

Department of Veterans Affairs  
White Paper on Podiatry Pay  
February 2017

The Department of Veterans Affairs (VA) requests your support and assistance in proposing legislation to revise 38 USC 7404 and 38 USC 7431 to include podiatrists in the physician and dentist pay system.

Modification of 38 USC 7431 is the most efficient way to address the pay deficiencies VA has for podiatrists as compared to their counterparts in the private sector. The VA podiatrist compensation package has remained unchanged since 1976, except for those changes that include adjustments for basic pay and locality rates. Meanwhile, clinical responsibilities of VA podiatrists have greatly expanded and podiatrists in the Veterans Health Administration (VHA) have assumed equivalent professional and administrative duties to other physician groups.

VA has identified podiatry as a profession that requires special attention in order to meet future patient care needs. There is a growing health care demand for primary and specialty podiatric services, especially among Veterans suffering from polytraumatic injuries, spinal cord injury, and limb amputation. This is in addition to the approximately 1.8 million Veterans (up 21% from 2015) who are receiving VHA care and are at risk for major foot wounds, infection and amputations.

All Amputation Risks As of Date: Apr 10, 2015	All Amputation Risks As of Date: November, 30, 2016	Increase/Decrease
1,509,771	1,828,565	+318,794 or 21%

The 41-year old law has significantly reduced VA's ability to provide Veterans with the most experienced providers, and instead forces the hire of younger and less experienced providers who tend to separate over pay issues just as they reach the pinnacle of their ability to provide the highest quality care to Veterans. The average delay in hiring new podiatric physicians is 14 months, with the majority (70% in FY 2016) without board certification. Additionally, 71 senior clinical podiatrists in over 40% of receiving locality pay have reached the legislatively capped rate of pay for the Level IV Executive Schedule limit of \$160,300; this has significantly limited compensation over the past decade for these highly productive and experienced providers. Furthermore, this salary cap serves as a disincentive in attracting, recruiting and retaining even recent graduates. Many newly graduated residency-trained podiatrists have significant student loan debt that greatly impacts their future career practice options, with an average indebtedness of \$194,000 excluding undergraduate debt.

The utilization of VA podiatric services is projected to increase due to increasing enrollment and eligibility. This underscores the need to attract and retain podiatrists who have the advanced training and experience necessary to meet the special needs of an aging Veteran population as well as the unique rehabilitation requirements for Veterans with visual impairment, amputations, poly-traumatic injuries, and traumatic brain injuries.

In 2005, a new pay system for Physicians and Dentists was enacted. This moved other physicians and dentists into a new pay structure from one which had been essentially the same as that for podiatry. This past year the House of Representatives passed HR 3016, which among other provisions called for including podiatrists in the definition of physician, consistent with CMS under Title 18. Placing podiatrists under the same definition as physicians and dentists and moving them to Title 38, U.S.C. Section 7431 pay tables would provide VA with the flexibility to competitively hire and compensate podiatrists, helping to ensure the highest quality of care for Veterans.

In conclusion, the following represent the major points supporting this change to 38 USC 7404 and 38 USC 7431.

- VA is having difficulty recruiting and retaining experienced providers due to low compensation.
- VA's limited ability to attract and retain experienced podiatric providers has affected access.
- With a projected increase in podiatry utilization, access challenges are likely to continue unless we are able to offer more competitive compensation for podiatric physicians.
- Experienced VA clinical podiatrists in over 40% of regions receiving locality pay have reached legislative caps.
- Podiatrists share the same inpatient, outpatient, OR, call, and rounding responsibilities as other physician professions.
- CMS defines podiatrists as physicians under Title 18.