclusions and concurs with GAO's recommendations.

While the Department agrees with GAO's conclusion, we have reservations about GAO's reliance on self-reporting surveys of certified registered nurse anesthetists (CRNA) and Chiefs of Anesthesiology in developing its report. Using such an approach may increase the natural tendency of those being surveyed to inflate their perceptions of recruitment and retention difficulties with hopes that findings might encourage additional resource support for their professions.

GAO states that its surveys indicate that 26 percent of VA's CRNAs reported that they would retire or leave VA employment in the next 5 years. Taken literally, this would indicate the CRNA turnover during that time would average 5.2 percent annually. In fact, this represents a very low potential turnover rate. To put these figures in perspective, over the past 5 years, CRNA turnover in VA has ranged from a low of 10.02 percent in fiscal year (FY) 2004 to a high of 15.6 percent in FY 2005. In FY 2007, the rate was 13.22 percent. While a turnover rate over 10 percent is considered significant, these turnover rates are not alarming when compared with some other VA health care occupations. For example, according to J. Walter Thompson (JWT) Employment Communications, a major national employment advertising, communications and consulting firm, yearly turnover rates in private sector health care occupations average more than 20 percent.

The report also highlights the fact that more than 50 percent of VA CRNAs are over 51 years of age, implying that VA is at increased risk for losing a significant number of CRNAs to retirement. The fact that an employee is 51 years old does not necessarily mean that the employee is retirement eligible or inclined to retire when eligible. VA's official personnel data estimate that only about 14 percent of VA CRNAs were eligible to retire in FY 2007. This percentage is projected to gradually increase to

Page 2

Ms. Laurie E. Ekstrand

24 percent retirement eligibility in FY 2013. Based on past retirement rates, the projected percentage of CRNAs who will retire ranges from 2 percent in FY 2008 to a high of 4 percent in FY 2013.

In summary, despite concerns about the study methodology, the Department acknowledges GAO's conclusions about the recognized obstacles faced in recruiting and retaining qualified CRNAs. Statutory salary caps for CRNAs have indeed presented fundamental obstacles in our recruitment and retention efforts, as GAO reports, but because of the concerted efforts of VA managers at all levels of the organization to give credence to VA's reputation as an "employer of choice," we have been fairly successful thus far to balance workload and staffing demands.

The enclosures specifically addresses GAO's recommendation and provides technical comments to the draft report. VA appreciates the opportunity to comment on your draft report.

Sincerely yours,



Gordon H. Mansfield  
Acting

Enclosures

Enclosure (1)

Department of Veterans Affairs (VA) Comments to  
Government Accountability Office (GAO) Draft Report  
**VA HEALTH CARE: Many Medical Facilities Have Challenges in Recruiting  
and Retaining Nurse Anesthetists**  
(GAO-08-56)

- **GAO recommends that VA expedite development and implementation of the training course on VA's LPS policy for VA medical facility officials responsible for compliance with the policy.**

Concur – The Department of Veterans Affairs (VA) concur with GAO's recommendation that VA expedite development and implementation of a training course on VA's locality payment system (LPS) policy.

A draft action plan is provided below. While many of the specific tasks and deliverables associated with the course development remain to be identified, we anticipate delivery of on-line curriculum by the end of fiscal 2008.

**Nurse Locality Pay System  
Draft e-Learning Action Plan**

<b>Task</b>	<b>Anticipated Completion Date</b>
Identify learning objectives <ul style="list-style-type: none"><li>• Defining the local labor market area</li><li>• Identifying third party salary surveys</li><li>• Planning and conducting VA salary surveys</li><li>• Constructing salary schedules</li></ul>	TBD
Develop course content to include tasks and activities	TBD
Create links to VA policy and legal statutes	TBD
Activate training module for nationwide use	9/30/2008

Enclosure (2)

Department of Veterans Affairs (VA) Comments to  
Government Accountability Office (GAO) Draft Report  
**VA HEALTH CARE: *Many Medical Facilities Have Challenges in Recruiting  
and Retaining Nurse Anesthetists***  
(GAO-08-56)

Technical Comments:

GAO states that VA has not provided training since VA policy was revised in 2001. It should be clarified VAs last major LPS policy was implemented on October 25, 2002. Nationwide training on newly added provisions was conducted via a 2-hour conference call on November 7, 2002, and was followed with the provision of job tools and aids such as worksheets.

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# Appendix VII: GAO Contact and Staff Acknowledgments

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## GAO Contact

Laurie E. Ekstrand at (202) 512-7114 or [ekstrandl@gao.gov](mailto:ekstrandl@gao.gov)

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## Staff Acknowledgments

In addition to the contact named above, Marcia A. Mann, Assistant Director; N. Rotimi Adebajo; Michelle M. Alletto; Mary Ann Curran; Linda Diggs; Martha A. Fisher; Krister Friday; Molly Ryan; James R. Walker; and Suzanne Worth made key contributions to this report.

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