

**GENERAL PAY INCREASE AND SPECIAL RATES APPROVED UNDER TITLE 38
UNITED STATES CODE § 7455**

1. REASON FOR ISSUE: This Veterans Health Administration (VHA) directive states authority to ensure adequate staffing or competitive pay rates.

2. SUMMARY OF MAJOR CHANGES: This VHA directive:

a. Includes additional definitions (see paragraph 3).

b. Updates responsibilities for the Director of Workforce Management and Consulting, Human Resources Center of Expertise; Veterans Integrated Service Network (VISN) Director and the Department of Veterans Affairs (VA) medical facility Director (see paragraph 5).

3. RELATED ISSUES: VA Handbook 5007/60, Pay Administration, dated October 16, 2020.

4. RESPONSIBLE OFFICE: VHA Workforce Management and Consulting (WMC), Human Resources Center of Expertise (HR CoE) (106A1) is responsible for the contents of this directive. Questions may be addressed to VHA, WMC, HRCOE, Compensation Group at VHA106AWMCHRCOECompensation@va.gov.

5. RESCISSIONS: VHA Directive 1999, General Pay Increase and Special Rates Approved Under Title 38 United States Code (U.S.C.) 7455 (Report Control Number (RCN) 05-0827), dated November 20, 2014, is rescinded.

6. RECERTIFICATION: This VHA directive is scheduled for recertification on or before the last working day of August 2026. This VHA directive will continue to serve as national VHA policy until it is recertified or rescinded.

**BY DIRECTION OF THE OFFICE OF THE
UNDER SECRETARY FOR HEALTH:**

/s/ Steven Lieberman, MD, MBA, FACHE
Acting Deputy Under Secretary for Health

NOTE: All references herein to VA and VHA documents incorporate by reference subsequent VA and VHA documents on the same or similar subject matter.

DISTRIBUTION: Emailed to the VHA Publication Distribution List on August 20, 2021.

CONTENTS

**GENERAL PAY INCREASE AND SPECIAL RATES APPROVED UNDER TITLE 38
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1. PURPOSE.....	1
2. BACKGROUND.....	1
3. DEFINITIONS	1
4. POLICY	1
5. RESPONSIBILITIES	1
6. TRAINING	3
7. RECORDS MANAGEMENT.....	3
8. REFERENCES.....	3
APPENDIX A	
SAMPLE FORMAT FOR CERTIFICATION THAT AN INCREASE IN SPECIAL RATES IS NOT NECESSARY	A-1

**GENERAL PAY INCREASE AND SPECIAL RATES APPROVED UNDER TITLE 38
UNITED STATES CODE § 7455**

1. PURPOSE

This Veterans Health Administration (VHA) directive authorizes approval of a general pay increase equal to the amount of the basic General Schedule (GS) increase effective for employees being paid special rates authorized under 38 U.S.C. § 7455, when necessary to ensure adequate staffing or competitive pay rates. **AUTHORITY:** 38 U.S.C. § 7455.

2. BACKGROUND

Title 38 U.S.C. § 7455 provides the Secretary of Veterans Affairs (VA) with the authority to establish or increase special rates for individuals employed in positions listed in 38 U.S.C. § 7401(1) and (3), for VHA GS health care personnel and for VHA police officers when necessary for recruitment and retention purposes. VA Handbook 5007/60, Pay Administration, dated October 16, 2020, delegates this authority to VA medical facility Directors.

3. DEFINITIONS

a. **Special Rate.** Special rate is an increase in the rate of basic pay through a special rate range.

b. **VHA General Schedule Health Care Personnel.** VHA GS health care personnel are employees providing direct patient care services or services incident to direct patient care; except hybrid employees in occupations listed in 38 U.S.C. § 7401(3).

4. POLICY

It is VHA policy to authorize a general pay increase equal to the amount of the basic GS increase for employees being paid special rates authorized under 38 U.S.C. § 7455 when the increase is necessary to ensure adequate staffing or competitive pay and local funds are available to support the amount of the adjustment.

5. RESPONSIBILITIES

a. **Under Secretary for Health.** The Under Secretary for Health is responsible for ensuring overall VHA compliance with this directive.

b. **Deputy Under Secretary for Health.** The Deputy Under Secretary for Health is responsible for supporting Workforce Management and Consulting (WMC) with implementation and oversight of this directive.

c. **Assistant Under Secretary for Health for Operations.** The Assistant Under Secretary for Health for Operations is responsible for:

(1) Communicating the contents of this directive to each of the Veterans Integrated Service Networks (VISNs).

(2) Assisting VISN Directors to resolve implementation and compliance challenges in all VA medical facilities within that VISN.

(3) Overseeing VISN compliance with this directive, relevant standards and applicable regulations.

d. **Director, Workforce Management and Consulting, Human Resources Center of Expertise.** Consistent with VA Handbook 5007/60 and Human Resources Management Letter (HRML) No. 05-18-14, the Director, WMC, Human Resources Center of Expertise (HR CoE), is responsible for:

(1) Notifying VISN Compensation Centers of Excellence (CCOE) in advance regarding the Title 38 annual review of special rates and providing a due date for the required certification in the event that an increase is not necessary.

(2) Confirming receipt of VA medical facility certification requests.

(3) Ensuring compliance with this directive through appropriate monitoring activities.

e. **Veterans Integrated Service Network Director.** The VISN Director, through the VISN CCOE, is responsible for ensuring that all VA medical facilities within the VISN comply with this directive.

f. **Veterans Integrated Service Network Chief Human Resources Officer.** The VISN Chief Human Resources Officer, through the VISN CCOE is responsible for:

(1) Compiling a summary of special rate tables in effect at VA medical facilities falling under their jurisdiction.

(2) Ensuring the appropriate VA medical facility liaison receives notification of the requirement to complete the annual review.

(3) Ensuring that VA medical facility Directors submit certifications within the designated timeframe when a determination that an increase is not necessary is made.

(4) Ensuring CCOE staff coordinate and process signed certifications received by the VISN Director.

g. **VA Medical Facility Director.** The VA medical facility Director is responsible for:

(1) Providing oversight to ensure that the VA medical facility is in compliance with this directive.

(2) Reviewing a summary of the special rate authorizations as part of an annual review to determine if an increase is necessary and completing the required certification if no increase is warranted.

(3) Notifying in writing the local exclusive labor union and employees of any decision not to authorize an increase. If an adjustment is not necessary, the VA medical facility Director must ensure that:

(a) Signed certifications are formatted in the manner shown in Appendix A of this directive.

(b) Signed certifications are submitted to the VISN Director (10N_/055) for coordination and processing by the certification due date designated by VHA Human Resources Management. **NOTE:** *Certification due dates will be issued annually in October along with the notice of special rate authorization summary.*

(4) Ensuring copies of signed certifications are forwarded to VA Office of the Chief Human Capital Officer (OCHCO), Compensation and Classification Service through administrative channels. If a certification stating that “an increase is not necessary” is not received and confirmed by OCHCO Compensation and Classification Service by the certification due date, the occupation will receive the GS increase. Increases granted as a result of a certification received after the annual certification due date may not be rescinded.

NOTE: *If the VA medical facility Director certifies that an increase is not necessary for a special rate established under the fixed percentage supplement method, a new authorization must also be submitted to reduce the fixed percentage supplement rate. It is important to indicate on the certification form (see Appendix A of this directive) whether or not the special rate was established with a fixed percentage supplement. WMC, HR CoE will contact the VISN CCOE in order to provide additional instructions for submitting a new authorization.*

6. TRAINING

There are no formal training requirements associated with this directive.

7. RECORDS MANAGEMENT

All records regardless of format (e.g., paper, electronic, electronic systems) created by this directive shall be managed as required by the National Archives and Records Administration (NARA) approved records schedules found in VHA Records Control Schedule 10-1. Questions regarding any aspect of records management should be addressed to the appropriate Records Manager or Records Liaison.

8. REFERENCES

a. 38 U.S.C. § 7455.

b. VA Handbook 5007/60, Pay Administration, dated October 16, 2020.

c. Human Resources Management Letter No. 05-18-14, Technical Review Process for Special Salary Rate and Nurse Locality Pay System Schedules for Title 38 and Hybrid Title 38 Occupations Authorized Under 38 U.S.C. 7455.

August 5, 2021

VHA DIRECTIVE 1999
APPENDIX A

**SAMPLE FORMAT FOR CERTIFICATION THAT AN INCREASE IN SPECIAL RATES
IS NOT NECESSARY**

I certify that existing special rates are competitive and an increase equivalent to the general schedule increase is not necessary to maintain adequate staffing.

Occupation: Medical Technologist, GS-0644

Schedule/Table Number: AB12

Established with Fixed Percentage Supplement: ☐ Yes ☐ No

Reason: Current rates are competitive with non-Federal health care facilities.

1. Signature of certifying Official:

(Facility Director)

2. Facility:

(Enter Facility Name and Station Number)

3. Human Resources Management Service (HRMS) Information:

Name of HRMS Point of Contact: _____

(Enter Full Name)

Telephone Number: _____

Email Address: _____

Date of Request: _____