

**Agency Purpose**

The Minnesota Department of Veterans Affairs (MDVA) is “Dedicated to serving Minnesota Veterans and their families.” MDVA strives to enhance the lives of those it serves through the development and implementation of services that are tailored to meet the current and ongoing needs of veterans and their families.

**At a Glance**

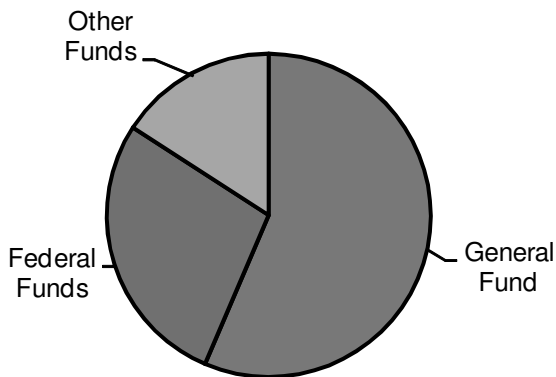
**Veterans Health Care**

- Total Operating Beds 794
  - Fergus Falls – 85 skilled nursing beds
  - Hastings – 200 domiciliary beds
  - Luverne – 85 skilled nursing beds
  - Minneapolis – 200 skilled nursing, 50 domiciliary, 91 special care unit beds
  - Silver Bay – 83 skilled nursing beds
- Statewide occupancy rate = 95 percent

**Veterans Programs and Services**

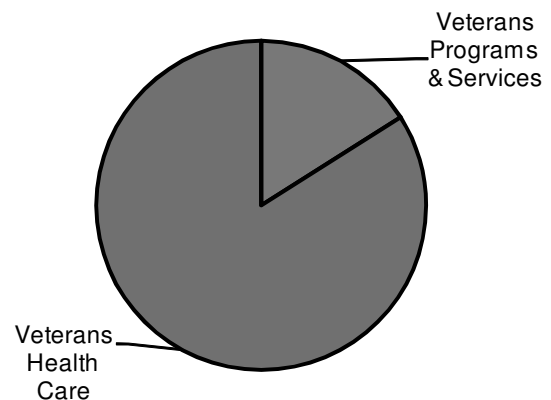
- In FY 2010, the State Soldiers Assistance Program (SSAP) received 3,579 new applications for assistance, and paid out over \$6 million in direct, emergency funds to veterans.
- 59 Veterans Assistance Offices on college campuses throughout the state, serving over 5,110 new visitors in 2009.
- In FY 2009, the Claims & Outreach Division staffed more than 900 events, performed 3,000+ hours of training, and received 19,786 rating decisions on claims it submitted to the U.S. Department of Veterans Affairs (VA).

**Est. FY 2010-11 Expenditures by Fund**



Source: Consolidated Fund Balance (FY11 modified)

**Est. FY 2010-11 Expenditures by Program**



Source: Veterans Affairs Dept

**Strategies**

MDVA accomplishes its mission by:

- Promoting self-sufficiency and personal responsibility through a temporary safety net of benefits and services;
- Supplying representation to clients pursuing federal veterans benefit claims;
- Ensuring a smooth transition for veterans from active military service to civilian life;
- Providing the highest quality programs for housing, health care, and supportive services to residents of the five state veterans homes; and
- Utilizing proven business practices to ensure the most timely, cost-effective delivery of benefits and services.

**Operations**

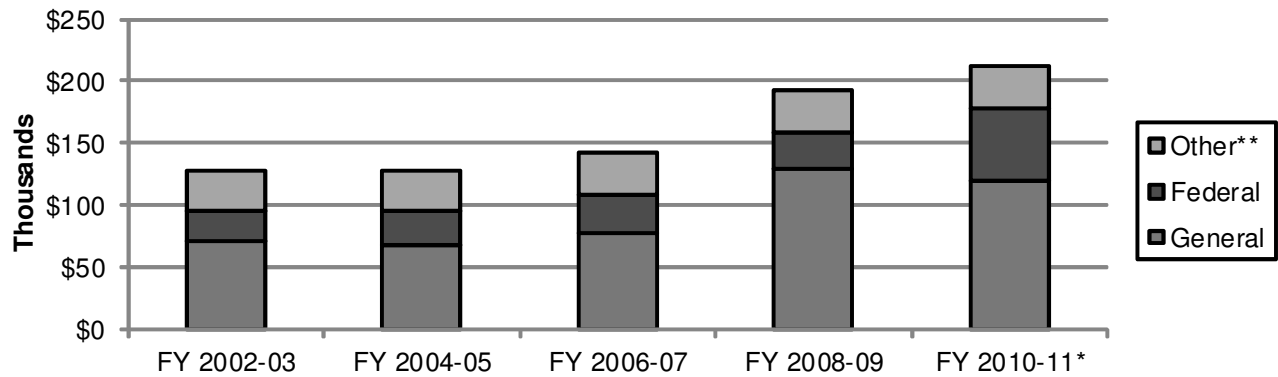
**Programs and Services** is responsible for overseeing and implementing direct-service programs to veterans and their families, providing federal claims assistance, conducting outreach to veterans, and operating the state veterans' cemetery.

**Veterans Health Care** oversees and operates of the five state veterans homes (Fergus Falls, Hastings, Luverne, Minneapolis, and Silver Bay).

**Central Office** provides department-wide services, including overall leadership, policy development, fiscal management, information technology, human resources, affirmative action, communications, veterans preference and state approving agency activities.

**Budget Trends**

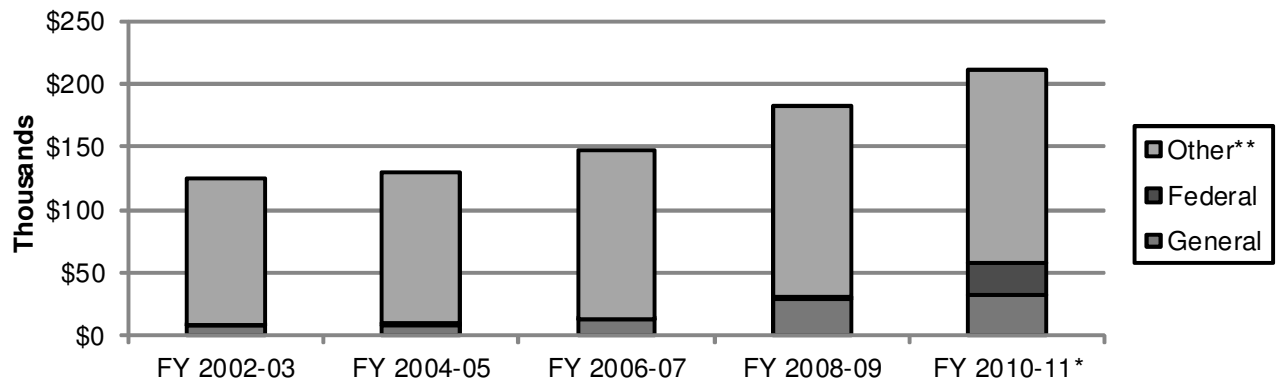
**Total Revenues by Fund**



\* FY 2010-11 is estimated, not actual.

The agency has the authority to combine revenue sources and expend them from a separate fund in order to provide the necessary funding to individual veterans homes. Thus, the following chart illustrates these expenditures in the "Other" expenditures category, which includes revenue from the veterans health care fund, general fund and federal VA per diem.

**Total Expenditures by Fund**



\* FY 2010-11 is estimated, not actual.

\*\* Other expenditures category includes Veterans Health Care, General Fund and federal VA per diem.

Source data for the previous chart is the Minnesota Accounting and Procurement System (MAPS) as of September 2010.

There are many external factors affecting the department's operations, some include:

- An increased demand for services due to a weak economy and a large number of recently returning veterans from Iraq and Afghanistan who need assistance in securing benefits from the state and/or federal government;
- An overall aging veteran population. In the next 20 years, the number of veterans over the age 75 is expected to increase by approximately 9 percent.

### Contact

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Departments Results web page:  
<http://www.accountability.state.mn.us/Departments/VetAffairs/index.htm>

*Dollars in Thousands*

	Current		Forecast Base		Biennium 2012-13
	FY2010	FY2011	FY2012	FY2013	
<b><u>Direct Appropriations by Fund</u></b>					
<b>General</b>					
Current Appropriation	58,325	58,768	58,768	58,768	117,536
<b>Forecast Base</b>	<b>58,325</b>	<b>58,768</b>	<b>56,750</b>	<b>56,750</b>	<b>113,500</b>
Change		0	(2,018)	(2,018)	(4,036)
% Biennial Change from 2010-11					-3.1%
 <b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
General	14,839	16,156	13,234	13,234	26,468
<b>Statutory Appropriations</b>					
Miscellaneous Special Revenue	75,220	80,795	81,229	80,252	161,481
Federal	7,217	12,858	9,914	355	10,269
Federal Stimulus	1,614	4,563	0	0	0
Miscellaneous Agency	1,722	1,810	1,816	1,816	3,632
Gift	496	660	637	634	1,271
<b>Total</b>	<b>101,108</b>	<b>116,842</b>	<b>106,830</b>	<b>96,291</b>	<b>203,121</b>
 <b><u>Expenditures by Category</u></b>					
Total Compensation	67,363	71,216	72,367	71,530	143,897
Other Operating Expenses	16,830	19,939	16,924	16,824	33,748
Capital Outlay & Real Property	7,769	16,327	9,531	0	9,531
Payments To Individuals	7,167	7,451	6,963	6,892	13,855
Local Assistance	1,979	1,909	1,045	1,045	2,090
<b>Total</b>	<b>101,108</b>	<b>116,842</b>	<b>106,830</b>	<b>96,291</b>	<b>203,121</b>
 <b><u>Expenditures by Program</u></b>					
Veterans Programs And Services	15,336	16,971	13,730	13,705	27,435
Veterans Health Care	85,772	99,871	93,100	82,586	175,686
<b>Total</b>	<b>101,108</b>	<b>116,842</b>	<b>106,830</b>	<b>96,291</b>	<b>203,121</b>
 <b>Full-Time Equivalent (FTE)</b>	 <b>1,089.3</b>	 <b>1,102.3</b>	 <b>1,116.8</b>	 <b>1,066.8</b>	

**Program at a Glance**

- In FY 2010, the State Soldiers Assistance Program (SSAP) received 3,579 new applications for assistance, and provided \$6 million in direct, emergency funds to veterans.
- In FY 2009, the Claims & Outreach Division received 19,786 rating decisions on veteran's claims submitted to the VA.
- In 2009, Higher Education Veterans Program coordinators served 56,000 individuals at campus service centers throughout the state, a 44 percent increase over 2008.

**Program Description**

The Minnesota Department of Veterans Affairs (MDVA) provides numerous services to Minnesota veterans and their families, including: assistance in securing federal veterans' benefits, outreach to underserved veteran populations, veterans assistance officers at institutions of higher education, emergency financial assistance, and burial services at the state cemetery.

**Population Served**

Minnesota veterans, their dependents and survivors.

**Services Provided**

The **State Soldiers Assistance Program (SSAP)** provides direct, emergency financial assistance to veterans, their

dependents and survivors. This program makes provisions for shelter and utilities, optical and dental benefits, and cash grants for food and personal needs.

**Claims and Outreach** staff and Tribal Veteran Service Officers represent veterans and their family members by acting as their advocate in matters pertaining to federal Veterans Affairs (VA) benefits and entitlements. As a veteran's representative, the Claims and Outreach office staff help identify what evidence is needed to support a rating decision claim, monitor the progress of the claim through the adjudication process, intercede on the claimant's behalf if problems arise, and explain and clarify federal VA procedures and regulations that apply to the claim. The Claims and Outreach offices work closely with County Veterans Service Officers (CVSOs) to facilitate important services, such as: disability compensation, pension, vocational rehabilitation, and education and health care benefits.

The **Higher Education Veterans program** serves the unique higher education needs of students who are veterans, military members or family members of military men and women. Coordinators work with colleges to enhance or develop "veteran friendly" policies and procedures, such as:

- Payment deferments while awaiting properly applied for educational benefits;
- Military transfer credit; veteran resident status;
- Registration flexibility and withdrawals due to deployments;
- Information about services and resources, as well as referrals to appropriate service providers; and
- Facilitation of communication between departments and staff who regularly interact with veterans (i.e. admissions, financial aid, counseling, disability services, and career services).

MDVA also supports on-campus Veterans Resource Centers, which provide an environment where veterans, military members and their families feel welcome, can interact, support, and encourage others with similar backgrounds, experiences, and circumstances.

The **Minnesota GI Bill program** provides postsecondary educational assistance to eligible Minnesota veterans, and to the children and spouses of deceased or severely disabled Minnesota veterans. The Minnesota GI Bill program benefits are awarded after existing or expected federal military benefits, or other need-based grant programs offered by the state or federal government, have been awarded. The Minnesota GI Bill program benefits are available for undergraduate and graduate studies that lead to a certificate, diploma, or degree.

The **Minnesota State Veterans Cemetery** in Little Falls provides dignified burial services to Minnesota veterans, as well as their eligible dependents and survivors. Burial is open to all veterans discharged from active military service under conditions other than dishonorable discharge. Spouses, minor children and, under certain conditions, unmarried adult children are also eligible for burial. Members of the reserve components of the Armed Forces, the Army and National Guard, and the Reserve Officer Training Corps are eligible as well.

Additional programs and activities within Veterans Programs and Services include:

- **LinkVet** – A toll-free, one-stop customer service line for all Minnesota veterans.
- **County Veterans Service Officer Grants** – Assists CVSOs in providing additional services to veterans.
- **Minnesota Service C.O.R.E.** – Works in partnership with Lutheran Social Services to bring essential, community-based services directly to veterans, military members and their families across Minnesota at no cost to them.
- **Grants to the Minnesota Assistance Council for Veterans (MACV)** – A non-profit organization, which provides assistance throughout Minnesota to positively motivated veterans and their families who are homeless or experiencing other life crises.
- **Minnesota State Approving Agency (SAA)** – Authorized by Title 38 of the United States Code, SAA is responsible for approving education and training programs that are utilized by veterans and paid for with GI Bill funds.
- **Veterans Preference Act enforcement**
- **Grants to veteran service organizations**
- **Military funeral honors**

### **Key Activity Goals & Measures**

MDVA Programs and Services will:

- Meet the needs of eligible veterans, their dependents, and survivors by providing innovative customer service; and
- Increase the utilization of benefits and services by veterans through increased education, advocacy and outreach.
- Foster a culture of continuous improvement to increase efficiencies and streamline operations.

The overarching framework for measuring agency-wide goals and measures is contained in the department's five-year strategic plan. Goals are measured by compiling data on the numbers of individuals served and type of service received, and through the number of dollars distributed or generated by specific activities. Examples of 2009 results include:

- In FY 2010, the State Soldiers Assistance Program (SSAP) received 3,579 new applications for assistance, and paid out over \$6 million in direct, emergency funds to veterans.
- In FY 2009, the Claims & Outreach Division received 19,786 rating decisions on veteran's claims submitted to the VA, and served as Power of Attorney on 10,537 new claims.
- In 2009, Higher Education Veterans Program coordinators served 5,110 new individuals at campus service centers throughout the state. In total, the program had more than 56,000 contacts, a 44 percent increase over 2008.
- During the FY 2009 grant cycle, MDVA received 145 grant applications from 63 individual counties and applications for three joint county projects for a total dollar amount of \$2.7 million. MDVA awarded 121 grants, totaling \$1.45 million.

### **Program Funding**

During the FY2010-11 biennium the Veterans Programs and Services activities are primarily funded through General Fund appropriations (96 percent). Some activities are funded through special revenue funds, federal funds, and gifts (six percent).

### **Contact**

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# VETERANS AFFAIRS DEPT

Program: VETERANS PROGRAMS AND SERVICES

Program Summary

*Dollars in Thousands*

	Current		Forecast Base		Biennium
	FY2010	FY2011	FY2012	FY2013	2012-13
<b><u>Direct Appropriations by Fund</u></b>					
<b>General</b>					
Current Appropriation	14,652	14,852	14,852	14,852	29,704
<b>Technical Adjustments</b>					
One-time Appropriations			(950)	(950)	(1,900)
Operating Budget Reduction			(18)	(18)	(36)
Program/agency Sunset			(1,050)	(1,050)	(2,100)
<b>Forecast Base</b>	<b>14,652</b>	<b>14,852</b>	<b>12,834</b>	<b>12,834</b>	<b>25,668</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
General	14,157	15,338	12,734	12,734	25,468
<b>Statutory Appropriations</b>					
Miscellaneous Special Revenue	816	1,234	620	598	1,218
Federal	355	355	355	355	710
Gift	8	44	21	18	39
<b>Total</b>	<b>15,336</b>	<b>16,971</b>	<b>13,730</b>	<b>13,705</b>	<b>27,435</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	5,246	6,299	5,533	5,675	11,208
Other Operating Expenses	2,506	2,993	1,876	1,780	3,656
Payments To Individuals	5,605	5,770	5,276	5,205	10,481
Local Assistance	1,979	1,909	1,045	1,045	2,090
<b>Total</b>	<b>15,336</b>	<b>16,971</b>	<b>13,730</b>	<b>13,705</b>	<b>27,435</b>
<b><u>Expenditures by Activity</u></b>					
Veterans Services	2,006	2,622	2,597	2,594	5,191
Programs & Services	7,988	7,937	7,502	7,502	15,004
Claims & Outreach	5,342	6,412	3,631	3,609	7,240
<b>Total</b>	<b>15,336</b>	<b>16,971</b>	<b>13,730</b>	<b>13,705</b>	<b>27,435</b>
<b>Full-Time Equivalents (FTE)</b>	<b>83.4</b>	<b>89.5</b>	<b>75.5</b>	<b>75.3</b>	

**Program at a Glance**

- Total Operating Beds 859 (FY 2008)
  - Fergus Falls – 85 skilled nursing beds
  - Hastings – 200 domiciliary beds
  - Luverne – 85 skilled nursing beds
  - Minneapolis – 200 skilled nursing beds, 50 domiciliary beds, 91 special care unit beds.
  - Silver Bay – 83 skilled nursing beds
- Statewide occupancy rate = 98 percent

**Program Description**

The Minnesota Department of Veterans Affairs (MDVA) provides skilled nursing care, special care units for the treatment of dementia, and domiciliary (boarding) care. Facilities are located in Fergus Falls, Hastings, Minneapolis, Luverne, and Silver Bay. A centralized management team, lead by the Deputy Commissioner of Veteran Health Care, supports each home.

Nursing home care consists of compassionate medical, rehabilitative, and end-of-life care in a residential setting that is staffed by well-qualified personnel. Care is designed and delivered according to the individual needs of each

resident. The goal is to restore, optimize, and/or maintain each resident’s level of function, personal autonomy, and dignity while recognizing the individual’s service to the country.

Domiciliary care is a residential rehabilitation program that provides long-term psychosocial care for veterans. This resident population may require ongoing treatment and therapy for their mental health and/or substance abuse disorder. Dual diagnosis (mental health and substance abuse) services are available to veterans with the goal of reintegration back into society.

**Population Served**

Approximately 400,000 veterans reside in Minnesota and it is predicted this population will decrease by approximately 35 percent over the next twenty years, largely due to the passing of WWII veterans. While the overall veteran population is expected to decrease, the number of veterans aged 75 and older is expected to grow by approximately 9 percent. Fifty percent of the patients cared for in Minnesota’s veterans homes are between the ages of 75-84, and 21 percent are over the age of 85. This is compared to private sector long-term care where approximately 31 percent are between the ages of 75-84, and 52 percent are over 85. In addition, the veterans homes resident population is 86 percent male, as compared to 27 percent in the private sector. The primary diagnoses for skilled care in the veterans homes system are dementia, Alzheimer’s, coronary vascular disease, diabetes, and chronic obstructive pulmonary disease. For domiciliary care, the primary diagnoses are alcohol dependence/abuse, chronic obstructive pulmonary disease, hypertension, and diabetes.

**Services Provided**

The following services are provided at the veterans homes:

- |                                      |                                      |   |
|--------------------------------------|--------------------------------------|---|
| • skilled nursing                    | • physical therapy                   | • special care units – dementia and Alzheimer’s |
| • domiciliary (board and care)       | • outpatient services (Fergus Falls) | • transitional care                             |
| • speech therapy                     | • work therapy                       | • social services                               |
| • hospice                            | • recreational therapy               |   |
| • occupational therapy               | • spiritual care                     |   |
| • drug and alcohol treatment         | • podiatry                           |   |
| • chiropractic (with doctor’s order) | • mental health                      |   |
| • volunteer programs                 | • dental                             |   |
| • optometry exams                    |                                      |   |

**Key Program Goals & Measures**

MDVA’s veterans homes:

- Provide high quality of care;
- Meet the needs of the veteran community by providing innovative customer service; and
- Foster employee morale and strong partnerships with stakeholders.



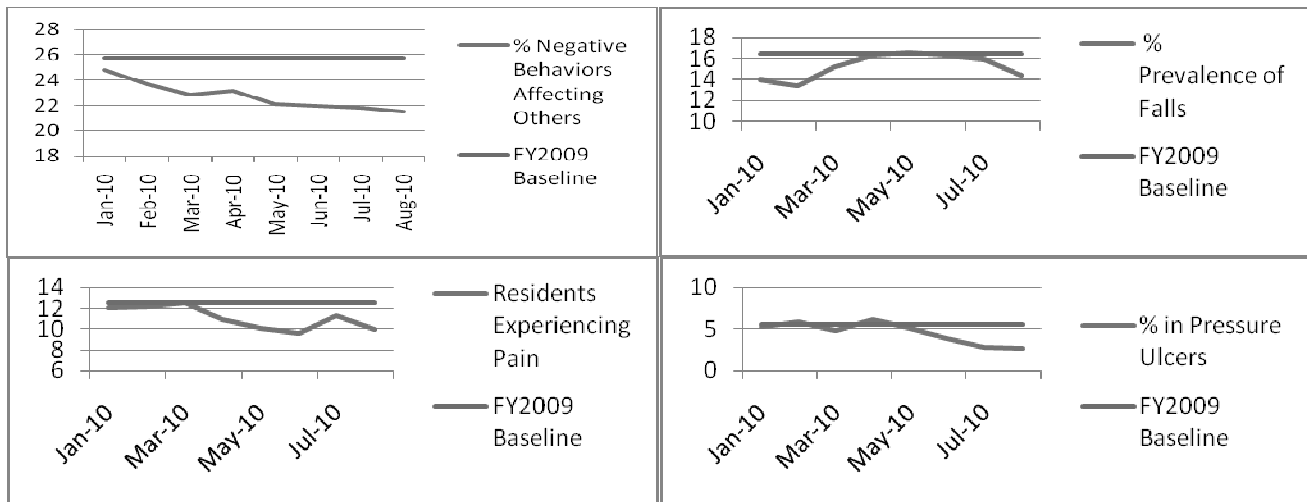
Quality of care measurement:

The primary measurement of service is quality of care. A minimum data set (MDS) is completed on each resident upon admission, quarterly, annually and when there is a significant change in health status. The data is collected through the EQUIP system, which compares twenty-four quality indicators that have been adopted by the federal Center for Medicare and Medicaid Service as the primary quality monitoring tools for skilled nursing care.

The Center looks at issues such as: hydration, new fractures, falls, weight loss, medication usage, functionality, and pressure ulcers. The facility's quality indicators are compared to peer group averages. Any measurement above or below the peer group averages are reviewed, with the goal of developing an action plan to eliminate negative variances or accepting the variance and understanding why it exists.

The United States Department of Veterans Affairs (USDVA) requires state veterans homes to submit the MDS for its review on a monthly basis. The quality indicator reports are also used by the Minnesota Department of Health and USDVA surveyors during their annual surveys and in the quality monitoring process.

**Quality Management indicators**  
**Source: EQUIP for Quality Database**



The quality management indicators above measure FY2010 performance against the average performance recorded in the Veterans Homes in FY2009.

Innovative customer service, fostering employee satisfaction and partnerships with stakeholders:  
 As a result of the November 2007 merge of MDVA and the Veterans Homes Board, the department developed a five year strategic plan. MDVA created a process to identify the critical needs of the residents and their families, and developed new strategies to address unmet needs. The department has a formalized procedure to define quality standards for each home, which assists in providing the highest level of care and services to its residents. The department is in the process of developing an educational needs assessment and training plan, to provide learning and development opportunities in order to recruit and retain the most highly-skilled employees.

All of the Minnesota Veterans Homes have embraced the Lean process to identify ways to improve the facility's operations, become more efficient and reduce waste. Lean is a process of eliminating waste and duplication with the goal of creating value for enterprise stakeholders.

The Veterans Homes have also developed an Interdisciplinary Quality Council which is represented by various members of all the Veterans Homes. The purpose of the Quality Council is to monitor the critical quality indicators identified by the MDS and Equip for Quality. The Quality Council is currently monitoring 10 quality indicators to develop best practices in the industry.

**Program Funding**

Funding for this program is from the general fund (57 percent), federal VA per diems (21 percent), resident maintenance charges (19 percent), and other sources (three percent). The revenue from the resident maintenance charges and per diem payments, when combined with the general fund appropriation, finance the operations of the program's facilities. During the FY2010-11 biennium, the department also anticipates receiving approximately \$24.2 million in federal VA construction grant dollars.

**Contact**

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# VETERANS AFFAIRS DEPT

Program: VETERANS HEALTH CARE

Program Summary

*Dollars in Thousands*

	Current		Forecast Base		Biennium 2012-13
	FY2010	FY2011	FY2012	FY2013	
<b><u>Direct Appropriations by Fund</u></b>					
<b>General</b>					
Current Appropriation	43,673	43,916	43,916	43,916	87,832
<b>Forecast Base</b>	<b>43,673</b>	<b>43,916</b>	<b>43,916</b>	<b>43,916</b>	<b>87,832</b>
<b><u>Expenditures by Fund</u></b>					
<b>Direct Appropriations</b>					
General	682	818	500	500	1,000
<b>Statutory Appropriations</b>					
Miscellaneous Special Revenue	74,404	79,561	80,609	79,654	160,263
Federal	6,862	12,503	9,559	0	9,559
Federal Stimulus	1,614	4,563	0	0	0
Miscellaneous Agency	1,722	1,810	1,816	1,816	3,632
Gift	488	616	616	616	1,232
<b>Total</b>	<b>85,772</b>	<b>99,871</b>	<b>93,100</b>	<b>82,586</b>	<b>175,686</b>
<b><u>Expenditures by Category</u></b>					
Total Compensation	62,117	64,917	66,834	65,855	132,689
Other Operating Expenses	14,324	16,946	15,048	15,044	30,092
Capital Outlay & Real Property	7,769	16,327	9,531	0	9,531
Payments To Individuals	1,562	1,681	1,687	1,687	3,374
<b>Total</b>	<b>85,772</b>	<b>99,871</b>	<b>93,100</b>	<b>82,586</b>	<b>175,686</b>
<b><u>Expenditures by Activity</u></b>					
Veterans Health Care	1,862	2,382	2,280	2,280	4,560
Mpls Veterans Homes	44,280	52,903	51,805	42,074	93,879
Hastings Veterans Home	9,333	10,507	9,673	9,658	19,331
Silver Bay Veterans Homes	11,970	10,161	9,294	9,284	18,578
Luverne Veterans Home	8,507	9,657	8,979	8,969	17,948
Fergus Falls Veterans Home	9,820	14,261	11,069	10,321	21,390
<b>Total</b>	<b>85,772</b>	<b>99,871</b>	<b>93,100</b>	<b>82,586</b>	<b>175,686</b>
<b>Full-Time Equivalents (FTE)</b>	<b>1,005.9</b>	<b>1,012.8</b>	<b>1,041.3</b>	<b>991.5</b>	

VETERANS AFFAIRS DEPT

Agency Revenue Summary

*Dollars in Thousands*

	Actual FY2010	Budgeted FY2011	Current Law		Biennium 2012-13
			FY2012	FY2013	
<b><u>Non Dedicated Revenue:</u></b>					
<b>Taxes:</b>					
General	18	21	21	21	42
<b>Total Non-Dedicated Receipts</b>	<b>18</b>	<b>21</b>	<b>21</b>	<b>21</b>	<b>42</b>
<b><u>Dedicated Receipts:</u></b>					
<b>Departmental Earnings:</b>					
Miscellaneous Special Revenue	32,617	34,323	35,282	35,282	70,564
<b>Grants:</b>					
Miscellaneous Special Revenue	121	121	131	131	262
Federal	7,217	12,858	9,914	355	10,269
Federal Stimulus	1,614	4,563	0	0	0
<b>Other Revenues:</b>					
Miscellaneous Special Revenue	656	4	4	4	8
Miscellaneous Agency	237	257	257	257	514
Gift	630	627	627	627	1,254
<b>Other Sources:</b>					
Miscellaneous Special Revenue	20	104	777	777	1,554
Miscellaneous Agency	1,512	1,553	1,559	1,559	3,118
<b>Total Dedicated Receipts</b>	<b>44,624</b>	<b>54,410</b>	<b>48,551</b>	<b>38,992</b>	<b>87,543</b>
<b>Agency Total Revenue</b>	<b>44,642</b>	<b>54,431</b>	<b>48,572</b>	<b>39,013</b>	<b>87,585</b>