

**Supporting Statement A**  
**Locality Pay for Nurses and Other Health-Care Personnel**  
**VA Form 10-0132, OMB Number 2900-0519**

**A. Justification**

**1. Explain the circumstances that make the collection of information necessary. Identify legal or administrative requirements that necessitate the collection of information.**

The collection of this information is necessary to comply with the provisions of PL 101-366 (Department of Veterans Affairs (VA) Nurse Pay Act of 1990) as amended by 106-419 (Veterans Benefits and Health Care Improvement Act of 2000), which specifically provides for a locality pay system for certain health care personnel within VA. Rates of pay are established by VA medical facility Directors based on rates of compensation for corresponding positions in the local labor market. The law requires that where available, data from the Bureau of Labor Statistics (BLS) or other third party industry surveys will be used in determining the beginning rates of compensation. However, VA medical facility Directors remain responsible for collecting the data to implement and adjust rates for registered nurses, nurse anesthetists, and other health care personnel when other data sources are not available.

**2. Indicate how, by whom, and for what purposes the information is to be used; indicate actual use the agency has made of the information received from current collection.**

The information is collected through on-site survey by a team of data collectors, with one member of the team being a nurse. Provisions also exist for the data to be collected by telephone if the establishment refuses an on-site visit, provided the data can be validated. The information is used by facility Directors to determine the rates of pay for registered nurses and nurse anesthetists. VA has established approximately 720 local pay scales nationwide. Other health care personnel may be incorporated under this system at a later date. Without this information, VA cannot provide for a locality pay system to maintain competitive pay rates for the recruitment and retention of affected health care personnel.

VA developed an implemented a policy to utilize third party salary surveys. Third party data, in areas where it is available, may be more accurate and cost effective. Since implementation of the policy in the October 2002, VA continues to encourage their use where feasible. The following illustrates VA's use of third party surveys to make pay determinations for nurses:

2008: 400 of 535 surveys (74%) were conducted by a third party  
2007: 385 of 565 surveys (68%) were conducted by a third party  
2006: 389 of 537 surveys (72%) were conducted by a third party  
2005: 354 of 510 surveys (69%) were conducted by a third party

**3. Describe whether, and to what extent, the collection of information involves the use of automated, electronic, mechanical, or other technological collection techniques or other forms of information technology, e.g. permitting electronic submission of responses, and the basis for the decision for adopting this means of collection. Also described any consideration of using information technology to reduce burden.**

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Under the provisions of the Government Paperwork Elimination Act, both risk and cost analyses were conducted for this data collection to determine whether electronic collection is either legal or practical. The current collection of information has not been automated due to the necessity of personal visits for the purpose of matching VA jobs to non-VA jobs. However, VA has a software program specifically designed to manage the other aspects of the survey (building the survey universe, generating a random sampling, determining weighted averages, etc.). Unfortunately, this does not decrease the public reporting burden.

**4. Describe efforts to identify duplication. Show specifically why any similar information already available cannot be used or modified for use for the purposes described in Item 2 above.**

The information is not contained in any other VA records. Although PL 106-419 (Veterans Benefits and Health Care Improvement Act, November 1, 2000) modified the law to allow VA to use third party salary survey sources other than BLS, many VA facilities are located in rural area where this type of data is not readily available. Therefore, VA must continue to conduct compensation surveys. VA continues to explore the use of private compensation surveys.

**5. If the collection of information impacts small businesses or other small entities, describe any methods used to minimize burden.**

The collection of information does involve small medical facilities. However, the survey questions have been reduced to the absolute minimum data required by VA. The VA surveyor records data on the VA Form 10-0132, Locality Pay System for Nurses and Other Health Care Personnel – Data Collection and Instructions. Use of this standardized data collection instrument by VA personnel decreases the impact on the provider. Neither the number of respondents nor the burden hours are considered a major impact.

**6. Describe the consequences to Federal program or policy activities if the collection is not conducted or is conducted less frequently as well as any technical or legal obstacles to reducing burden.**

The collection of information is on occasion and generally occurs once every year or two. Less frequent collection of information could have a detrimental effect on maintaining a competitive pay system for VA's health-care personnel. This, in turn, could affect the quality of care provided to veterans.

**7. Explain any special circumstances that would cause an information collection to be conducted more often than quarterly or require respondents to prepare written responses to a collection of information in fewer than 30 days after receipt of it; submit more than an original and two copies of any document; retain records, other than health, medical, government contract, grant-in-aid, or tax records for more than three years; in connection with a statistical survey that is not designed to produce valid and reliable results that can be generalized to the universe of study and require the use of a statistical data classification that has not been reviewed and approved by OMB.**

There are no special circumstances requiring that the collection be conducted in a manner inconsistent with the guidelines in 5 CFR Section 1320.6.

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**8. a. If applicable, provide a copy and identify the date and page number of publication in the Federal Register of the sponsor's notice, required by 5 CFR 1320.8(d), soliciting comments on the information collection prior to submission to OMB. Summarize public comments received in response to that notice and describe actions taken by the sponsor in responses to these comments. Specifically address comments received on cost and hour burden.**

The notice of Proposed Information Collection Activity was published in the Federal Register on August 29, 2008 (Volume 73, Number 169, Page 51049).

**b. Describe efforts to consult with persons outside the agency to obtain their views on the availability of data, frequency of collection, clarity of instructions and recordkeeping, disclosure or reporting format, and on the data elements to be recorded, disclosed or reported. Explain any circumstances which preclude consultation every three years with representatives of those from whom information is to be obtained.**

No comments were received.

**9. Explain any decision to provide any payment or gift to respondents, other than remuneration of contractors or grantees.**

There is no payment or gift to respondents or remuneration of any kind.

**10. Describe any assurance of confidentiality provided to respondents and the basis for the assurance in statute, regulation, or agency policy.**

Information collected by the VA under 38 U.S.C. 7451(d) is not subject to disclosure under Section 552 of Title 5, U.S.C. Under VA policy, access to the data collected is restricted to employees who have a need to know and employees are subject to disciplinary action for violating the confidentiality of the data secured from a non-VA employer.

**11. Provide additional justification for any questions of a sensitive nature, such as sexual behavior and attitudes, religious beliefs, and other matters that are commonly considered private; include specific uses to be made of the information, the explanation to be given to persons from whom the information is requested, and any steps to be taken to obtain their consent.**

There are no questions of a sensitive nature contained in this survey.

**12. Estimate of the hour burden of the collection of information:**

**a.** Burden is estimated at 263

We estimate conducting 351 surveys annually (9 estimated hospitals per VA facility x 39 medical centers actually conducting surveys). The burden estimate is based on these 351 private sector hospitals responding to one 45 minute on-site survey annually. The 45 minute estimated completion time is based

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on discussions with program officials as to actual time it currently takes to collect the data. The VA Form 10-0132 is used by VA employees to record the responses received.

**b. If this request for approval covers more than one form, provide separate hour burden estimates for each form and aggregate the hour burdens in Item 13 of OMB 83-I.**

This request only involves one form.

**c. Provide estimates of annual cost to respondents for the hour burdens for collections of information. The cost of contracting out or paying outside parties for information collection activities should not be included here. Instead, this cost should be included in Item 14.**

The annual cost to the respondents is estimated at \$11,046. Estimate is based on 263 burden hours x \$42.00 per hour.

**13. Provide an estimate of the total annual cost burden to respondents or recordkeepers resulting from the collection of information. (Do not include the cost of any hour burden shown in Items 12 and 14).**

a. There are no capitals, start-up, operation or maintenance costs.

b. Cost estimates are not expected to vary widely. The only cost is that for the time of the respondent.

c. There are no anticipated capital start-up cost components or requests to provide information.

**14. Provide estimates of annual cost to the Federal Government. Also, provide a description of the method used to estimate cost, which should include quantification of hours, operation expenses (such as equipment, overhead, printing, and support staff), and any other expense that would not have been incurred without this collection of information. Agencies also may aggregate cost estimates from Items 12, 13, and 14 in a single table.**

The annualized cost to the government is estimated at \$24,193. The specific breakdown is summarized below.

<b>Number</b>	<b>Cost/hr</b>	<b>Employee</b>	<b>Min.</b>	<b>Perform</b>	<b>Equals</b>
351 surveys	\$43.58	RN, Nurse III	45	to conduct	\$11,472
351 surveys	\$29.59	Psnl Specialist, GS 11/5	45	to conduct	\$7,790
39 facilities	\$29.59	Psnl Specialist, GS 11/5	60	analyze/prepare salary schedules	\$1,154
351 surveys	\$14.43	Clerk Typist, GS 4/5	5	enter data	\$422
39 facilities	\$42.18	Psnl Director, GS 13/5	5	to review	\$137
39 facilities	\$82.51	Facility Director, SES III	60	review & approval	\$3,218
<b>TOTAL</b>					<b>\$24,193</b>

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**VA Form 10-0132, OMB Number 2900-0519**

**15. Explain the reason for any changes reported in Items 13 or 14 above. Note: OMB is referring to Items 13 and 14 on OMB Form 83-I and not the supporting statement Items 13 and 14.**

PL 106-419 modified the law to allow VA to use third party salary sources. It also eliminated the mandatory annual survey requirement. These two factors have significantly reduced the amount of data collection VA must perform. Facilities now seek survey data only when they believe they need to review the competitiveness of their pay rates. In many instances, they are able to accomplish this through the use of third party salary data. In a recent one year period, only 50 VA facilities collected nurse salary data..

**16. For collections of information whose results will be published, outline plans for tabulation and publication. Address any complex analytical techniques that will be used. Provide the time schedule for the entire project, including beginning and ending dates of the collection of information, completion of report, publication dates, and other actions.**

This information collection is for statistical purposes to allow VA to determine the rates of pay for registered nurses, nurse anesthetists, and other health-care personnel, and will be used for internal program use. The information will not be published.

**17. If seeking approval to omit the expiration date for OMB approval of the information collection, explain the reasons that display would be inappropriate.**

The expiration date serves no useful purpose as the form is not distributed outside the VA system.

**18. Explain each exception to the certification statement identified in Item 19, "Certification for Paperwork Reduction Act Submissions," of OMB 83-I.**

There are no exceptions.