

EXTENSION OF AUTHORITY OF SECRETARY OF VETERANS AFFAIRS WITH  
RESPECT TO DETERMINATION OF LOCALITY SALARIES FOR CERTAIN  
NURSE ANESTHETIST POSITIONS IN THE DEPARTMENT OF VETERANS  
AFFAIRS

—————  
AUGUST 2, 1995.—Committed to the Committee of the Whole House on the State  
of the Union and ordered to be printed

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Mr. STUMP, from the Committee on Veterans' Affairs,  
submitted the following

R E P O R T

[To accompany H.R. 1536]

[Including cost estimate of the Congressional Budget Office]

The Committee on Veterans' Affairs, to whom was referred the bill (H.R. 1536) to amend title 38, United States Code, to extend for two years an expiring authority of the Secretary of Veterans Affairs with respect to determination of locality salaries for certain nurse anesthetist positions in the Department of Veterans Affairs, having considered the same, reports favorably thereon without amendment and recommends that the bill do pass.

INTRODUCTION

The Subcommittee met on May 11, 1995 and recommended H.R. 1536 to the full Committee. The full Committee met on June 15, 1995 and ordered H.R. 1536 reported favorably to the House by unanimous voice vote.

SUMMARY OF THE REPORTED BILL

H.R. 1536 would:

1. Amend section 7451(d)(3)(C)(iii) of title 38, United States Code for a 2-year period by striking out "April 1, 1995" and inserting in lieu thereof "December 31, 1997".

2. The extension gives VA medical center directors the authority to use nurse anesthetist contract agency compensation data to ad-

just locality-based nurse anesthetist pay rates where a VA locality survey provides insufficient data.

#### BACKGROUND AND DISCUSSION

With the Department of Veterans Affairs Nurse Pay Act, Public Law 101-366, Congress in 1990 established a "locality pay" system for setting rates of pay for registered nurses. The pay system vests the director of each VA hospital with authority to establish basic pay rates for nurses at levels to enable that facility to be competitive with other health care facilities in the same labor market in recruitment and retention of nurses. The sweeping changes introduced in P.L. 101-366 and questions regarding VA's administration of the new law prompted extensive congressional oversight. This led Congress in 1992 to adopt amendments refining the 1990 Act.

Among the problems brought to Congress' attention was a unique issue affecting the rates of pay of VA nurse anesthetists. Data indicated that the mechanism provided in P.L. 101-366 failed to provide an adequate means for determining the rates of pay for nurse anesthetists in the pertinent labor market. Under the Nurse Pay Act, VA officials were required to determine pay rates by reference to rates of pay for corresponding health care professionals employed in non-VA facilities. Prevailing practice for many hospitals, however, is to contract for such services. VA maintained that it could not under law consider the pay of such contractor employees in determining appropriate pay for VA nurse anesthetists, and was often unable to fairly compensate its nurse anesthetists. Accordingly, provisions of the Veterans Health Care Act of 1992, Public Law 102-585, authorized VA to use salary data from any employer of nurse anesthetists as a means of setting appropriate locality pay rates for these skilled practitioners. The authority to use salary data from sources other than a health care facility ran only through March 1995. The Secretary of Veterans Affairs by letter of March 3, 1995, transmitted to the Speaker of the House a draft bill which would have extended the authority through 1999. H.R. 1536 would extend that authority through 1997.

Because of nurse anesthetists' ability to command higher levels of compensation, it is important for VA medical centers to have the continued flexibility this extension would permit.

#### OVERSIGHT FINDINGS

No oversight findings have been submitted to the Committee by the Committee on Government Reform and Oversight.

#### CONGRESSIONAL BUDGET OFFICE COST ESTIMATE

The following letter was received from the Congressional Budget Office concerning the cost of the reported bill:

U.S. CONGRESS,  
CONGRESSIONAL BUDGET OFFICE,  
*Washington, DC, June 20, 1995.*

Hon. BOB STUMP,  
*Chairman, Committee on Veterans' Affairs,  
House of Representatives, Washington, DC.*

DEAR MR. CHAIRMAN:

The Congressional Budget Office has reviewed H.R. 1536, a bill to amend title 38, United States Code, to extend for two years an expiring authority of the Secretary of Veterans' Affairs with respect to determination of locality salaries for certain nurse anesthetist positions in the Department of Veterans Affairs, as ordered reported by the House Committee on Veterans' Affairs on June 15, 1995.

The bill would have no significant cost to the federal government. H.R. 1536 would not affect the budgets of state or local governments, nor would it be subject to pay-as-you-go procedures under section 252 of the Balanced Budget and Emergency Deficit Control Act.

If you wish further details on this estimate, we will be pleased to provide them.

Sincerely,

JUNE E. O'NEILL,  
*Director.*

INFLATIONARY IMPACT STATEMENT

The enactment of the reported bill would have no inflationary impact.

CHANGES IN EXISTING LAW MADE BY THE BILL, AS REPORTED

In compliance with clause 3 of rule XIII of the Rules of the House of Representatives, changes in existing law made by the bill, as reported, are shown as follows (existing law proposed to be omitted is enclosed in black brackets, new matter is printed in italics, existing law in which no change is proposed is shown in roman):

**SECTION 7451 OF TITLE 38, UNITED STATES CODE**

**§ 7451. Nurses and other health-care personnel: competitive pay**

- (a) \* \* \*
- \* \* \*
- (d)(1) \* \* \*
- \* \* \*
- (3)(A) \* \* \*
- \* \* \*
- (C)(i) \* \* \*
- \* \* \*

(iii) The authority of the director to use such additional data under this subparagraph with respect to certified registered nurse anesthetists expires on **[April 1, 1995]** *December 31, 1997*.

\* \* \* \* \*

