

**STATEMENT OF J.G. PARTHMORE, M.D.,
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BEFORE THE SUBCOMMITTEE ON HEALTH
COMMITTEE ON VETERANS' AFFAIRS
OF THE
U.S. HOUSE OF REPRESENTATIVES**

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Mr. Chairman and members of the Subcommittee, thank you for the opportunity to appear before you to discuss physicians and dentists compensation issues and the impact of the current pay structure on our ability to provide health care to veterans.

The provisions of the Bill represent a major step forward in providing adequate, competitive pay for physicians, dentists and nurse executives of VHA. I am pleased that the Secretary has proposed it. It represents a major effort to redress the pay gap that exists between VHA and the private sector, as well as VHA's academic affiliates. I hope you will make every effort to advance it.

Let me first address Nurse Executive pay and flexible hours. Present law permits us to adjust nurse pay in relation to local market pay at least annually, which helps us to remain competitive. It certainly forestalls nurse resignations for pay. But Nurse Executive pay in VHA remains a significant problem. It lags far behind local market pay and private sector benefits provided to those in similar positions. The addition of 10 to 25 thousand dollars will be very helpful in most markets. Given the anticipated retirement in the next 5 to 10 years of many VHA nurse executives, it would be wise for VHA to enhance its competitive edge, especially in urban, high cost markets. Nurse Executives with vision and

leadership ability are sorely needed, now more than ever, to serve as partners in administering our hospital systems.

Relative to dentist pay, dental chiefs are distressed that VHA has not implemented locality pay such that VHA employees enjoy salary parity with other government employees of similar grade in their locales. This country is graduating an even smaller number of dentists and young dental school graduates entering practice are making the rational choice to enter the lucrative private sector. Even VHA dental residencies in the past academic year were not filled in locales where they always have been. Our ability to recruit top-notch dentists, especially in specialty fields such as dental surgery, endodontia and prosthodontia is particularly problematic.

And for physicians, it has been a very long time, 12 years, since physician pay was last addressed. I am delighted the legislation before you now does so. I hope that the Bill can proceed quickly to passage, since a multitude of physician vacancies exist across VHA, most often leading facility management to engage in extremely costly contracts or send patients to the community. As I understand it, the Bill should also provide greater equity for our part time practitioners, who lose a considerable amount of pay under the current pay law. It is important to realize these physicians provide facilities much greater flexibility in staffing, an expanded coverage pool for night and weekend call, especially in tertiary care centers, and they provide highly specialized sub-subspecialty skills for which there is the clinical need, great difficulty in hiring, but not the need for a full time physician.

Those specialties in which recruitment has been most difficult will see the largest improvement in pay. However, there are several groups which will not see a substantial change in salary, such as primary care physicians, most medical specialists, neurologists, psychiatrists, pathologists and physiatrists.

I hope that the Bill continues to move forward. It has in it much to applaud with respect to greater parity with our communities, academic and private, and the flexibility to reward truly outstanding performance targeted to VHA goals, in clinical care, education, research and administration. It will further motivate career VHA physicians, dentists and nurses to an even greater degree than they are now motivated.

VHA's ability to become a leader nationally in performance outcomes, decreased waiting times, patient satisfaction and other measures, to implement a computerized patient record and ordering system, to respond to patient safety initiatives and to achieve many outstanding accomplishments in research and education are testaments to the quality of its physicians, dentists and executive nurses, as well as all of its employees. It is our privilege to care for America's Veterans.

Thank you for permitting me to share my views and I will be happy to answer any questions you might have.