

# Joint Veterans Affairs and Emergency Preparedness Committee Meeting January 24, 2018

# Major General Tony Carrelli

# Major General (USAF Retired) Eric Weller

# **Manpower Standards**

**5 Yr. Plan**

**Cost Comparison**

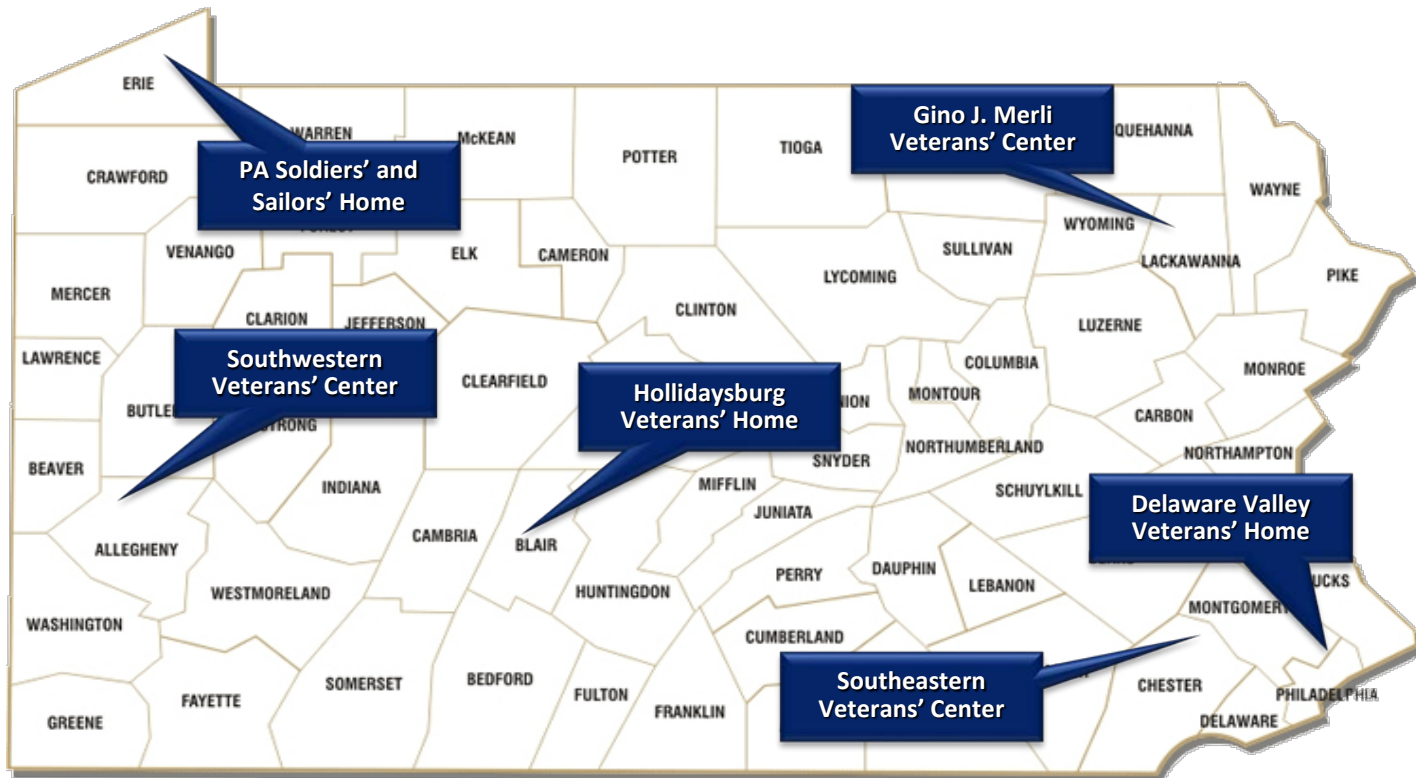
**State Veterans' Homes vs. Private Nursing Homes**

**January 2018**

# State Veterans' Homes



## PA Veterans Home Locations



# Veterans Homes vs Private Nursing Homes



The original intent of the PA General Assembly was to establish State Veterans Homes in order to provide long-term care (skilled/dementia/personal/domicile) for Pennsylvania's indigent and disabled "ex-soldiers" (former service member). *As such, the implied intent of the PA General Assembly is one of "benevolence".*

**43 Pa Code Chap 7-7.3 - Income Restrictions - An applicant shall be incapable of self-support and demonstrate a financial need for admission...an applicant whose income levels exceed the levels established by this section may still qualify for admission if he can demonstrate exceptional circumstances creating a financial need for admission...**

**43 Pa Code Chap 7-7-8a) Maintenance Fees – A person will not be denied admission to a veterans home on grounds of inability to pay maintenance fees**

**43 Pa Code Chap 7-7-8b) Monthly Payment of Maintenance Fees - A resident of a State Veterans Home is required to make monthly payments against maintenance fee liability in accordance with the resident's ability to pay**

# Bureau of Veterans' Homes (BVH)



## **MISSION:**

- Provides quality health care to veterans of Pennsylvania and their spouses who cannot afford private care
- Creates a resident-centered approach with specially trained staff that address the care, prevention and rehabilitative services for 1,400-1,600 residents
- Fosters an environment of resident self-choice, well-being and dignity within a veteran-centric environment

**BVH operates six long-term care facilities across the commonwealth providing services to qualified veterans and their spouses.**

**The federal Veterans Administration (VA) authorizes 1,608 licensed beds; with option of expanding to approximately 2,336 (based on their analysis of Pennsylvania's veteran population).**

**BVH current bed authorization is 1,561; as Hollidaysburg Veterans Home (HVH) has 47 DOH suspended beds, which reduces our current bed authorization to this number. *BVH's current bed count is at 1,305. NOTE: The federal VA numbers will be updated to reflect this adjustment in January 2018.***

**All six homes provide skilled nursing and dementia care. Currently, four provide domiciliary/personal care for veterans and spouses who do not require 24-hour skilled care.**

**Homes provide pharmacy services; physical, occupational and speech therapy; social services; therapeutic and recreational activities; transportation; barber and beauty services; religious and spiritual activities and hospice care.**

**Funding streams include state funds, federal reimbursement, third party insurance and monthly maintenance/resident fees which are calculated based upon the residents' ability to pay. Approximately 2% of our resident population pays full cost of care.**

# Bed Capacity



## State Veterans' Homes Bed Capacity

<b>Level of Care</b>	<b>Number of Beds</b>
Skilled Nursing:	1,001
Dementia:	198
Personal:	362
Total:	1,561



# BVH Resident Demographics



**81-Years of Age**

**Male**

**Military Veteran**

**Protestant**

**Widowed**

**2.0 – Years (Length of Stay)**

**Cardiac & Psych Diagnosis**

**Mortality Rate – 1/day**

# Regulatory Oversight



## Federal

- VA

## State

- Department of Health
- Department of Human Services
- Department of Environmental Protection
- Labor & Industry
- Auditor General
- Attorney General
- Department of State

## Local

- County Agencies
- City Agencies

**Bottom Line- each home receives at least 3 inspections per year (Fed VA, DOH, Internal BVH). The homes with Personal Care also receive an inspection from DHS**

# BVH – Eligibility for Admission



## Criteria:

- Be an eligible veteran or spouse or surviving spouse of an eligible veteran

## Eligibility:

- Served “Honorably” in US or PA military forces
- Current resident of PA -or- PA as Home of Record upon initial enlistment (PA residents have priority)

## Cost/Income Restrictions:

- Residents, within their capability, make monthly payments against their maintenance/resident fee liability

## Admissions: First Come, First Serve Basis

- By home
- By level of care

# State Veterans' Homes



## **Staffing Standards have been established**

- **Staffing Required by Regulation**
- **Staffing Required by Industry Standards**
- **Staffing Required by Physical Footprint and Operational Needs**
- **Staffing Required by Home Specific Requirements**
- **BVH HQ Positions**

# State Veterans' Homes



## Construction (affecting # of beds available)

**-17/18- PSSH-** Temporary closure 22 Skilled Nurse Beds (1 yr)- Construction began October 2017.

**-18/19- DVVH-** PCU Closure/add 41 Skilled Nurse Beds (400 days)- Construction begins August 2018. Will Require additional staffing of 32 due to PPD increase

**-18/19- SEVC-** Add ADHC- no loss of beds during construction. Will require staffing increase of 12 due to 30 additional Day residents

**-20/21-22/23- HVH-** CLC construction. Although a reduction of beds, PPD will increase due to CLC requirements

**-21/22- DVVH-** Add Building for additional 48 Skilled Care Beds. Will require additional staffing increase of 37 due to additional number of residents

## 5-Year Census/Staffing Plan

SFY	Available Beds	Staff Required
17/18	1,504	2,138
18/19	1,463	2,112
19/20	1,485	2,156
20/21	1,526	2,188
21/22	1,495	2,162
22/23	1,517	2,179

*1/4/2018 INFO: At current bed count of 1305 – Manpower Study staffing required = 2027 (1950 Homes/77 HQ)*

# Veterans Homes vs Private Nursing Homes



**Purpose: Summarize the cost differential between State Veterans Homes vs. Private Nursing Home care through utilization of “certified” cost report data to generate a quantifiable, all-inclusive rate comparison.**

**The analysis points to the following:**

**Outcome 1: When comparing all-inclusive data for the State Veterans Homes to non-inclusive data for Private Nursing Homes, the State Veterans’ Homes are more expensive.**

**Rationale 1: State Employees’ Salary and Benefits Costs (129% higher for skilled and 120% higher for PC)**

**Outcome 2: When comparing all-inclusive data for the State Veterans’ Homes to all-inclusive operational data for Private Nursing Homes, the State Veterans Homes are still more expensive in Salary and Benefits, but less expensive relating to Operational Costs.**

**Rationale 2: State Employees’ Salary/Benefit costs are prescribed and regulatory compliance/standards mandate personnel requirements. We provide additional services; to include: pharmacy/Rx drugs, transportation, practitioners, volunteer services, lab and x-rays and adaptive equipment (Homes additional costs = \$11.04 for skilled and \$10.77 for PC).**

**Outcome 3: When comparing all-inclusive data for the State Veterans’ Homes to all-inclusive operational data for Private Nursing Homes; to include Profit Margins for Private Nursing Homes, the State Veterans’ Homes are overall less expensive for residents than Private Nursing Homes.**

**Rationale 3: These facilities are “for profit” and our Homes are considered a benevolent, veteran benefit that addresses care for the most disadvantaged.**

**Outcome 4: When comparing all-inclusive data for the State Veterans’ Homes to all-inclusive operational data for Private Nursing Homes that privatize/contract-out all employees through a Private Corporation/Vendor, the State Veterans’ Homes are overall still less expensive. This was determined utilizing a 2.33 burden rate (see Burden Rate Slide slide).**

**Rationale 4: State agencies must use a union benefit factor (42.5%) instead of the actual benefit rate (92.4% - SFY 2015-16) when preparing our requisite Cost-Benefit Analysis (CBA) for executing any furlough actions. However, this 42.5% rate is not reflective of the current benefit factor. Therein the CBAs do not support contracting. Long-term cost savings are not, traditionally, achieved through contracting (i.e., once the validity end date occurs and a contract is re-negotiated and/or re-bid, bid proposal submissions include cost increases). Cure letters, transitioning back to state employees results in gaps of coverage and creates issues relative to continuum of care and meeting regulatory LTC mandates.**

# Veterans Homes vs Private Nursing Homes



Skilled Facilities	Salary Per Patient Day	Benefits Per Patient Day	Total Salary and Benefits Per Patient Day	Operational Costs Per Patient Day	Cost per Patient Day
Veterans Homes	\$189.72	\$172.38	\$362.10	\$96.38	\$458.48
Private/County Nursing Homes	\$125.52	\$32.67	\$158.19	\$93.73	\$251.92
<b>Difference</b>	<b>\$64.20</b>	<b>\$139.71</b>	<b>\$203.91</b>	<b>\$2.65</b>	<b>\$206.56</b>

Maintenance/Resident Fee	Additional Operational Costs*	TOTAL COST TO THE RESIDENT	PROFIT MARGIN
Per Patient Day	Per Patient Day	Per Patient Day	Per Patient Day
\$394.32	INCLUSIVE	\$394.32	(\$64.16)
\$434.30	\$11.04	\$445.34	\$193.42
	\$11.04	\$11.04	

Difference in Cost to Care	PPD
\$458.48	3.9
\$445.34	3.8
\$13.14**	0.13

Personal Care /Residential	Salary Per Patient Day	Benefits Per Patient Day	Total Salary and Benefits Per Patient Day	Operational Costs Per Patient Day	Cost per Patient Day
Veterans Homes	\$85.94	\$81.03	\$166.97	\$81.66	\$248.63
Residential/Assisted Living	\$58.60	\$17.36	\$75.96	\$75.87	\$151.83
<b>Difference</b>	<b>\$27.34</b>	<b>\$63.67</b>	<b>\$91.01</b>	<b>\$5.79</b>	<b>\$96.80</b>

Maintenance/Resident Fee	Additional Operational Costs*	TOTAL COST TO THE RESIDENT	PROFIT MARGIN
Per Patient Day	Per Patient Day	Per Patient Day	Per Patient Day
\$197.91	INCLUSIVE	\$197.91	(\$50.72)
\$258.76	\$10.77	\$269.53	\$117.70
	\$10.77	\$10.77	

Difference in Cost to Care	PPD
\$248.63	1.0
\$269.53	*
(\$20.90)	1.0

Source of Data: 2015-16 MA-11 Cost Report Data

Source of Data: \*2016 Genworth Financial Cost of Care Data

Informational Note: In reference to Estate Recovery Program, approximately \$7.2 million was unrecovered. This averages \$18.07 per Patient Day which equates to a difference of \$4.93\*\* less for Veterans Homes than Private Nursing Homes.



# Veterans Homes vs Private Nursing Homes



## BURDEN RATE

	Private Nursing Homes	State Veterans Homes	
Skilled – (S)	\$125.52	\$189.72	
PC/Res – (S)	\$58.60	\$85.94	
Skilled – (B)	\$32.67	\$172.38	
PC/Residential – (B)	\$17.36	\$81.03	
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Skilled – SB ( <i>\$158.19 X 2.33*</i> )	<b>\$368.58</b>	\$362.10	
PC/Res – SB ( <i>\$75.96 X 2.33*</i> )	<b>\$176.98</b>	\$166.97	
Skilled – O (Inclusive) ( <i>\$93.73 + \$11.04</i> )	\$104.76	\$96.38	
Personnel Care – O (Inclusive) ( <i>\$75.87 + \$10.77</i> )	\$86.64	\$81.66	
<b>TTL Skilled (SBO)</b>	<b>\$473.34</b>	<b>\$458.48</b>	<b>3% (&lt;)</b>
<b>TTL Pers (SBO)</b>	<b>\$263.62</b>	<b>\$248.63</b>	<b>6% (&lt;)</b>

\*Burden Rate- 2.33 (standard rate) x "Salary and Benefits" for private nursing homes

# Veterans Homes vs Private Nursing Homes



## Bottom Line

**DMVA Clinical, “Hands-On” Staffing numbers are comparable to private sector**

**BVH Cost Numbers can be validated**

**Private Homes numbers (from cost report) cannot be validated**

**DMVA does not control state salary and benefits**

**DMVA does not control benefit comparison for privatization (42.5%)**

**DMVA operational costs are less than private sector**

**DMVA total costs are less than what private sector charges**

**DMVA total costs are less than total privatization**

**DMVA Vets pay \$40.97/day of \$458.48 for skilled care**

**DMVA Vets pay \$32.58/day of \$248.63 for personal care**

Mr. Chip Gilliland

# Reintegration and Outreach



## Fiscal Year 2017/2018

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year to Date
Outreach Events Supported	43	38			<b>81</b>
Mobile Outreach Van Events	40	31			<b>71</b>
Veteran Interactions	695	414			<b>1,109</b>
Claim referrals to County Directors and Service Organizations	111	52			<b>163</b>
Legislator Attended Events	17	16			<b>33</b>

## Fiscal Year 2016/2017

	1st Qtr	2nd Qtr	3rd Qtr	4th Qtr	Year to Date
Outreach Events Supported	51	42	17	49	<b>159</b>
Mobile Outreach Van Events	43	36	11	39	<b>129</b>
Veteran Interactions	1,011	541	661	685	<b>2,898</b>
Claim referrals to County Directors and Service Organizations	157	118	128	110	<b>513</b>
Legislator Attended Events	17	17	3	21	<b>58</b>

# Reintegration and Outreach



New Orleans, LA	Albany, NY	Austin, TX	La Crosse, WI
Houston, TX	Rockford, IL	Middlesex County, NJ	Akron, OH
Mobile, AL	<b>Philadelphia, PA</b>	Fort Myers, Cape Coral, Sanibel, and Lee County, FL	<b>Scranton/Lackawanna County, PA</b>
Troy, NY	Mississippi Gulfport/Gulfport Coast Regional CoC, MS	Buffalo/Western New York	<b>Lehigh Valley, PA</b>
Saratoga Springs, NY	Montgomery County, MD	State of Delaware	Will County, IL
Flagler County, FL	Volusia County/ Daytona Beach, FL	Dayton/Montgomery County, OH	Lowell, MA
<b>Lancaster City and County, PA</b>	State of Connecticut	DeKalb County, GA	West Central Minnesota Continuum of Care
Cumberland County/Fayetteville, NC	<b>Reading/Berks County, PA</b>	Portland/Gresham/Multnomah County, OR	Northwest Minnesota Continuum of Care
Winston-Salem/Forsyth County, NC	Lynn, MA	Shreveport, LA	Kent County/Grand Rapids, MI
Las Cruces, NM	Des Moines, IA	Riverside, CA	Atlanta, GA
Syracuse, NY	San Antonio, TX	Santa Fe, NM	Greater Kansas City: Kansas City, KS, Kansas City, MO, Independence, MO
Las Vegas, NV	Terrebonne Parish, LA	Chattanooga, TN	<b>Allegheny County/City of Pittsburgh</b>
Commonwealth of Virginia	Hattiesburg, MS	Southwest Minnesota CoC	
Schenectady, NY	Long Island, NY	Nashua, NH	
Rochester, NY	Bergen County, NJ	Punta Gorda/Charlotte County, FL	

**Pennsylvania communities that have achieved the USICH bench marks and criteria that have effectively ended Veteran homelessness.**

# Reintegration and Outreach



## Veteran's Trust Fund

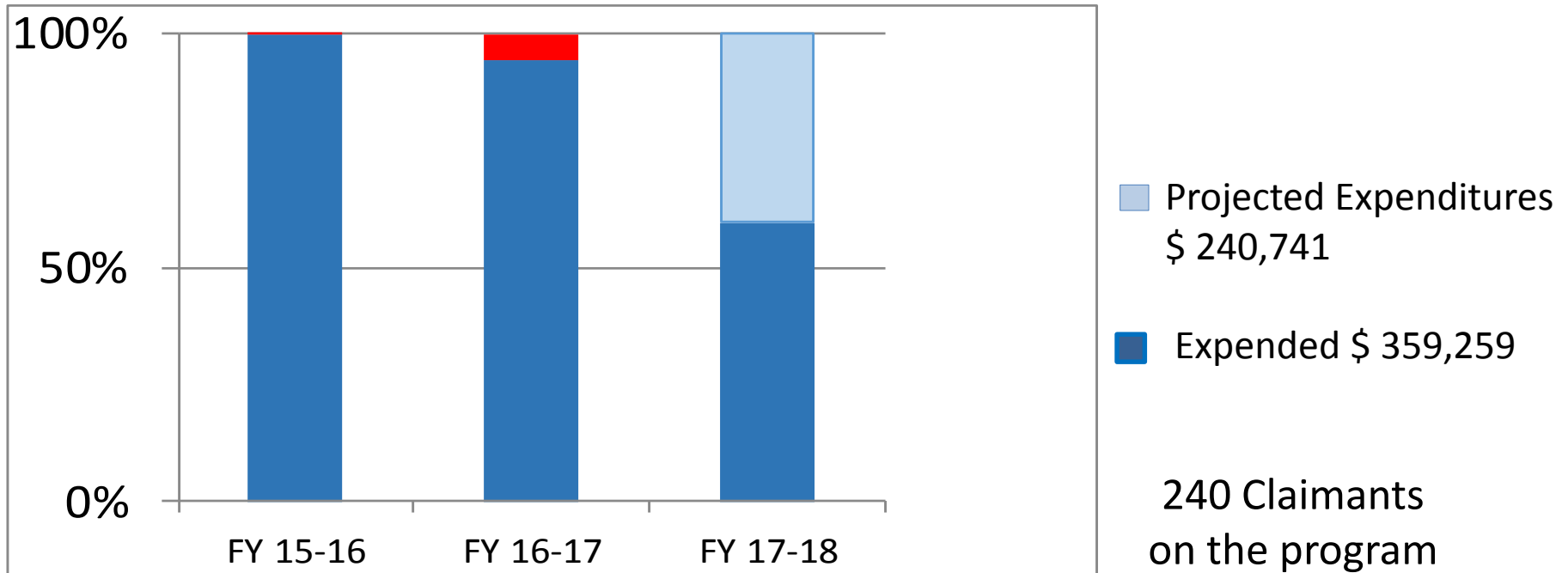
Veterans Trust Fund	2016-17	2017-18	Cumulative
	Actual	As of 11/08/2017	Total
Beginning Balance	1,880,778		
Appropriation Transfer to VTF	0	0	\$1,700,000
HOV License Plate	3,660	2,340	\$42,435
PA Monuments LP	1,748	897	\$16,813
HOV Motorcycle License Plate	495	315	\$2,280
Donations	16,094	6,425	\$35,276
Checkoff	1,738,093	628,577	\$6,503,636
Online Donations	3,005	10	\$3,015
Interest	17,890	9,052	\$39,513
Revenue	1,780,985	647,616	8,342,968
Total Funds Available	3,661,763	647,616	8,342,968
VSO	0	0	700,000
PENNDOT Costs	194,000	0	776,000
VTF Grants	649,732	0	2,112,349
Veterans Temporary Assistance	751,387	359,259	2,399,617
Total Expenditures	1,595,119	359,259	5,987,966
Annual Balance	185,866	288,357	
Cash Flow, Available Balance	2,066,644		2,355,002

Mr. Brian Natali

# VETERANS TEMPORARY ASSISTANCE



\$800,000



436  
Claimants

535  
Claimants

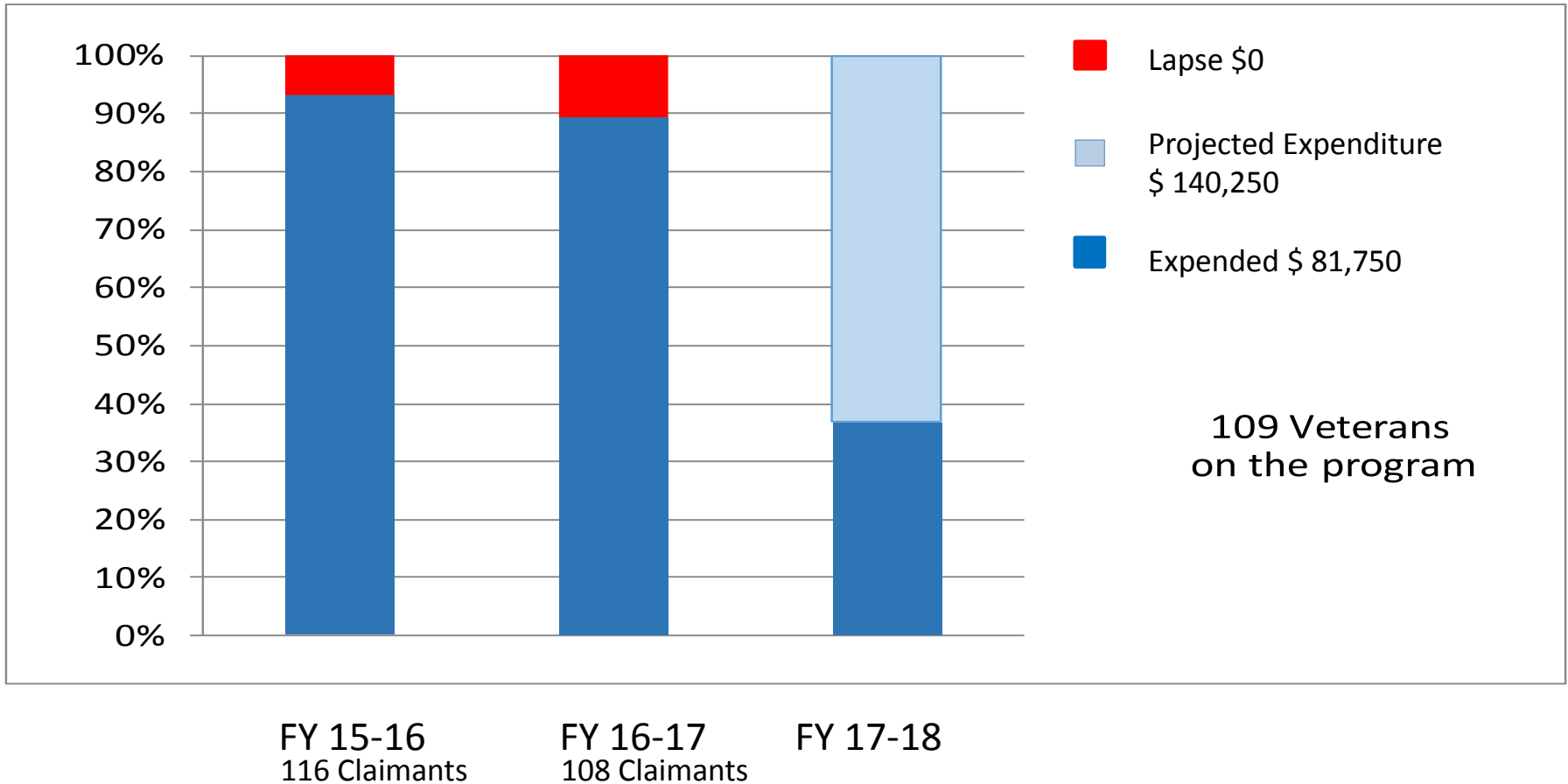
As of 7 November 2017



# BLIND VETERANS PENSION



## \$222,000

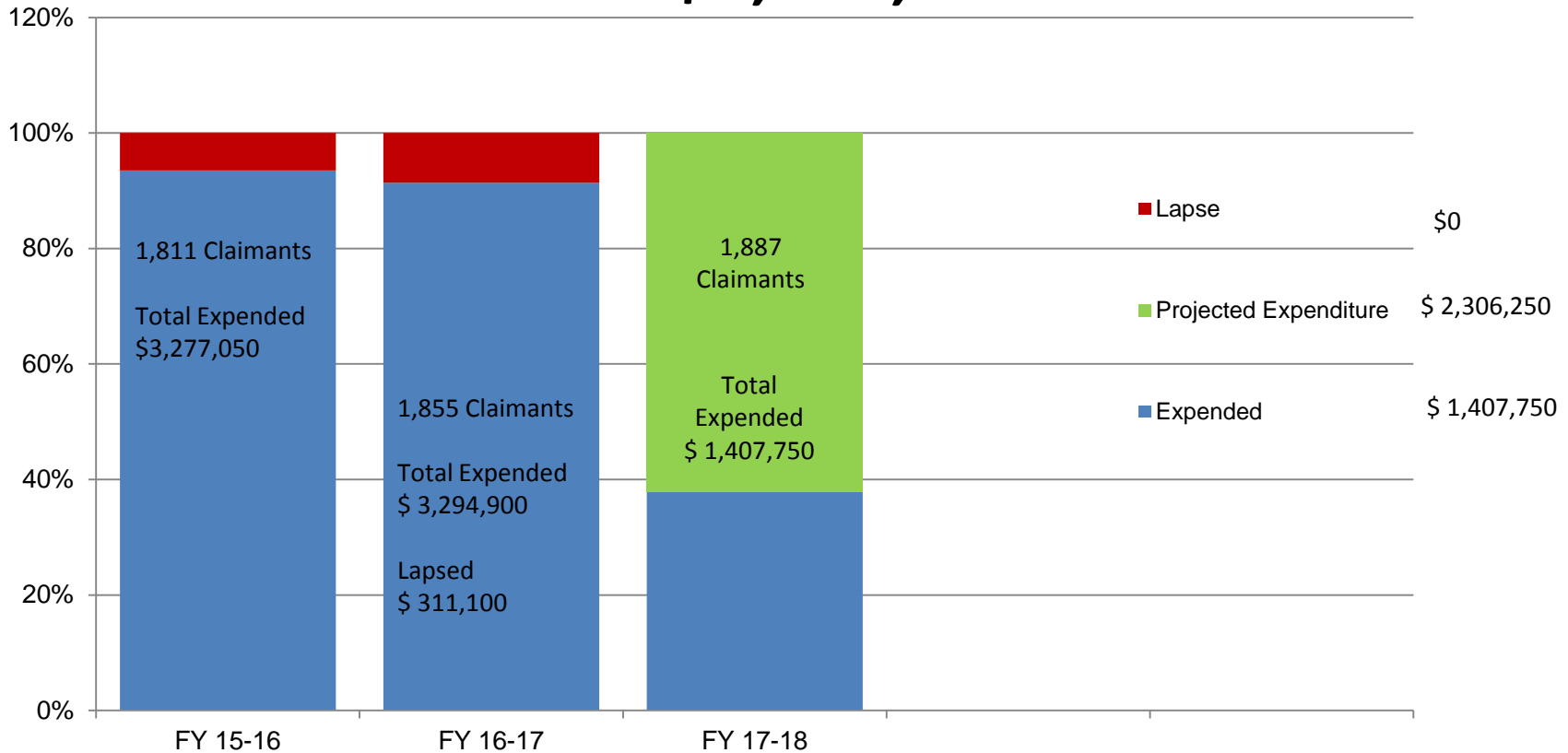


As of 7 November 2017

# AMPUTEE & PARALYZED VETERANS PENSION



## Amputee & Paralyzed Veterans Pension \$3,714,000

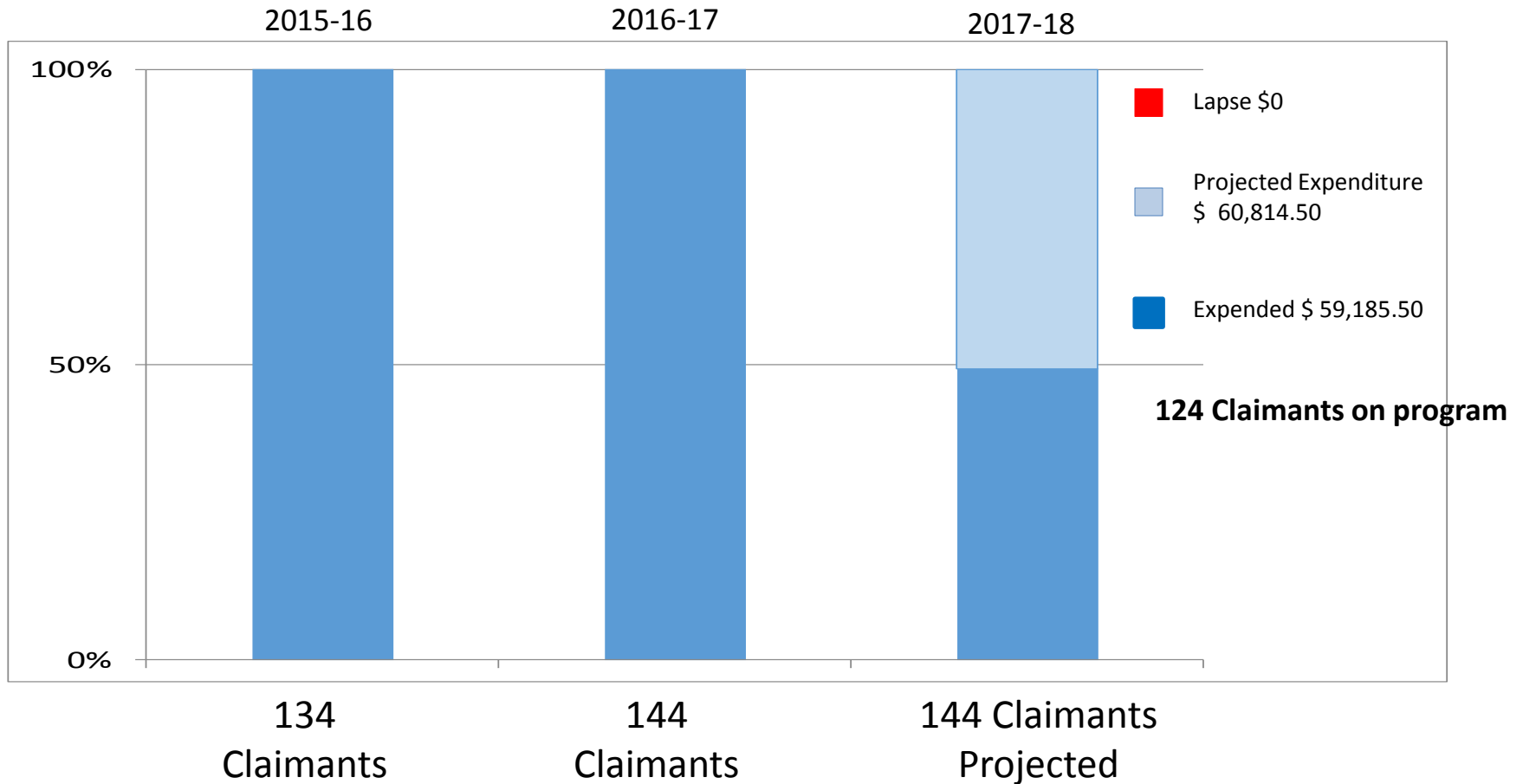


As of 7 November 2017

# EDUCATIONAL GRATUITY

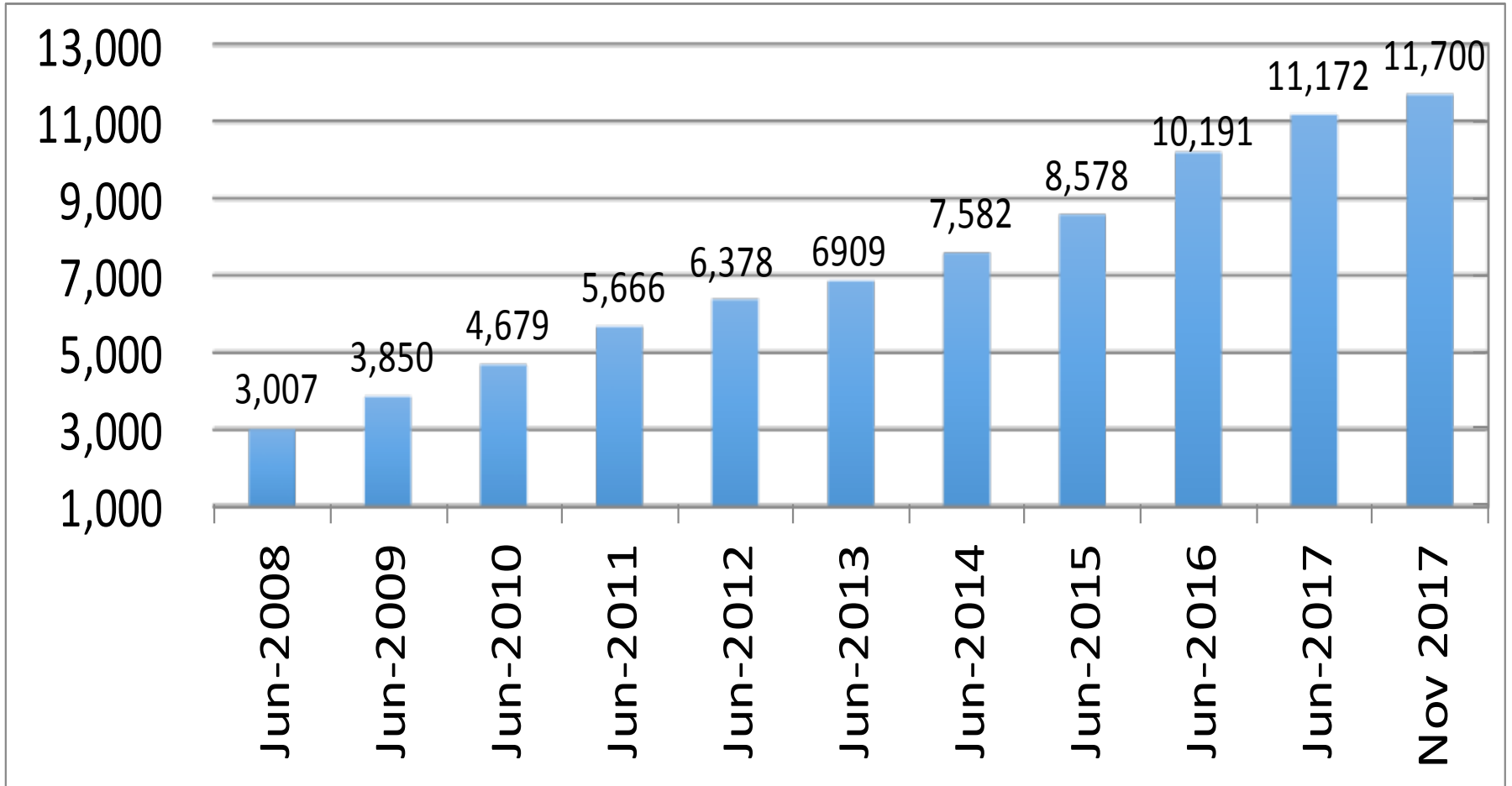


# \$120,000



As of 7 November 2017

# DISABLED VETERANS TAX EXEMPTION PROGRAM



As of 7 November 2017

Mr. Rick Hamp

**The Bureau of**

**Programs, Initiatives, Reintegration and Outreach**

**Topics**

**Service Member, Veteran and their Families  
Wellness Initiative (SMV&F)**

**Veteran Treatment Services Grant**

**Treatment of Veterans with PTSD and co-occurring  
Substance Use Disorders**

**Suicide Prevention PEER (SPPEER)**

The Bureau of Programs, Initiatives, Reintegration and Outreach manages all Veteran related activities excluding the six State Veterans Homes.

The PIRO leads the development of Veteran related inter-agency coordination, oversees The management of the Governor's Advisory Council for Veterans Services, Serves as the Designee for the Adjutant General on the Governor's Advisory Council for People with Disabilities and represents the Departments interests in a number of interagency working Groups, i.e. the PA Mental Health Planning Council, the Community Centered Behavioral Health Clinics (CCBHC), the COMPEER VET Program, and several others.

The PIRO manages two Divisions; the Division of Programs and Services, which is responsible for the administration of all state benefits, services and programs and the Division of Outreach and Reintegration which is responsible for conducting targeted Outreach throughout the Commonwealth. Both Divisions have the primary responsibility of meeting the three basic tenants outlined within our Strategic Plan:

## **Education, Awareness and Access**

# SMV&F Wellness Initiative



The Service Member, Veteran and their Families Wellness Initiative is founded in our Intent to provide support and assistance to help our members sustain wellness, allowing us to take meaningful action BEFORE they go into Crisis.

This is a flexible initiative that allow us to focus on the emerging needs of our members We recognize that many of the Veterans we help require long term support

We partner with several sister Departments and a number of community partners to make this initiative successful.

Currently DMVA does not provide funding to any of these initiatives

These initiatives are a direct response to our understanding and ability to address the Emerging needs of our Service Members, Veterans and their Families.

**This program is a shining example of “Government that Works”**



# Veteran Treatment Services Grant



The Veteran Treatment Services Grant is currently managed by the Department of Drug And Alcohol Programs (DDAP).

This grant will provide funding to the Single County Authorities and requires that they develop partnerships with county government and community providers to deliver a Variety of services to Veterans. Services delivered under this grant may include:

- Housing for homeless or near homeless Veterans and their families
- Mental Health services
- Behavioral Health Services
- Treatment for PTSD and co-occurring Substance Use Disorders
- Other Supportive Services

DDAP has declared that Veterans are a “Priority Population” and has taken steps to target services where needed in this specialty population.

**We are proud to partner with our colleagues at the Department of Drug and Alcohol Programs and we thank them for their support to our Veterans**

# PTSD and Substance Use Disorders



This program has demonstrated remarkable success for the most needy and vulnerable of our Veterans. This program provides services to those Veterans who fall into what is often referred to as “THE GAP”; they have immediate needs and no way to afford the care that they deserve.

We rely on the generosity and professional services of our community partners at New Vitae Wellness and Recovery to provide the person-centered and trauma-informed care that these Veterans need.

New Vitae provides comprehensive behavioral health care services in both residential and outpatient settings.

New Vitae has been recognized by the FDA as a provider of deep Transcranial Magnetic Stimulation (dTMS) which has shown positive results in treating depression; a condition that often is accompanied by other behavioral issues including substance use disorders.

This program has been so successful and meaningful in the eastern part of the state that we are seeking a partner to offer like services in the western part of the state.

**This partnership represents one aspect of how we communicate and collaborate with Our Partners in government and community.**

# Suicide Prevention PEER



The incidence of suicide within the service member and veteran community in the Commonwealth currently exceeds the national average. Our partners in the Office of Mental Health and Substance Abuse Services (OMHSAS) have taken the lead in “Advancing Suicide Prevention Best Practices in Service member, Veteran and their families (SMVF) Peer Support. They asked DMVA to be the Convener of this initiative.

Working with OMHSAS, we have formed a Suicide Prevention PEER (SPPEER) working group And have taken action to have this initiative recognized under the Governor’s Advisory Council for Veterans Services. This Committee boasts members from the United States Department of Veterans Affairs, The Virtual Implementation Academy of SAMSHA, the Office of Mental Health and Substance Abuse Services, The Department of Military and Veterans Affairs, ComPEER PA, and several community providers. The Committee has formed three sub-committees that are focused on:

- Community Awareness and Communications
- Prevention, Treatment Services and Strategy
- Training and Education

**This committee is focused on make a positive difference in the lives of Service Members, Veterans and their Families who are facing debilitating emotional and behavioral health issues**

# Veteran-Centric Fairweather Lodge



This initiative is designed to help individuals with debilitating social, mental and behavioral health issues. Our goal is to provide a platform that allows these Veterans the opportunity To reintegrate into community as an active and productive member of society.

This program is focused on Chronic Homeless, Mental or Behavioral Health issues that adversely impact social integration, Transitioning Incarcerated Veterans, Job skills Training and Employment.

Our partners at the Office of Mental Health and Substance Abuse Services (OMHSAS) Lead this initiative and our community providers at Stairways Behavioral Health administer The lodges. To date we have 4 successful Veteran-Centric Fairweather Lodges within the Commonwealth. 2 are located in Erie County, 1 in Venango County and 1 is Located in Cumberland/Perry County. We are actively working with community partners in Lackawanna County, York County, Cumberland County and Lebanon County to establish Lodges there.

**This initiative is more than a housing first model; it is a pathway back to society where the Veteran is both functional and productive. We truly believe that this initiative will help us help Veterans in ways that cannot be measured in terms of money.**

SVC Chairman Ed Burris/  
Vice Chair Sam Petrovich

## **\*State Veterans Commission:**

- Members
- Committees
  - Grants to Veteran Service Officer Programs
  - By-Laws
  - Legislative
  - Pensions & Relief / Grave Marking / State Military Cemetery Committee
  - Real Estate Tax Exemption

## **\*State Veterans Homes**