

Dollars in Thousands

	Current		Governor Recomm.		Biennium 2006-07
	FY2004	FY2005	FY2006	FY2007	
<u>Direct Appropriations by Fund</u>					
General					
Current Appropriation	30,030	30,030	30,030	30,030	60,060
Recommended	30,030	30,030	30,030	30,030	60,060
Change		0	0	0	0
% Biennial Change from 2004-05					0%
 <u>Expenditures by Fund</u>					
Direct Appropriations					
General	0	0	30,030	30,030	60,060
Statutory Appropriations					
Special Revenue	58,973	61,025	32,748	35,156	67,904
Federal	278	287	278	278	556
Miscellaneous Agency	1,560	1,525	1,514	1,514	3,028
Gift	741	822	776	776	1,552
Total	61,552	63,659	65,346	67,754	133,100
 <u>Expenditures by Category</u>					
Total Compensation	47,463	49,088	50,908	52,926	103,834
Other Operating Expenses	12,542	13,065	12,932	13,322	26,254
Capital Outlay & Real Property	9	0	0	0	0
Payments To Individuals	1,516	1,503	1,503	1,503	3,006
Local Assistance	2	3	3	3	6
Other Financial Transactions	20	0	0	0	0
Total	61,552	63,659	65,346	67,754	133,100
 <u>Expenditures by Program</u>					
Veterans Homes	61,552	63,659	65,346	67,754	133,100
Total	61,552	63,659	65,346	67,754	133,100
 <u>Full-Time Equivalent (FTE)</u>					
	890.3	888.2	888.2	888.2	

Agency Purpose

The mission of the Veterans Homes Board is to assure the commitment of government to provide the highest possible quality programs for health care, supportive service, and housing to our Minnesota Veterans and their spouses while developing new and innovative solutions to meet the challenges of changing times.

M.S. 198.01 charges the Veterans Homes to "provide nursing care and related health and social services to veterans and their spouses who meet eligibility and admission requirements." Veterans eligible for admission to our homes must have either "served in a Minnesota regiment or have been credited to the state of Minnesota, or have been a resident of the state preceding the date of application for admission." There are approximately 442,000 veterans in the state so one of every nine Minnesotans meets this criterion. Spouses of eligible veterans are also eligible for admission if they are "at least 55 years of age, and have been residents of the state of Minnesota preceding the date of application for their admission." Veterans or spouses must be unable by reason of wounds, disease, old age, or infirmity to properly care for themselves.

At A Glance

- ◆ FY 2004-05 Operating Budget - \$119.5 million with revenues from
 - ⇒ 51% State Appropriation
 - ⇒ 23% Department of Veterans Affairs (USDVA) Per Diems
 - ⇒ 26% Patient Pay
- ◆ 952 Operating Beds
- ◆ 98% Occupancy Statewide

Core Functions

There are five Veterans Homes operating in Minnesota. These include skilled nursing beds at Minneapolis, Silver Bay, Luverne, and Fergus Falls with domiciliary beds at Minneapolis and Hastings. The Minneapolis facility operates a 16-bed inpatient dual-diagnosis program for homeless veterans. Hastings has a transitional housing program for veterans who have been previously homeless. Both of these programs are funded jointly by the U.S. Department of Housing and Urban Development (HUD) and the State Veterans Home. Services provided are listed below:

- | | |
|---|------------------------------|
| ◆ skilled nursing | ◆ domiciliary (board & care) |
| ◆ special care units – Dementia & Alzheimer's | ◆ hospice |
| ◆ physical therapy | ◆ social services |
| ◆ occupational therapy | ◆ work therapy |
| ◆ speech therapy | ◆ drug & alcohol treatment |
| ◆ recreational therapy | ◆ transitional care |
| ◆ chiropractic (with doctor's order) | ◆ spiritual care |
| ◆ dental | ◆ volunteer programs |
| ◆ podiatry | ◆ mental incentive |
| ◆ optometry exams | ◆ homeless programs |
| ◆ outpatient services (Fergus Falls–Department of Veterans (USDVA) community based outpatient clinic) | |

The agency's core values are:

- ◆ quality performance;
- ◆ customer satisfaction;
- ◆ public acceptance; and
- ◆ pursuit of excellence.

Operations

A nine-member board is appointed by the governor whose responsibility is to oversee the management of the agency. An executive director is hired by the board and is responsible for all operational aspects of the agency. Board staff provide leadership and oversight of functional areas which include human resources, financial management, audit, quality assurance, legislative and public affairs, project management, safety, veterans benefits, legal, and computer systems management. Administrators provide day-to-day leadership to the five

facilities located throughout the state. Each facility is organized into functional units based upon size and type of patient care delivered. Typical skilled care facilities encompass nursing, dietary, housekeeping, social services, therapeutic recreation, facility maintenance, administration, admissions, business office, mental health, speech, physical and occupational therapy, chaplain, and other services provided through contractual arrangements. Board and care facilities focus medical and mental health management, substance abuse treatment and counseling, and transitional services.

Budget

The agency's operating funds generally come from three sources - state appropriations (51%), patient pay amounts (26%), and USDVA per diems (23%). The agency's two primary sources of revenue include federal per diem payments and resident maintenance charges, which, when combined with the General Fund appropriation, fund the operations of the homes. Fluctuations in federal per diems and patients' ability to pay the full cost of care put pressure on the state appropriation. Federal law sets USDVA per diem payments annually.

Resident maintenance charges are established as set forth in Minnesota Rules Chapter 9050. A monthly cost of care is first determined for each facility and each level of care. Residents are then billed the monthly charge, subject to income limitations, marriage status, and spousal needs.

Contact

Minnesota Veterans Homes

Sandy Larson
Phone: (651) 296-2073.

The Minnesota Veterans Homes web site at www.mvh.state.mn.us gives visitors important information about the Veterans Homes. Types of information available through the site include history, bed availability, rules, agency initiatives, board meeting minutes, newsletters, vacancy data, and board member information. Applications can also be downloaded.

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Program Description

The veteran’s homes provide skilled nursing care, special care units for the treatment of Alzheimer’s, domiciliary (board and care) care, and residential programs for homeless veterans. These services are provided in veterans homes located in Minneapolis, Hastings, Silver Bay, Luverne, and Fergus Falls. The board office, located in St. Paul, houses a centralized management team that supports the homes and the board of directors.

Nursing home care includes a range of diagnostic, therapeutic, rehabilitative, and compassionate end-of-life care in an residential setting staffed by nursing personnel who are delivering services specified by interdisciplinary plans of care developed for the purpose of resorting, optimizing and/or maintaining patients’ level of function, personal autonomy, and dignity. This care encompasses a range of intensities of service provision, reflecting the range of patients’ needs as determined by multidisciplinary clinical assessments undertaken in a manner consistent with prevailing community practices and standards.

Domiciliary Care is a residential rehabilitation program that provides short-term bio-psychosocial rehabilitative and long-term bio-psychosocial health maintenance care for veterans who require minimal medical care.

Homeless services are offered to veterans with multiple diagnosis in a long-term residential setting with the goal of reintegration back into mainstream society.

The **Minneapolis Veterans Home** was established as the Minnesota Soldiers Home in 1887 to house union soldiers of the Civil War and has continued in operation since that date. The home offers skilled care, a special care unit for the treatment of Alzheimer’s, domiciliary care and homeless services and is located in south Minneapolis bordered by Wabun Park, the Mississippi River and Minnehaha Creek near the Falls. This scenic setting provides a wonderful backdrop for 17 buildings that are located on the grounds. In 1989, many of the buildings and the campus grounds were placed on the National Register of Historic Places.

The **Hastings Veterans Home** became a veteran’s home in 1978 after originally being a state hospital. The 140-acre site contains 16 buildings that date to the early 1900s. The home provides basic board and care with expanded clinical and programmatic services in the areas of chemical dependency, dual diagnosis aftercare, mental health care, job training, and general assistance to an aged population. In addition, the home provides a transitional living program with emphasis on rehabilitation and reintegration into the community.

The **Silver Bay Veterans Home** is located on Minnesota's north shore just north of Two Harbors in Lake County. This nursing facility was originally built as an elementary school in 1953. Upon receipt of a federal grant, legislation in 1989 authorized the retrofit of the facility. The home provides a full range of skilled nursing care and related support services including rehabilitation services, mental health services, and special needs transportation. In addition, the facility has a special care unit for our Alzheimer/dementia population. The home's recently expanded dementia unit wander area and tactile gardens are complemented by the Comfort Care model of caring for persons with dementia related disorders.

The **Luverne Veterans Home** was a newly constructed facility that opened in 1994. It was funded through a combination of federal and local funds. The home is a skilled care facility that has established a dementia program, a strong restorative care program, and has incorporated an Eden Alternative philosophy into their programming. This philosophy emphasizes a more home-like atmosphere with the use of plants and animals as opposed to the traditional institutional setting. The facility is being increasingly used as a clinical site for nursing

Program at a Glance

- ◆ 888 FTEs
 - ⇒ Minneapolis – 461
 - ⇒ Hastings – 94
 - ⇒ Silver Bay – 109
 - ⇒ Luverne – 102
 - ⇒ Fergus Falls – 107
 - ⇒ Board - 15

- ◆ 954 Operating Beds
 - ⇒ Minneapolis – 346 skilled nursing beds, 61 domiciliary beds
 - ⇒ Hastings – 200 domiciliary beds
 - ⇒ Silver Bay – 89 skilled nursing beds
 - ⇒ Luverne – 85 skilled nursing beds
 - ⇒ Fergus Falls – 85 skilled nursing beds

and other health care occupational training and education. For primary health care services the home is affiliated with the Veterans Affairs Medical Center in Sioux Falls and the Luverne Medical Center.

The **Fergus Falls Veterans Home** is a skilled nursing care facility and is Minnesota's newest home. Like Luverne, it was also funded through a combination of federal and local funds. They received their first resident in March of 1998 and are currently maintaining a lengthy waiting list. A highlight is the Main Street. It is a part of the facility that is designed like an old town Main Street with many of the rooms finished to the period 1930 to 1940. Along the Main Street is a barber shop, general store, library, family inn, and clinical exam rooms. The clinic is established under a shared use agreement with the Department of Veterans Affairs and is the first Veterans Affairs Nurse Practitioner nursing home based clinic in the nation. New concepts of nursing care have also been introduced with their innovative Nursing Universal Worker position. This increases the accountability of nursing personnel and expands their sphere of influence over the care of the residents. The outcome is that the resident has better and more consistent care.

The Board of Directors continues to work with federal, state, local, and private agencies to develop institutional and non-institutional care programs for veterans and to develop a geriatric research and teaching mission in collaboration with the U.S. Department of Veteran Affairs (USDVA) and other medical education facilities.

Population Served

There are 442,000 veterans in Minnesota and it is anticipated that this population will decrease by approximately 35% over the next 20 years. While the veteran population is expected to decrease over the next 20 years, the number of veterans 75 and older will grow 9% from today's rates.

At least 50% of the patients cared for in veteran's homes are between the ages of 75-84 and 21% over the age of 85. This is compared to private sector long-term care where approximately 31% are between the ages of 75-84 and 52% over 85. In addition, the veteran population is 86% male as compared to 27% in the private sector. Case mix (a standard measure of level of care requirements) in the state averages 2.51 while the veteran's homes ranges from 2.5 to 2.8. The top five primary diagnosis for skilled care in the veterans homes system is dementia, alzheimer's, coronary vascular disease, diabetes, chronic obstructive pulmonary disease. For domiciliary care the top five primary diagnosis are alcohol dependence/abuse, chronic obstructive pulmonary disease, hypertension, and diabetes. As a result of factors such as age, gender, case mix, diagnosis, and demographic changes, this agency has developed programs to meet the needs of the aging veteran population and has developed a strategic plan for future health care demands. It has also considered existing services for veterans provided by the USDVA and others to limit duplication of services, conducted gap analysis to identify unmet needs, and considered the strategic direction of the state's long-term care task force recommendations to develop future planning initiatives.

Services Provided

The mission of the Veterans Homes Board is to provide high quality care through a variety of programs in both skilled nursing and domiciliary levels of care.

Nursing home care provides physician, nursing, rehabilitative, dietetic, pharmaceutical, psychosocial, and spiritual service to residents in facilities that are reviewed and certified by the USDVA and licensed by the Department of Health. Residents of nursing homes are dependent in instrumental and basic activities of daily living and require frequent, and often intense, skilled nursing and/or medical interventions.

Domiciliary Care provides care in a semi-structured, homelike residential environment for patients with a medical, mental health, and/or substance abuse diagnosis where a positive therapeutic milieu stresses mutual patient support, development of psychosocial and vocational skills, progressive independence and community integration. Each patient's needs are addressed through a comprehensive interdisciplinary assessment and treatment plan and care is coordinated and integrated by an interdisciplinary team.

Inpatient programming is also provided for homeless veterans who possess both a mental health and substance abuse diagnosis.

In addition, outpatient clinic services are coordinated with the USDVA at nearby medical centers and transportation to and from these centers is provided daily.

Historical Perspective

The history of Minnesota's Veterans Homes begins shortly after the Civil War. The Minnesota Legislature authorized the establishment of the Minnesota Soldiers' Home in 1887, as a "reward to the brave and deserving," and a Board of Trustees was established to manage the facility. This facility was not designed to be a medical facility; rather, it was seen as a monument to the contributions of veterans.

By the late 1960s, however, the Soldiers' Home Board of Trustees, along with others, recognized a growing need for making the health care needs of veterans a primary concern of the home. In 1972, a new nursing care facility was constructed on the Minneapolis campus; another one was built in 1980. Additionally, in 1978, the old state hospital in Hastings was converted into a domiciliary residence for veterans. As a result of the new construction in Minneapolis and the conversion of the Hastings facility, the homes had 250 nursing care beds at Minneapolis, 250 domiciliary beds at Minneapolis and 200 domiciliary beds at Hastings.

In 1988, the legislature established the Veterans Homes Board of Directors consisting of nine members appointed by the governor. The board was charged with restructuring the homes along the lines of the medical model of operations and turning them into high quality health care facilities while also taking into consideration the special needs of the veteran population. To accomplish this dual focus, the board's membership consists of representatives from the health care field and veterans organizations. The board has assured that the homes are operated according to stated goals and standardized practices, policies and procedures, that residents' rights are recognized and respected, and that a high quality of life is maintained for the veterans who are residents of the homes.

The veterans organizations serve as a bridge between the concepts of the veterans homes as medical facilities and the veterans homes as special places of recognition for the service the veteran residents have provided for their country. The veteran community plays four essential roles relative to veteran residents of the homes: those of promoters, advocates, watchdogs/protectors, and donors. The veteran community has always been very supportive of the veterans homes and keeps the veteran population at large aware of the availability of services at the homes.

Key Measures

The primary measurement of service is quality of care. Twenty-four quality indicators have been identified by the Center for Medicare and Medicaid Services. Examples include: new fractures, falls, weight loss, and pressure ulcers. Data on these measures are compared to peer group averages. The measures that compare negatively to peer group averages are reviewed with the goal of eliminating negative and achieving positive variances.

A second performance measure is budget management. Facilities are measured not only on how they generate revenues, but on how they manage expenses.

A third performance measure is bed occupancy. At the current time, occupancy rates are 98% statewide and all are maintaining waiting lists for admission.

Contact

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VETERANS HOME BOARD
 Program: VETERANS HOMES

Program Summary

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Other Financial Transactions	20	0	0	0	0
Total	61,552	63,659	65,346	67,754	133,100
<u>Expenditures by Activity</u>					
Board Of Directors	1,528	1,533	1,590	1,693	3,283
Mpls Veterans Homes	32,023	33,161	33,864	35,105	68,969
Hastings Veterans Home	7,545	7,711	7,892	8,133	16,025
Silver Bay Veterans Homes	7,064	7,270	7,519	7,793	15,312
Luverne Veterans Home	6,757	7,093	7,345	7,622	14,967
Fergus Falls Veterans Home	6,635	6,891	7,136	7,408	14,544
Total	61,552	63,659	65,346	67,754	133,100
Full-Time Equivalent (FTE)	890.3	888.2	888.2	888.2	

VETERANS HOME BOARD

Agency Revenue Summary

Dollars in Thousands

	Actual FY2004	Budgeted FY2005	Governor's Recomm. FY2006 FY2007		Biennium 2006-07
<u>Non Dedicated Revenue:</u>					
Taxes:					
General	15	0	0	0	0
Total Non-Dedicated Receipts	15	0	0	0	0
<u>Dedicated Receipts:</u>					
Departmental Earnings:					
Special Revenue	28,853	29,598	30,327	31,076	61,403
Federal	43	50	50	50	100
Grants:					
Federal	244	228	228	228	456
Other Revenues:					
Special Revenue	310	332	332	332	664
Miscellaneous Agency	203	236	236	236	472
Gift	519	746	746	746	1,492
Other Sources:					
Special Revenue	3	0	0	0	0
Miscellaneous Agency	1,382	1,294	1,294	1,294	2,588
Total Dedicated Receipts	31,557	32,484	33,213	33,962	67,175
Agency Total Revenue	31,572	32,484	33,213	33,962	67,175