



MINNESOTA DEPARTMENT OF VETERANS AFFAIRS

"DEDICATED TO SERVING MINNESOTA VETERANS AND THEIR FAMILIES"

ANNUAL REPORT
FISCAL YEAR 2008

COMMISSIONER CLARK DYRUD

**MINNESOTA DEPARTMENT OF VETERANS AFFAIRS
ANNUAL REPORT 2008**

Leadership:

Clark Dyrud, Commissioner

Michael Pugliese, Deputy Commissioner of Programs and Services

Gilbert Acevedo, Deputy Commissioner of Veteran Health Care

Mission:

Dedicated to serving Minnesota Veterans and their families.

Vision:

Fulfilling the needs of Minnesota Veterans and their families by providing proven and innovative programs and services to maximize quality of life.

The Minnesota Department of Veterans Affairs (MDVA) Agency Overview

MDVA is a cabinet level state agency that is a separate and distinct organization from the United States Department of Veterans Affairs (USDVA). The Department is headed by a commissioner, appointed by the governor, and two deputy commissioners, one assigned to Programs and Services and one assigned to Veteran Health Care, both of whom serve at the pleasure of the commissioner.

The Department was established by the Minnesota Legislature in 1943 to consolidate and strengthen services provided to Veterans and their families during the height of World War II. As the needs of returning WWII Veterans were recognized, it became apparent that the needs of Veterans of previous wars were often neglected.

The core functions of MDVA are to:

- Promote self-sufficiency and personal responsibility through a temporary safety net of benefits and services.
- Supply representation to clients pursuing claims for federal Veterans benefits.
- Ensure a smooth transition for Veterans from active military service to civilian life.
- Provide the highest quality program for housing, health care and supportive services to residents of the five Minnesota Veterans Homes.
- Revise and build upon proven business practices to ensure the most timely, cost-effective delivery of benefits and services.
- Provide dignified and compassionate committal services at the Minnesota State Veterans Cemetery.
- Manage all budgets, account financial transactions, information technology and human resources to meet departmental needs.
- Provide leadership and direction to the Veteran community by collaborating with public and private service providers.

The Department has office locations around the state. The Central Office is located in the Veterans Service Building in St. Paul. The Claims and Outreach divisions are located in the VA Regional Office in St. Paul and in the VA Regional Office in Fargo, ND. The Department's Higher Education Veterans Programs are located on 57 higher education campuses throughout the state. Tribal Veterans Service Officers are located on the seven northern Minnesota Indian Reservations and in the metro area. Finally, a management team under the direction of the Deputy Commissioner of Veteran Health Care supports the five Minnesota Veterans Homes located in Fergus Falls, Hastings, Luverne, Minneapolis and Silver Bay.

With assistance from the 87 County Veterans Service Officers (CVSOs) and representatives from Minnesota's Congressionally Chartered Veterans Service Organizations, the Department serves over 400,000 Minnesota Veterans as well as their dependents and survivors.

With the transfer of the control of the five State Veterans Homes to MDVA in November 2007, the Department is now comprised of two divisions: Veterans Programs and Services and Veteran Health Care. The Veterans Programs and Services division includes Benefits and Services, and Claims and Outreach. The Veteran Health Care division includes Veteran Health Care Administration and the operation of the five state run Veterans Homes.

The Minnesota Department of Veterans Affairs' budget consists of state general fund dollars, miscellaneous special revenue, federal funds, miscellaneous agency funds and gifts. The FY08 budget for Veterans Services was \$13.204 million and the FY08 budget for the Veteran Health Care programs was \$77.612 million, with a total expenditure of \$90.816 million in FY08.

Veterans Services Administration

The commissioner's office provides leadership and direction for over 1,200 Department employees. All budgeting, financial transactions, human resource management, affirmative action, MAPS and SEMA4 transactions are processed within this division.

The core administrative functions of the Department include human resource functions, information technology, communications, legislative affairs and the Recently Separated Veterans Program.

Information technology staff provides internal and external web applications. Online access for County Veterans Service Officers (CVSOs) to Veterans' discharge papers (DD214), which are required to secure benefits, is available. Also, a one-stop website, www.minnesotaveterans.org, has been created to provide a directory of all available public and private Veterans programs, benefits and/or services offered by various levels of government and private organizations.

The Communications division and Legislative Affairs division work closely with the CVSOs, congressionally chartered Veterans Service Organizations, the Commanders Task Force and the United Veterans Legislative Council to assist in the dissemination of information alerting Veterans to changes in state and/or federal laws that impact Veterans, their families and active service men and women.

The **Recently Separated Veterans Program (RSVP)** is a collaborative effort between MDVA and the Minnesota Department of Employment and Economic Development (DEED). Returning Veterans discharged from active duty who identify Minnesota as their home of record are welcomed home. Once the Department receives their DD214, a "Welcome Home" letter along with pertinent transitional information on Veterans' benefits and services, as well as DEED's programs and services, is mailed to them.

Programs and Services

The **State Soldiers Assistance Program (SSAP)** provides direct, emergency financial assistance to Veterans, their dependents and survivors. Provisions are for shelter, utilities, optical and dental benefits, and cash grants for food and personal needs. This special needs program provides assistance to Veterans and their families on a case-by-case basis. In FY08, SSAP provided over \$5.25 million in direct, emergency funds to over 2,000 Veterans and their families.

The **LinkVet Call Center** is managed by trained MDVA staff during business hours and provides information on Veterans benefits, health care, education and reintegration. After business hours, the line is transferred to Crisis Connection counselors for 24-hour, seven-days-a-week coverage (including holidays) for immediate crisis intervention and psychological counseling.

Minnesota Veterans Preference Act (VPA) ensures that state granted Veterans preference rights are upheld and enforced. In FY 2008, MDVA, in conjunction with the U.S. Department of Labor Veterans Employment and Training Service (VETS) Office in St. Paul, developed a 25-minute public service DVD, which provided information regarding state and federal Veterans preference rights. MDVA provided over 75 copies of this DVD to Minnesota public television and radio stations. The Department has increased efforts to inform Minnesota political subdivisions of their responsibilities and rights under the Veterans Preference Act to avoid the expense and delay of administrative and judicial relief.

The **Minnesota State Veterans Cemetery** is located in Little Falls, Minn. and provides dignified burial services to Veterans and their eligible dependents. Burial is open to all Veterans discharged from active military service under conditions other than dishonorable. Burial options include in-ground casket, in-ground cremation and columbarium niches for cremated remains.

Bronze Star Markers are offered by MDVA to mark the gravesite of any Veteran buried in the state, where permitted.

The **Minnesota State Approving Agency (SAA)** provides administrative oversight of the federal G.I. Bill's Minnesota Education and Training programs on behalf of state Veterans and other eligible persons. SAA is responsible for the approval of education and training programs to ensure that each program meets the necessary requirement prescribed under federal law. In order for Veterans to receive payments for their federal G.I. Bill education benefits, the education or training program in which they intend to enroll must be pre-approved by SAA.

The **Minnesota G.I. Bill** provides postsecondary educational assistance to eligible Minnesota Veterans, military members and to the children and spouses of deceased or severely disabled Minnesota Veterans. The Minnesota G.I. Bill program is awarded after existing or expected federal military benefits or other need-based grant programs offered by the state or federal government are exhausted, and can be used for undergraduate and graduate studies that lead to a certificate, diploma or degree.

Education Benefit is offered by MDVA as a one-time grant to Veterans who have exhausted their federal educational benefits.

The **Surviving Spouse/Dependent Education Benefit** program is provided to the survivors of Minnesota Veterans who died as a result of a service-connected injury or disease. This benefit is completely state funded and can only be used by a Minnesota resident who is the child/spouse of a deceased Veteran.

Federal Claims Assistance is offered at the **St. Paul and Fargo Claims** divisions. MDVA staff represents Veterans, their dependents and survivors who seek benefits from the United States Department of Veterans Affairs (VA) with regard to multiple federal benefits. Responsibilities include claims development, submittal of evidence in support of service-connected claims, non-service-connected pension and claims, evaluation of VA decisions and assisting Veterans and dependents with the appeals processes up to and including federal hearings. In FY08, Minnesota Veterans received more than \$226 million in federal Veterans benefits as a direct result of the Department's Claims and Outreach offices.

The **Veterans Outreach** division locates, assists and meets the unique needs of Veterans in the underserved populations and communities in Minnesota which include, but are not limited to, minority, female and homeless Veterans. The focus of the Outreach division is to ensure a visible presence in communities throughout the state by attending Veteran-specific functions, hosting town-hall meetings, coordinating reintegration efforts of newly returning Veterans to inform them of the benefits, programs and services available to them and sponsoring a State Fair booth to disseminate information. Outreach also provides support to Veterans who have mobility issues and are unable to travel to seek benefits.

The **Tribal Veterans Service Officers (TVSO)** division provides community outreach in an attempt to locate and serve as the Veterans' advocate for a traditionally underserved population of Veterans and their dependents. This is accomplished by preparing and monitoring both federal and state benefits claims and through ongoing education and information dissemination.

The **Women Veterans Program**, added to the Outreach office in FY08, works with women Veterans and focuses on creating equitable access to federal and state benefits and services. This program deals with the gender specific needs of women Veterans and helps ensure these traditionally underserved Veterans are treated with dignity and respect.

The **Higher Education Veterans Program** is designed to support the success of Veterans, current military members and their families at Minnesota's public colleges and universities by providing on-campus veterans resource centers with comprehensive information about benefits and resources, as well as institutional readiness in support of the unique needs of these students. Twelve regional coordinators located throughout the state, with 57 operational sites on public and private higher education campuses, served over 5,288 Veterans in FY08.

County Veterans Service Officer Enhancement and Operational Grants are provided by the Department to assist the CVSOs to better serve their county Veterans. The Enhancement Grant is an annual, open, competitive grant process for which all 87 counties plus the Minnesota Association of County Veterans Service Officers are eligible to apply. The Enhancement Grants are an opportunity for the CVSOs to augment the benefits, programs and services provided to Veterans. The Operational Improvement Grant program is awarded to the CVSOs on a rotating three-year cycle. This grant program is a set dollar amount based on the Veteran population in each county. The Operational Improvement Grant's purpose is to assist CVSOs in purchasing equipment for their offices. Both grants require the lead CVSO in each county be certified through continuing education courses to ensure they are trained and proficient in their duties.

The proceeds from the sale of the **Support Our Troops (SOT) license plates** are split between the Department of Military Affairs, where it is used for financial support of military families and MDVA. MDVA uses the SOT money for outreach and assistance initiative programs for underserved Veterans, and for grants to Veterans services provided by the Congressionally Chartered Veterans Service Organizations located in Minnesota and those with claims office representation. In FY08, Support Our Troops license plates generated more than \$436,000 for Veterans programs.

Minnesota Veterans Homes

Over the years, the Department of Veterans Affairs and the Minnesota Veterans Homes have alternately existed separately or combined, depending on the needs of Veterans at that particular time. In 2007, the Governor abolished the Veterans Home Board and transferred the five Minnesota Veterans Homes to MDVA's authority. This was done to consolidate all state Veterans services and programs into one department, and to improve the care and services provided to Minnesota's Veterans.

Minnesota's Veterans Homes began 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." In 1888, construction at the site of the current Minneapolis Veterans Home had begun and by 1911, five men's cottages and one women's cottage were built.

The mission of the Soldiers Homes was to create beautiful, landscaped communities for Veterans in their later years. These Homes were not primarily designed to be medical facilities; they were seen as monuments to the contributions of Minnesota Veterans. Medical care was first provided at the Veterans Homes during World War I, but housing was the primary consideration for Veterans at the Homes.

In 1968, the Minneapolis Soldiers Home was licensed for 56 nursing care beds and 375 boarding care beds. Today, Minnesota operates five State Veterans Homes. They are located across the state providing 24-hour skilled nursing and dementia care along with domiciliary care, also known as board and care. The Veterans Homes are located in Luverne, Fergus Falls, Silver Bay, Hastings and Minneapolis.

Minnesota will have an estimated 1.6 million people age 65 and over by 2030, representing one out of four Minnesotans, compared to one out of eight in 2008. The average age of Veterans in skilled beds is 78.8 and increasing. The Veteran population in Minnesota is estimated at 400,000 and it is anticipated that the number of Veterans 85 years old and older will peak in 2010, and decline gradually through 2025 to current levels. Approximately 25 percent of Minnesota's homeless are Veterans and would qualify for domiciliary care.

Admission criteria for the Minnesota Veterans Homes require a Veteran be honorably discharged from the United States Armed Forces with 181 consecutive days of active duty and is either a Minnesota resident or has military service credited to Minnesota. Spouses of eligible Veterans over 55 years of age who reside in Minnesota are also eligible for admission to Veterans Homes. All applicants applying for admission to the Minnesota Veterans Homes must demonstrate medical need prior to approval for admission.

Core Services and Programs at the Veterans Homes:

With five Veterans Homes in the state, there are a variety of services provided at each Home. Some of the services include but are not limited to:

- **Nursing** - skilled nursing, special care for dementia and Alzheimer's residents, medication management, medical treatments, tube feedings, behavioral intervention, resident education, end of life support and person centered care.
- **Rehabilitation Services** - including physical therapy, occupational therapy and speech therapy. Services include physician ordered evaluation and treatment related to mobility, musculoskeletal injury, basic and incremental activities of daily living, wheel chair positioning, cognition, communication and swallowing. Student programs include doctoral level physical therapy students and associate level physical therapy assistant students.
- **Dietetic and Nutritional Services** - provide well planned meals as well as snacks and nourishments to all residents. Dietary also caters meals, snacks and beverages for special events. Some of these events include venison, pheasant and walleye dinners.
- **Resident Fitness Gym/Restorative Care** - provides supervised strengthening, conditioning and endurance programs.
- **Recreational Therapy** - provides programming geared toward individual and group residents' leisure needs, interests and preferences. Goals include: building resident confidence, strengthening interpersonal skills and providing opportunities for creativity and self expression. Day, evening and weekend programs are offered. The Homes have significant volunteer involvement from Veterans service organizations. Some highlighted programs include: shopping trips, socials, bingos, ceramics, picnics and parties, overnight trips to Lake Superior, deer hunting, cooking and baking, etc.
- **Social Services** - provide a variety of assistance to residents including advocacy, one-on-one counseling, care planning, benefit evaluation, financial assistance and discharge planning.
- **Pharmaceutical Services** - fill prescriptions and provide comprehensive pharmacist consultation programs.
- **Transportation** - provided to Veterans Medical Center for appointments and other facility functions.
- **Spiritual Care** - provided by chaplains for residents and families. Guiding principles include: hospitality, religious freedom, leadership and education. Programs offered include: bible study, devotions, worship services, sweat lodge, memorial programs - including individual funerals, individualized resident visits, etc.

- **Medical Services** - offer comprehensive primary care which is provided by a team of physicians and nurse practitioners. All residents receive a detailed history and physical examination on admission and regular visits. Acute illnesses are addressed using a team approach and care is provided at the VA Medical Center or local hospitals.
- **Mental Health Program** - provides resident assessments, individual and group therapy, a behavioral management program, employee training and a student intern program.
- **Resident Work Therapy Program** - assists domiciliary residents to maintain productive lives. Residents work on and off campus in various positions. Some of these positions include managing the coffee shop, library and computer room, clothing distribution, resident transportation, barber and beautician shop, making poppies, building pharmacy dispensers, etc.
- **Dental** - provides admission and annual exam coordination to access the State Soldiers Assistance Program and other resident payer options.
- **Domiciliary Program** - serves residents from underserved populations that do not fit within a program in the community. The program's clinical focus includes rehabilitative care with a goal of placing residents in a non-institutional setting. The domiciliary program is a board and care program that focuses on medical and mental health management, substance abuse treatment and counseling, mental health and transitional services.
- **Leisure Time Activities** - are provided through the generosity and assistance of the Veterans Service Organizations, their auxiliaries and numerous fraternal and community clubs that enable our residents to enjoy recreation opportunities such as dancing, leather and wood working, parties, fishing, casino trips, train rides, lunch outings and scenic rides. Leisure time activities also include TV lounges, outdoor gardens, visiting pets and recreation outings.
- **Barber Shop & Beauty Salons** - are staffed by local barbers and stylists who offer their services on a regular basis.

Minnesota Veterans Homes Facilities

The five state operated Veterans Homes are under the supervision of the Deputy Commissioner of Veteran Health Care. The Homes are located in Fergus Falls, Hastings, Luverne, Minneapolis and Silver Bay, and provide skilled nursing care and/or domiciliary care.

Resident characteristics for skilled nursing care:

- Average age 78
- Male
- WWII Veteran
- Top 3 diseases: Alzheimer's disease, Dementia with behavioral disturbances, Organic brain syndrome (chronic)
- Multiple nursing home stays before admission to a Veterans Home

Resident characteristics for domiciliary care:

- Average age 58
- Male
- Vietnam Veteran
- Top 3 diseases: alcohol dependence syndrome, Schizophrenic disorders, Affective psychoses/depression
- Often homeless

Fergus Falls Veterans Home

- Established in 1997
- 85 skilled nursing beds
- U.S. VA Community Based Outpatient Clinic within complex
- Interior open-air recreational area
- Award winning nursing care approaches

Hastings Veterans Home

- Established in 1978
- 200 domiciliary beds
- Chemical dependency counseling
- Vocational rehabilitation
- Wood shop
- 128 acre campus

Luverne Veterans Home

- Established in 1994
- 85 skilled nursing beds
- Wander unit (dementia)
- New construction – local and VA grant funding

Minneapolis Veterans Home

- Established in 1887

- 341 skilled nursing beds
- 61 domiciliary beds
- Private and semi-private rooms
- 18 Buildings on 51 acres

Silver Bay Veterans Home

- Established in 1991
- 89 skilled nursing beds
- Dementia unit (25 beds)

Stakeholder Relationships

Minnesota Assistance Council for Veterans

The Minnesota Assistance Council for Veterans (MACV) is a 501 (c) 3 non-profit organization that serves Veterans and their families affected by homelessness. This valued partner provides and coordinates clean, safe, drug-free supportive housing; transitional homes for use during extended medical care; job skills training; assistance in finding permanent housing, food resources and health care; mortgage assistance; chemical dependency treatment and sobriety aftercare; and counseling and legal assistance. For FY08, MACV received a one-time appropriation of \$750,000 from the Legislature which, coupled with their on-going base of \$250,000, provided them with \$1M to assist Veterans experiencing homelessness. In providing for Veterans in crisis, MACV routinely collaborates with MDVA to ensure the needs of underserved Veterans are met.

Veterans Service Organizations

The Commanders Task Force is comprised of nine Congressionally Chartered Veterans Organizations that include the Disabled American Veterans, American Legion, Veterans of Foreign Wars, Military Order of the Purple Heart, Vietnam Veterans of America, Jewish War Veterans, American Ex- Prisoners of War, Marine Corps League and the American Veterans. MDVA works closely with the Commanders Task Force throughout the year. During the legislative session, the group acts as a strong lobbying force for MDVA issues. In addition, the Commanders Task Force collaborates with the Department to co-sponsor the state's annual Veterans Day program.

Minnesota Veteran 4 Veteran (V4V) Trust Fund

The Big Island Veterans Camp of Minnetonka Board of Governors, comprised of representatives from several state-wide Veterans organizations, sold the Big Island Veterans Camp on Lake Minnetonka to the City of Orono in January of 2006. The \$5 million proceeds from the sale were placed in a trust fund to be used for grants to address the needs of Veterans across the state.

The MDVA works closely with the V4V Trust Fund Board of Trustees, who are appointed representatives from the American Legion, Disabled American Veterans, Military Order of the Purple Heart, and Veterans of Foreign Wars. The MDVA Commissioner is involved in the approval of grants using a designated process that is currently in place by the V4V Trust Fund. The trust provides grants to help Minnesota Veterans integrate into society and lead healthier, independent lives by funding recreational, employment, health, education and social programs for Veterans, their families and caregivers.

County Veterans Service Officers

The County Veterans Service Officers (CVSOs) are a vital part of the overall success of MDVA's mission to serve Veterans. The Department partners with them on many programs and events in support of Minnesota Veterans, including reintegration, outreach events and initiatives to heighten awareness of programs and services available within the Veterans community. The CVSOs are the first stop for Veterans in their community for services and benefits.

FY2008 Financial Profile – Agency Overview

Dollars in Thousands

Direct Appropriations by Fund

General Fund

Spending

Current Appropriation
Forecast Base

FY2008 Actual

62,351
62,351

Expenditures by Fund

Direct Appropriations

General

12,110

Statutory Appropriations

General
Miscellaneous Special Revenue
Federal
Miscellaneous Agency
Gift

105
75,490
340
1,754
1,017

Total

90,816

Expenditures by Category

Total Compensation
Other Operating Expenses
Capital Outlay & Real Property
Payments to Individuals
Local Assistance

60,960
21,152
68
6,500
2,136

Total

90,816

Expenditures by Program

Veterans Services
Veterans Homes

13,204
77,612

Total

90,816

Full-Time Equivalent (FTE)

1,037.3

Claims and Outreach Division Activity Totals 2008

St. Paul Claims:

Power of attorney's	8,416
Processed mail	19,196
Phone calls	30,352
Walk-ins	4,300
Ratings	13,324

Fargo Claims Office:

Power of attorney's	551
Processes mail	3,336
Phone calls	12,972
Walk-ins	1,656
Ratings	1,932

Outreach:

Phone Calls	2,820
Walk-ins	480
Veterans Appointment - in office	354
Claims actions	882
Contacts with community service providers	588
SSAP applications	156
Women Veterans Contacts	294

TVSO Area:

	# of Federal Claims Filed	# of State Claims Filed	# of Veterans Visits	# of Events Attended	Hours of Training
Bois Forte	13	4	113	15	112
Grand Portage	23	2	219	6	128
Red Lake	17	3	250	14	128
Upper Sioux	16	0	310	16	112
White Earth	102	21	404	30	128
Mille Lacs	6	4	146	14	124
Metro	50	12	669	82	256
Totals	227	46	2111	177	1188

Division Totals:

Events staffed (<i>not including outreach contacts</i>)	487
Power of Attorney's	9,240
Processed mail	23,687
Walk-ins	7,063
Ratings	10,319
Community contacts	1,369



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