## **EXHIBIT F.2**

## OFFICE OF PERSONNEL MANAGEMENT Administrator's Office

1509 West Seventh Street, Suite 201 Post Office Box 3278 Little Rock, Arkansas 72203-3278 Phone: (501) 682-1823 www.dfa.arkansas.gov

August 15, 2017

Senator John Cooper, Co-Chairperson Representative Les Eaves, Co-Chairperson Uniform Personnel Classification and Compensation Plan Subcommittee Arkansas Legislative Council State Capitol Building, Room 315 Little Rock, Arkansas 72201

## Dear Co-Chairs:

The Office of Personnel Management (OPM) presents requests from the Arkansas Department of Veterans Affairs (ADVA) and the Arkansas Department of Human Services (DHS) to establish certain compensation differentials pursuant Ark. Code Ann. §21-5-221.

The agencies listed above request the establishment of differentials with regard to the following classifications:

- L062C, Licensed Practical Nurse, GS06
- L069C, Licensed Practical Nurse Supervisor, GS07

ADVA and DHS request establishment of a differential of up to 10% for LPNs working in nursing home environments in their respective agencies. LPNs working in nursing home environments work under significantly different conditions than general LPN practitioners. In addition to caring for patients that require 24-hour institutional care for physical conditions, these employees also care for patients that may have significant mental disorders or disabilities. Additionally, the eligibility of facilities to receive payments from the Centers for Medicare & Medicaid Services (CMS) depend in part on facility nurses meeting CMS's care requirements. If applied at the maximum rate, OPM estimates that as many as 241 employees at the two agencies could be eligible to receive the differential at a cost of \$378,454. OPM also recommends that this differential replace geographic differentials for incumbents in these classifications.

The Office of Personnel Management has reviewed these requests from the Arkansas Department of Human Services and the Arkansas Department of Veterans Affairs and **recommends** establishment of the compensation differentials listed above.

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Your consideration of this request is greatly appreciated.

Sincerely,

Kan Burlull
Kay Barnhill State Personnel Administrator

Chief Fiscal Officer of the State

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Date

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