

**Budget Committee on Human Services
Clinical Specialist Salaries – Human Service Centers
Senator Dever, Chairman
July 10, 2006**

Chairman Dever and members of the Budget Committee on Human Services, I am Nancy McKenzie, Statewide Human Service Center (HSC) Director. I am here today to provide you with follow-up information to our discussion at the May 31 and June 1, 2006 committee meetings regarding clinical staff salaries and market challenges.

Dean Mattern, Director of Human Resources for the Department of Human Services, has provided me with information concerning departmental turnover, recruitment challenges, and Job Service salary averages. He previously presented this information to the Employee Compensation and Benefits committee.

As noted in earlier testimony, the HSC's are experiencing increased turnover and recruitment difficulties. This is shown in our turnover rate, which is consistently measured, as well as in our documentation of reasons for resignations and for candidates turning down offers of employment with the Department.

Mr. Mattern has noted that the funding for our classification system has not allowed us to remain competitive within the broader job market. Each of the HSC Directors can identify several examples of clinical staff (addiction counselors, nurses, and social workers) who have accepted other employment for salaries of \$5,000 to \$15,000 per year more. In some specific cases, such as psychologists and psychiatrists, this amount is sometimes as much as \$30,000 – \$50,000 per year more.

Compression of salaries at the lower end of the grade range is also common within our system. The result is that experienced employees' salaries are not far above the starting salaries for less experienced new staff. The state as a whole has 63% of employees below midpoint in their range; DHS has 75%. We see the results of this when we are not able to hire an individual from other state or county agencies because they would have to take a pay reduction.

This limits salaries that we can offer prospective employees, regardless of their experience, and creates retention problems for experienced staff who see new coworkers begin employment with a salary at or near their own. Individuals in this situation find offers of new employment at higher salaries that will compensate them for their experience to be very attractive.

Because over 60% of our staff are licensed professionals, they are impacted by not only local salary competition, but regional markets as well. With 18% of DHS reaching retirement eligibility in the next three years, we are very concerned about our recruitment and retention issues.

The Committee requested information concerning salary levels for various clinical specialists at the HSC's compared to salary levels for similar positions in the private sector.

The following table shows information provided by Human Resources (salaries noted are monthly):

Class Code	Classification	HSC average	Job Service 2006 State average	Central States Weighted average	Range entry to midpoint
	Psychiatrist	\$13,856	\$14,543	\$11,908	\$0
4165	Psychologist	5,581	4,948	4,985	4106 to 5474
4133	Licensed Addiction Counselor	2,955	3,065	2,942	2459 to 3278
4213	Social Worker III	3,063	2,833	3,365	2459 to 3278
4142	Human Relations Counselor	2,798	2,833	3,365	2459 to 3278
4216	Advanced Clinical Specialist	3,129	3,088	3,365	2728 to 3637
3062	Registered Nurse	3,143	3,958	4,030	2459 to 3278

This information would suggest that DHS psychiatrists, psychologists, and addiction counselors are paid close to, or above, the average noted by ND Job Service and the Central States weighted average. However, I would note that there are factors not necessarily obvious in this information.

For example, the Job Service data for average salaries includes ND state employees. Because of the scope and breadth of our staffing across a statewide system, this is often a majority of the staff in that classification group. DHS is the largest provider of addiction services in North Dakota; thus, the average salary for DHS licensed addiction counselors, who make up a large percentage of the total, will look as though it meets the market average. What would be more

helpful would be to compare public with private sector salaries; that information is not provided by Job Service.

In the case of social workers and human relations counselors, that group also includes county staff. Although these are also part of the state classification system, the counties do have a step system that provides for movement within the range based on experience. As a result, we have been faced with not being able to attract experienced county staff because they would have to take a significant salary decrease, sometimes \$8,000 - \$10,000 per year.

In addition, it is important to note that average salaries also vary by regions within the state, sometimes by a substantial amount. So, while we strive to maintain some equity between staff of a similar classification, this may not keep us competitive on a statewide basis.

Some of the things we have done to recruit/retain staff have included: offering the traditional 6-month probationary increase up front at the time of hire; providing moving expenses where appropriate; giving market equity adjustments to identified classifications; providing retention bonuses to identified classifications; and providing departmental training stipends to individuals completing training to become Licensed Addiction Counselors (a total of \$60,000 per biennium is made available in \$5,000 awards).

The number of private providers available varies across the state. In general, the larger cities of ND have a broader range of private providers than the more rural areas of the state. In many cases, these providers are interested in serving a client population that is more stable, with shorter-term treatment needs; they are not equipped to provide the wraparound case management or crisis services that the HSC does for its seriously impaired clients.

Some current examples of contracting with private providers include:

SCHSC/Jamestown Addiction Counselors:

\$25/hour for retired counselors;

\$17-\$19/hour for State Hospital staff providing temporary evening work

Psychiatrists (statewide): \$107/hour - 140/hour

Psychology (statewide): \$65/hour (Master's level behavioral analyst)

\$90+/hour (Clinical Psychologist)

Typically, rates to private providers are higher; it is for that reason that counties and courts prefer to refer to the Human Service Centers for evaluations and other services. Availability of these providers to provide some contract services for DHS also varies, but we do utilize them to assist us when we experience recruitment difficulties; this has usually been on a temporary basis.

As I noted in previous testimony, it is not our mission to directly compete with private providers; rather, we typically serve a population that is not able to access those resources or needs a different level of care. We work collaboratively with private providers by making referrals to them as appropriate, and contracting with them to augment our continuum of care.

I hope this provides you with additional information as requested. I would be happy to answer any questions you may have.