


## City of Alexandria, Virginia

## MEMORANDUM

DATE: JUNE 6, 2012

TO: THE HONORABLE MAYOR AND MEMBERS OF CITY COUNCIL

FROM: RASHAD M. YOUNG, CITY MANAGER 

SUBJECT: CONSIDERATION OF THE CREATION OF A MEDICAL SALARY SCALE AND AN INCREASE TO THE TOTAL COMPENSATION PACKAGE PAID TO CITY PSYCHIATRISTS

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**ISSUE:** City Council consideration of the establishment of a Medical Salary Scale and an enhanced compensation package to assist in the retention and recruitment of qualified Psychiatrists for the Department of Community and Human Services.

**RECOMMENDATION:** That City Council:

- (1) Approve a separate Medical Salary Scale; and
- (2) Authorize the City Manager to increase the total compensation for Psychiatrists to align with the market as specified in the attached proposed Medical Salary Scale.

**BACKGROUND:** The Department of Community and Human Services (DCHS) has significant difficulty attracting and retaining qualified Psychiatrists. The vacancies created by this problem have resulted in an inability to provide regular and timely psychiatric care to City residents with mental illness. Staff and consultant research indicates that the recruitment and retention difficulties are substantially due to the current inadequate salary and compensation package offered to City Psychiatrists.

Market conditions have made the recruitment and retention of qualified Psychiatrists extremely challenging. The Psychiatrist labor force is shrinking and competition for sourcing, hiring, and retaining this talent is significant. DCHS has had historic difficulty recruiting and retaining qualified Psychiatrists. The department has not been fully staffed with Psychiatrists since September 2011.

DCHS is particularly in need of specialists in child psychiatry, forensic psychiatry, geriatric psychiatry, clinical psychopharmacology and geriatric medicine. As of late, the Department has been unable to hire any of these specialists. Persons who are Board certified in these specialty

areas are more difficult to find, hire, and retain because of the higher level of skill and knowledge required. Typical qualifications for a Psychiatrist include completing medical school, four years of a post-graduate residency in Psychiatry, passing an American Board of Psychiatry and Neurology (ABPN) certification examination and obtaining a Medical License from the State in which the Psychiatrist intends to practice. To receive a subspecialty designation such as the ones commonly needed by the City, one must complete additional intensive training and pass additional qualifying examinations.

In September 2011, the DCHS began a recruitment effort for Psychiatrists which has largely been unsuccessful. A number of strategy meetings were held between DCHS and Human Resource's staff to consider different approaches to resolving recruitment challenges. As a result, the DCHS engaged a focused advertising strategy which promotes the City's benefit packages and the unique benefits of working for DCHS (e.g., Monday-Friday work schedule, no "on call" or weekend requirements). DCHS also performed outreach efforts to various regional and national psychiatric associations, sent recruitment announcements to every medical school in Virginia, Maryland and Washington DC, engaged in professional networking with colleagues around the region and other regional Community Services Board Medical Directors, and explored the process for the City to become an H1B Visa sponsor.

While these recruitment strategies have achieved the goal of reaching a broader audience, as evidenced by receipt of a few applications, new hires have not resulted from these efforts to-date. Typically applicants for the positions are insufficiently qualified or, for a variety of reasons, withdraw from the process during the course of review.

The City has previously made efforts to address difficulties in recruiting Psychiatrists. A stipend system was created in FY 2001 in an attempt to increase the total salary of City Psychiatrists without significantly affecting the City's General Salary Scale. Based on the level of certifications and specialties, stipends ranged from \$5,000-\$15,000. Stipend-eligible classes include: Clinical Psychiatrist, Senior Clinical Psychiatrist (Medical Director), and Medical Supervisor. In 2011, an increase to the stipend structure was approved permitting stipends between \$10,000-\$30,000, depending on certifications and specialties. Even with the increased stipend, DCHS is still experiencing challenges attracting applicants because our total salary (salary plus stipend) remains less than what the City's comparators offer for the position.

To manage during this time of shortage, the Department has implemented various approaches to meet the demand of those clients most in need. Because of a shortage of psychiatric hours, the Department has created wait lists for those most in need and has closed the cases of many others. Currently the DCHS has approximately 70 clients on its wait list for psychiatric services. As a stop-gap measure intended to meet the most basic and urgent needs, the Department recently has utilized temporary psychiatrists at a cost of \$1,300 per day.

Suspecting that the pay scales for medical staff were not in line with market salaries and that this was negatively affecting recruitment and retention, the Department in 2008 contracted with a consultant to compare the working conditions, benefits and salaries of the Department's health care professionals with the City's comparators. The study confirmed that on average the Department's salary ranges for licensed and/or certified healthcare occupations were below

market at the minimum, the midpoint, and the maximum salary range. In order for the salary for a Psychiatrist to reach market average at the midpoint, a 27% increase was needed.

More recently, research completed by the City’s Human Resource Department found that all four surrounding jurisdictions offer higher total salary (salary plus stipends) packages for Psychiatrists than what is offered in Alexandria. In addition to the City paying less than the average minimum and maximum base pay, the City also pays \$26,623 less than the average maximum for a Board Eligible physician, \$25,083 less than the average maximum for a Board Certified physician and \$21,939 less than the average maximum for a Specialty Certified physician. The table below shows specific comparisons of Alexandria and our comparators.

**Comparison of Alexandria Psychiatrists to Comparators**

<b>Jurisdiction</b>			<b>Board Eligible</b>	<b>Board Certified</b>	<b>Specialty Certified</b>	
<b>Alexandria GS – 29</b>	<b>Minimum</b>	\$79,663	\$89,663	\$99,663	\$109,663	
	<b>Maximum</b>	\$137,949	\$147,949	\$157,949	\$167,949	
<b>Arlington</b>	<b>Minimum</b>	\$76,211	\$76,211	\$76,211	\$76,211	
	<b>Maximum</b>	\$206,170	\$206,170	\$206,170	\$206,170	
<b>Fairfax</b>	<b>Minimum</b>	\$87,071	\$114,571	\$119,571	\$124,571	
	<b>Maximum</b>	\$145,118	\$172,618	\$177,618	\$182,618	
<b>Montgomery</b>	<b>Minimum</b>	\$94,692	\$104,160	\$114,575	\$126,033	
	<b>Maximum</b>	\$144,015	\$158,416	\$174,256	\$191,682	
<b>Prince William*</b> <b>*\$5,000 for each ABPN Specialty</b>	<b>Minimum</b>	\$94,429	\$104,429	\$117,429	\$122,429	
	<b>Maximum</b>	\$151,086	\$161,086	\$174,086	\$179,086	
	<b>Average</b>	<b>Minimum</b>	\$88,101	\$99,843	\$106,946	\$112,311
	<b>Average</b>	<b>Maximum</b>	\$161,597	\$174,572	\$183,032	\$189,889
	<b>Alexandria deviation from average Minimum</b>		(\$8,438)	(\$10,180)	(\$7,284)	(\$2,648)
	<b>Alexandria deviation from average Maximum</b>		(\$23,648)	(\$26,623)	(\$25,083)	(\$21,939)

**FISCAL IMPACT:** The cost estimate for implementing the Medical Salary Scale ranges from \$66,300-\$172,000 depending on the certifications and specialties of the Psychiatrists who fill the existing vacancies (totaling 1.75 FTEs at this time). The lower estimate (\$66,300) assumes both vacancies are filled with Board Eligible Psychiatrists at the midpoint of the scale, while the higher estimate (\$172,200) assumes both vacancies are filled with Specialty Certified Psychiatrists at the maximum of the scale. The cost estimate includes the increases in pay and benefits associated with implementing the Medical Salary Scale.

The FY 2013 Approved Budget includes \$775,670 in salary, stipend, and benefits for Department’s Psychiatrist positions. Due to the critical health concerns of the Department’s

clients with mental illness, DCHS will reprioritize funding in FY 2013 if the existing budget for Psychiatrist positions is not sufficient to cover implementation of the proposed Medical Salary Scale.

**ATTACHMENT:** Proposed Medical Salary Scale

**STAFF:**

Michael Gilmore, Ph.D., Director, Department of Community and Human Services (DCHS)

Liz Wixson, Division Director, Clinical and Emergency Services, DCHS

William Mitchell, Assistant Director, Human Resources Department (HRD)

Ryan Touhill, Human Resources Manager, HRD

Debra Collins, Assistant City Manager

## Proposed Medical Salary Scale

<b>PHYSICIAN SCALE - PROPOSED FY 13</b>				
Grade		Minimum	Midpoint	Maximum
Level 1	<b>Board Eligible</b>	\$99,843	\$137,208	\$174,572
	<b>Board Certified</b>	\$106,946	\$144,989	\$183,032
	<b>Specialty Certified</b>	\$112,311	\$151,100	\$189,889
Level 2	<b>Board Eligible</b>	\$104,835	\$144,068	\$183,301
	<b>Board Certified</b>	\$112,294	\$152,239	\$192,184
	<b>Specialty Certified</b>	\$117,927	\$158,655	\$199,383

Specialty Certified is for ABPN specialty certification in child psychiatry, forensic psychiatry, geriatric psychiatry, clinical psychopharmacology and geriatric medicine.