



**Department of Transformation and Shared Services**

Governor Sarah Huckabee Sanders

Secretary Joseph Wood

Director Kay Barnhill

August 23, 2023

The Honorable Breanne Davis, Co-Chairperson  
 The Honorable Mark Berry, Co-Chairperson  
 Uniform Personnel Classification and  
 Compensation Plan Subcommittee  
 Arkansas Legislative Council  
 State Capitol Building, Room 315  
 Little Rock, Arkansas 72201

Dear Senator Davis and Representative Berry:

The Office of Personnel Management (OPM) submits a request from the Arkansas Department of Human Services (DHS) to establish a geographic differential in accordance Arkansas Code Annotated § 21-5-225 for the Division of Disability Services (DDS)..

DHS has requested the establishment of up to 10% geographic area differential for the following classifications:

<u>Class Code</u>	<u>Classification</u>	<u>Grade</u>	<u>Salary Range</u>	<u>County</u>
L038C	Registered Nurse	MP01	\$63,830- \$88,058	Clark (AHDC) & Faulkner (CHDC)
L069C	Licensed Practical Nurse	GS06	\$36,155 – 52,424	Bradley (WHDC), Clark (AHDC), Craighead (JHDC), & Logan (BHDC)

This differential will be available to the above-listed classifications located at the identified HDC's only.

DHS is requesting this geographic differential in order to help retain qualified employees within the HDC's. The turnover in these locations for the above classifications range from 15%-140% in the past year. The agency has previously received approval for geographical differential of up to 10% for L096C Licensed Practical Nurse (GS06) for Pulaski, Faulkner and Saline counties only, and L038C Registered Nurse (MP01) for Conway, Benton, Monroe, Saline, St. Francis. Poinsett, Garland, Baxter, and Greene counties only.

Office of Personnel Management

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ARKANSAS  
DEPARTMENT OF  
HUMAN  
SERVICES

DHS Secretary Kristi Putnam  
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July 27, 2023

Kay Barnhill, State Personnel Director  
Department of Finance and Administration  
Office of Personnel Management  
501 Woodlane, Suite 201  
Little Rock, Arkansas 72201

RE: Geographical Differential, SFY 2024

Ms. Barnhill,

The Department of Human Services (DHS), Division of Developmental Disabilities (DDS), is requesting establishment of a geographical differential of up to 10% for the below nursing classifications. This will be for both new and existing employees so not to create inequity within grades.

Grade	Position Title	Class Code	Location
MP01	Registered Nurse (RN)	L038C	Clark (AHDC) & Faulkner (CHDC)
GS06	Licensed Practical Nurse (LPN)	L069C	Bradley (WHDS), Clark (AHDC), Craighead (JHDC) & Logan (BHDC)

DHS is experiencing a severe shortage of nurses at the Human Development Centers (HDC), and has had difficulty recruiting and retaining employees in the above classifications. For FY23, the turnover rate of RNs at Clark and Faulkner HDCs was 140%, compared to the overall state turnover rate of 15.6%. The turnover rate for LPNs at the HDCs is 40.48%, compared to the overall state turnover rate of 22.75%.

DHS already has approval to pay geographic differential for LPNs in Faulkner County, but is now requesting approval for the other locations in order to actively recruit these difficult to fill positions and retain existing trained and competent nurses. This would affect approximately 97 current employees and 45 vacant positions (when filled) at DDS and would have an estimated annual cost of \$700,000. Currently, the HDC's are utilizing nursing contracts at a significantly higher cost to DHS/DDS. The lowest cost LPN qualified to service all HDCs costs \$51.90/ hour (\$107,952 annually). The highest cost LPN is \$125,299 annually. The lowest cost RN qualified to service all HDCs costs \$60.90/ hour (\$126,672) annually. The highest cost RN is \$192,400 annually. DDS can save money and provide more consistent nurse staffing for our complex-needs populations at the HDCs by offering a 10% geographic pay for these classifications, thereby reducing utilization of the nursing contracts.

If you need further information, please do not hesitate to contact me. Your consideration and approval are greatly appreciated.

Very respectfully,

Kristi Putnam  
DHS Secretary