

2021 Budget Brief



V E R M O N T V E T E R A N S ' H O M E

Fulfilling the Promise

An Agency of the State of Vermont

It all starts with the
Promise

- At the Vermont Veterans' Home

➤ **Governor Scott's Priority Initiative-**

- **We Protect Vermont's most Vulnerable Heroes**



Fulfilling the Promise

It all starts with the Promise

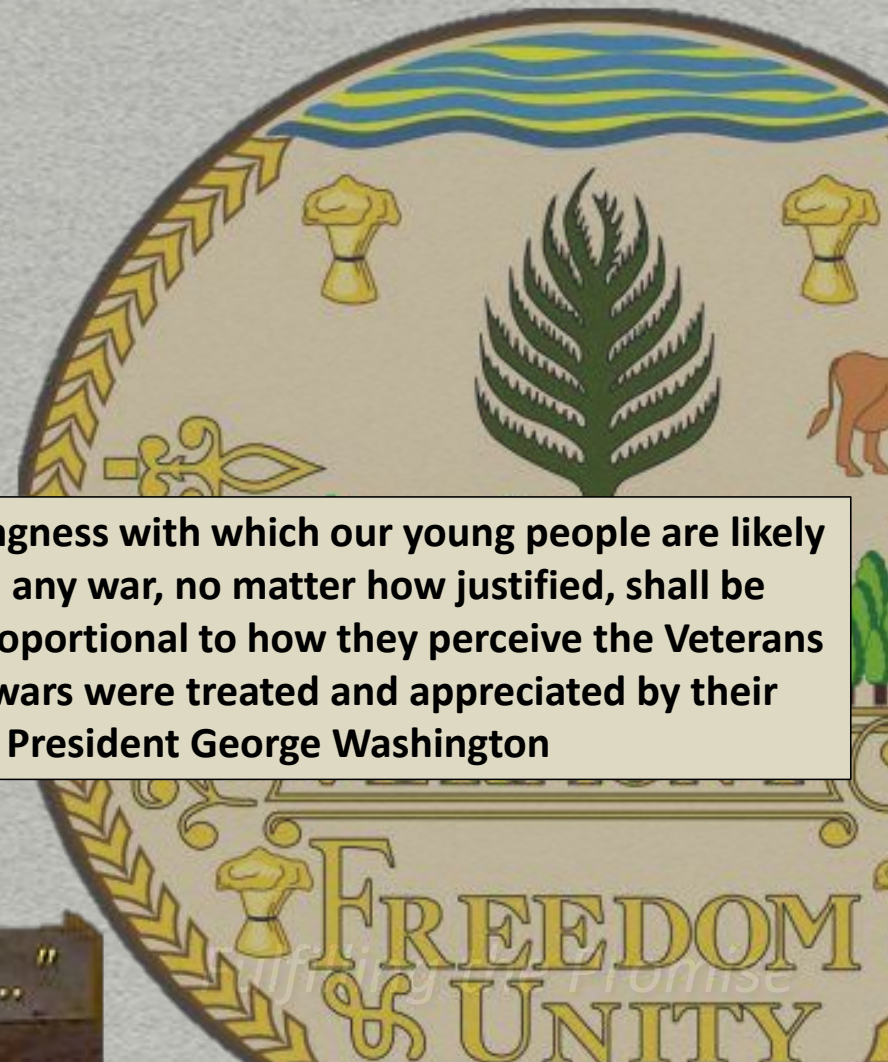


VERMONT
VETERANS'
HOME

- The State of Vermont Fulfills the Promise, it is our turn to ensure their service is not forgotten.
- They answered the call and defended our Country, for that reason, our staff at the Vermont Veterans' Home are here for them.
- **Our State is here for them**
- This is their Veterans' Residential Campus.
- This is their home.



It all starts with the Promise



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"It's about how we treat our veterans every single day of the year. It's about making sure they have the care they need and the benefits that they've earned when they come home. It's about serving all of you as well as you've served the United States of America." –President Barack Obama

"The willingness with which our young people are likely to serve in any war, no matter how justified, shall be directly proportional to how they perceive the Veterans of earlier wars were treated and appreciated by their nation." -- President George Washington

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"To care for him who shall have borne the battle..."

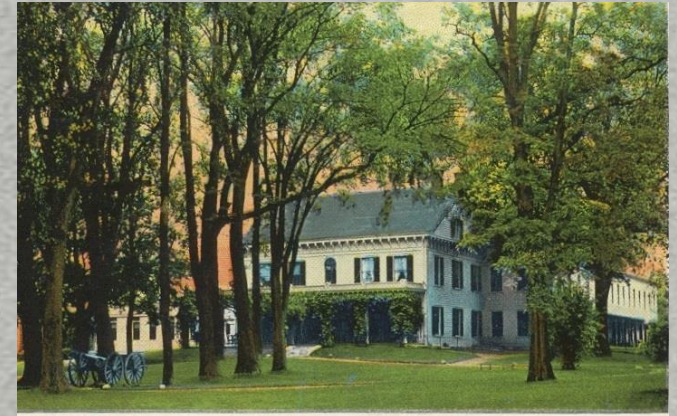
PRESIDENT ABRAHAM LINCOLN

OUR HISTORY



VERMONT
VETERANS'
HOME

- Incorporated by the VT Legislature by Act. No. 180 in the Acts of 1884
- In 1887 the property, conveyed to the Board of Trustees by deed of the Trenor W. Park; First “inmate” was admitted on May 18, 1887
- Was a self-contained working farm for Veterans
- Governed by the Vermont Veterans’ Home Board of Trustees
- Land Owned by The Home’s Board of Trustees



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Vermont Veterans' Home Budget FY 21 Government Funding



| <u>Government Funding</u> | | <u>% of Expense</u> |
|---------------------------|--------------|---------------------|
| General Fund | \$ 2,946,782 | 12.2% |
| | \$ 2,946,782 | 12.2% |

In FY 2019 VVH provided 46,887 days of care to Vermont's most vulnerable Veterans last year.



FY 21 Budget Adjustment Likely

VVH FY 21 Budget produced in Oct 19 , not “total Budget” in anticipation of FY 19 Medicaid Settlement Per Dept. of Finance and Management to cover remainder of anticipated expenses



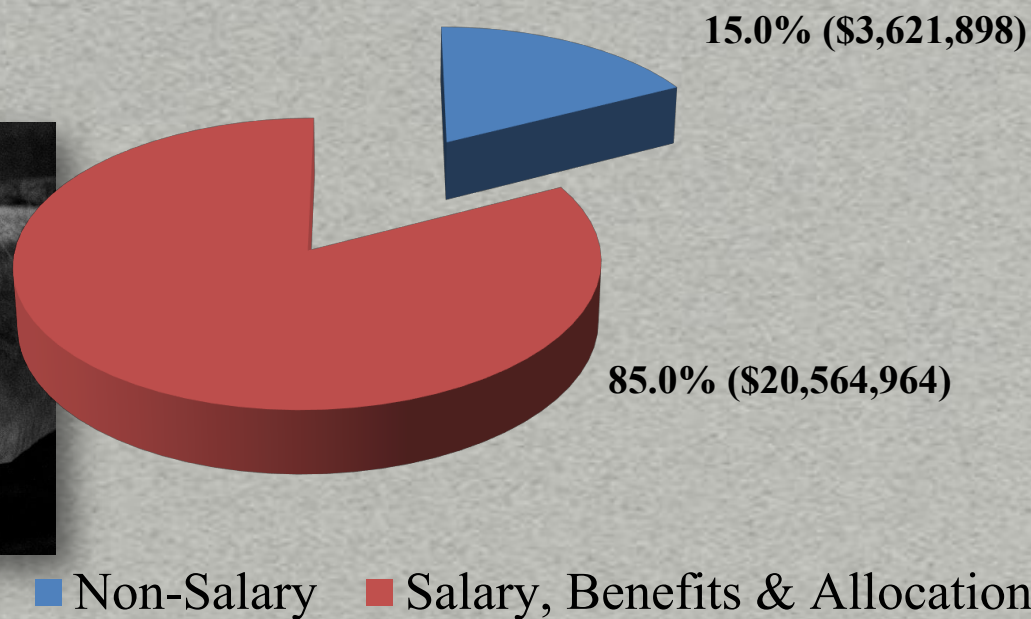
FY 19 Medicaid Settlement due in 4st Qtr of FY 2021

Plus or minus from settlement
at BAA

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Vermont Veterans' Home

Budget support request FY21 Cost Percentages



In FY 2019 VVH provided 46,887 days of care to Vermont's most vulnerable Veterans last year.

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Requested support from the State of Vermont for Budget FY 21



FIXED COSTS....NO Control over these 85.0%

Collected Revenues account for 87.8% of total budget

Minimal Control over 15.0 %

| <u>Operating Expenses</u> | | <u>% of Total</u> | |
|---|------------------------------|-------------------|--|
| Salaries | \$ 11,172,182 | 46.2% | |
| Overtime | 661,042 | 2.7% | |
| Benefits | <u>6,480,780</u> | <u>26.8%</u> | |
| Sub Total Salaries & Benefits | \$ 18,314,004 | 75.7% | |
| Medicaid Tax | \$ 639,470 | 2.6% | |
| Utilities | 765,371 | 3.2% | |
| State Allocations | <u>846,119</u> | <u>3.5%</u> | |
| Sub Total Tax & Allocations | \$ 2,250,960 | 9.3% | |
| Total Salary, Benefits & Allocations | \$ 20,564,964 | 85.0% | |
| <u>Non-Salary Expenses</u> | | | |
| Food | \$ 530,919 | 2.2% | |
| Other Operating | <u>3,090,979</u> | <u>12.8%</u> | |
| Sub Total Non-Salary | \$ 3,621,898 | 15.0% | |
| Total Operating Expenses | \$ 24,186,862 | 100.0% | |
| Gain (Loss) from Operations | \$ <u>(2,946,782)</u> | | |

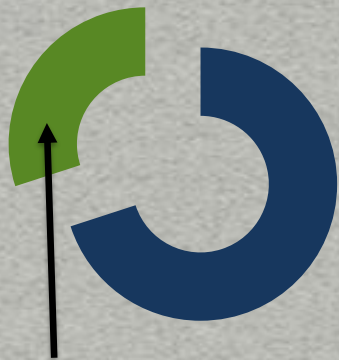
Other Operating Expense Examples: Drugs, Physician Fees, Contracted Rehab Service, Medical Supplies, Maintenance Supplies, Repairs, Advertising, Telephone, IT supplies and Audit.

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We collect approximately 88 cents out of every Dollar required

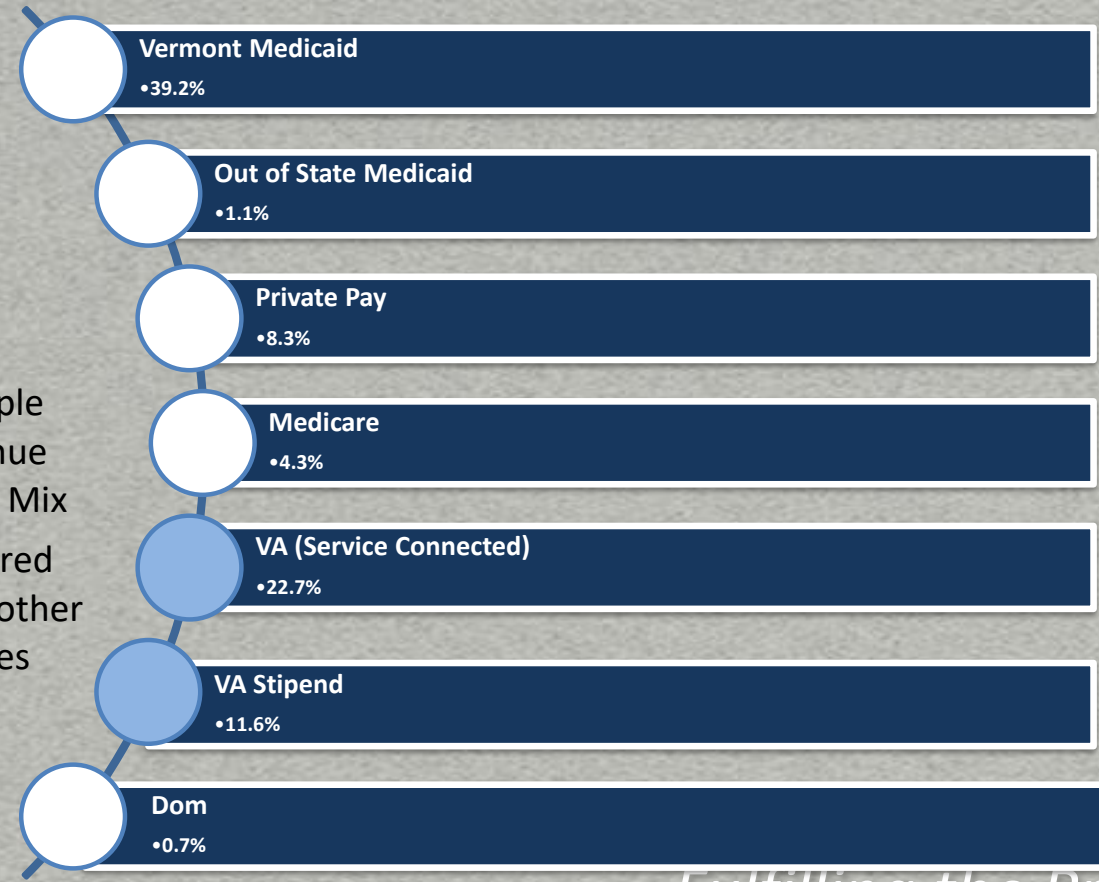


Budget



- Example Revenue Payer Mix
- Required from other sources

Gap between Revenues & Expenses requiring funds



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Salary and
Non-Salary
Budget
History
Comparison
FY18 to FY21

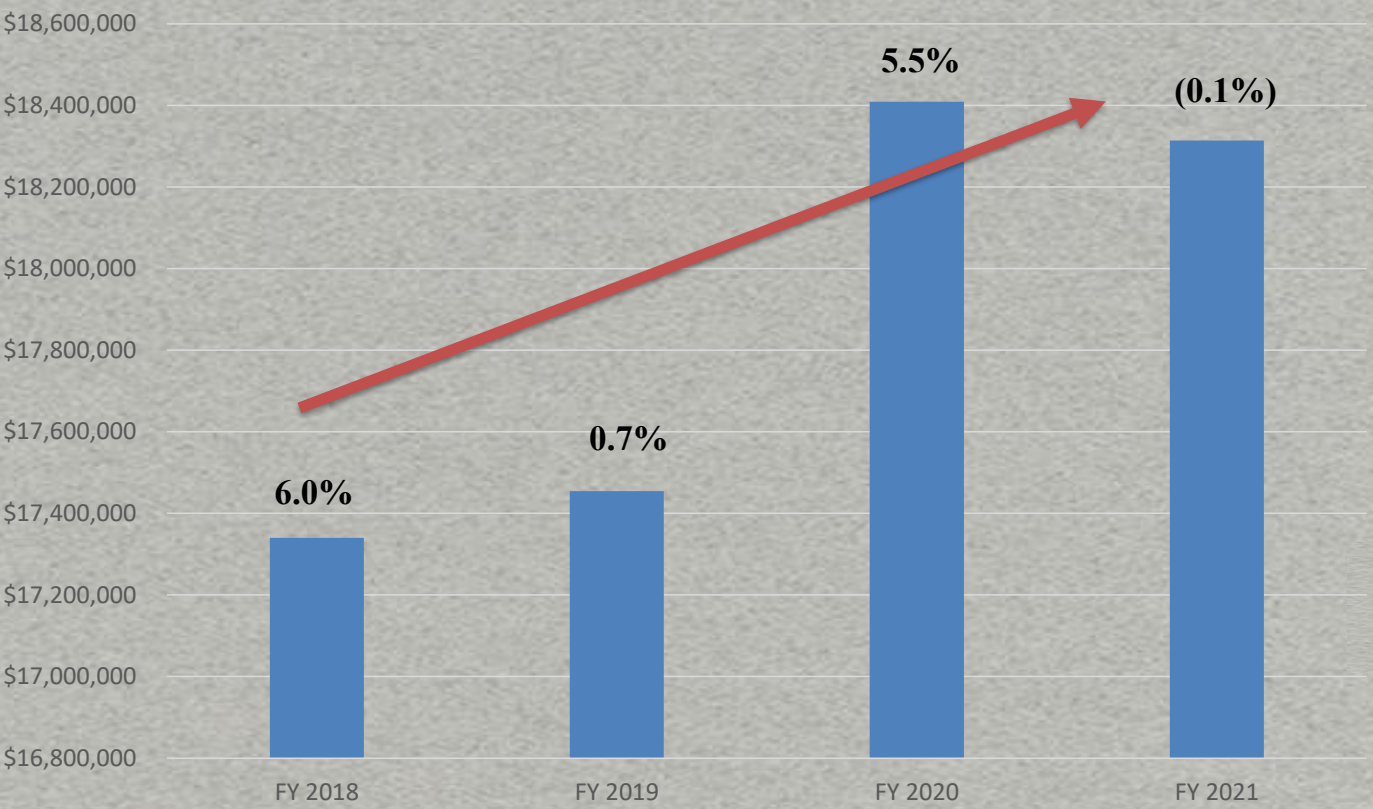


| | <u>FY 2018</u> | <u>FY 2019</u> | <u>FY 2020</u> | <u>FY 2021</u> | <u>Increase</u> |
|----------------------|------------------|------------------|------------------|------------------|-----------------|
| Salary & Benefits ↑ | \$ 17,340,073 | \$ 17,454,845 | \$ 18,408,826 | \$ 18,314,004 | 5.6% |
| Non-Salary ↓ | <u>6,087,334</u> | <u>6,251,305</u> | <u>6,981,609</u> | <u>5,872,858</u> | (3.5%) |
| Total Budget Request | \$ 23,427,407 | \$ 23,706,150 | \$ 25,390,435 | \$ 24,186,862 | 3.2% |

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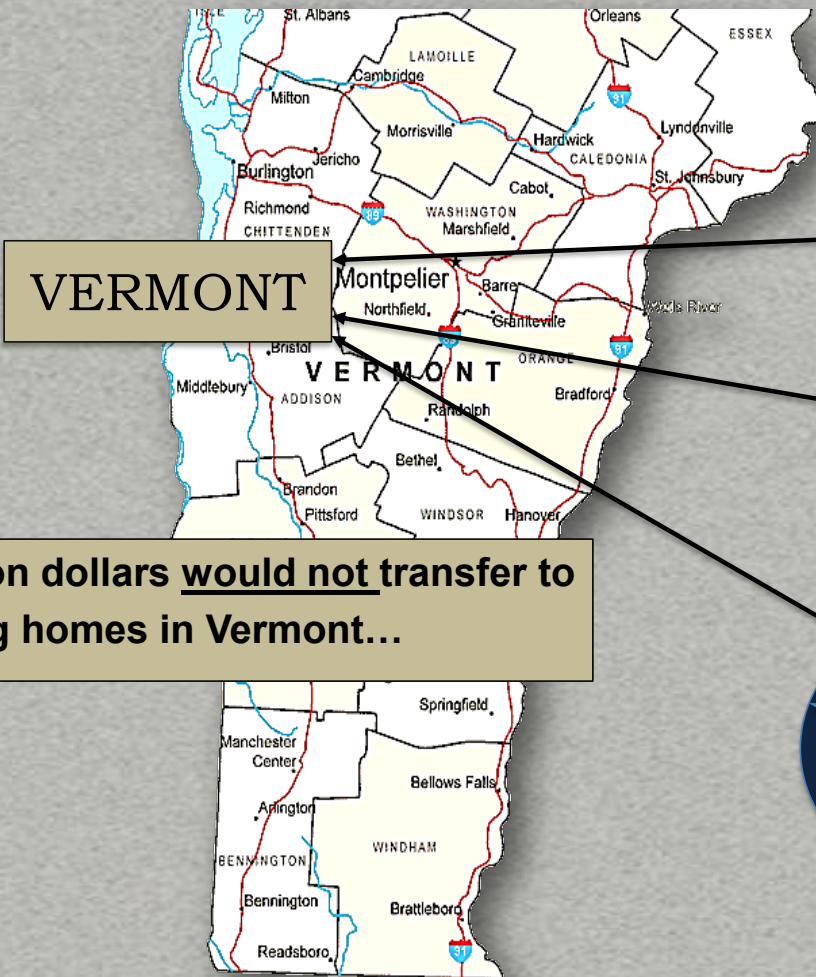
Vermont Veterans' Home Salary & Benefits



In FY 2019 VVH provided 46,887 days of care to Vermont's most vulnerable Veterans last year.

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Vermont will receive approximately **\$8,303,333** from the VA to care for its VVH Veterans in FY-21



★ **VA Stipend-**
\$111.38
per day
\$2,708,093

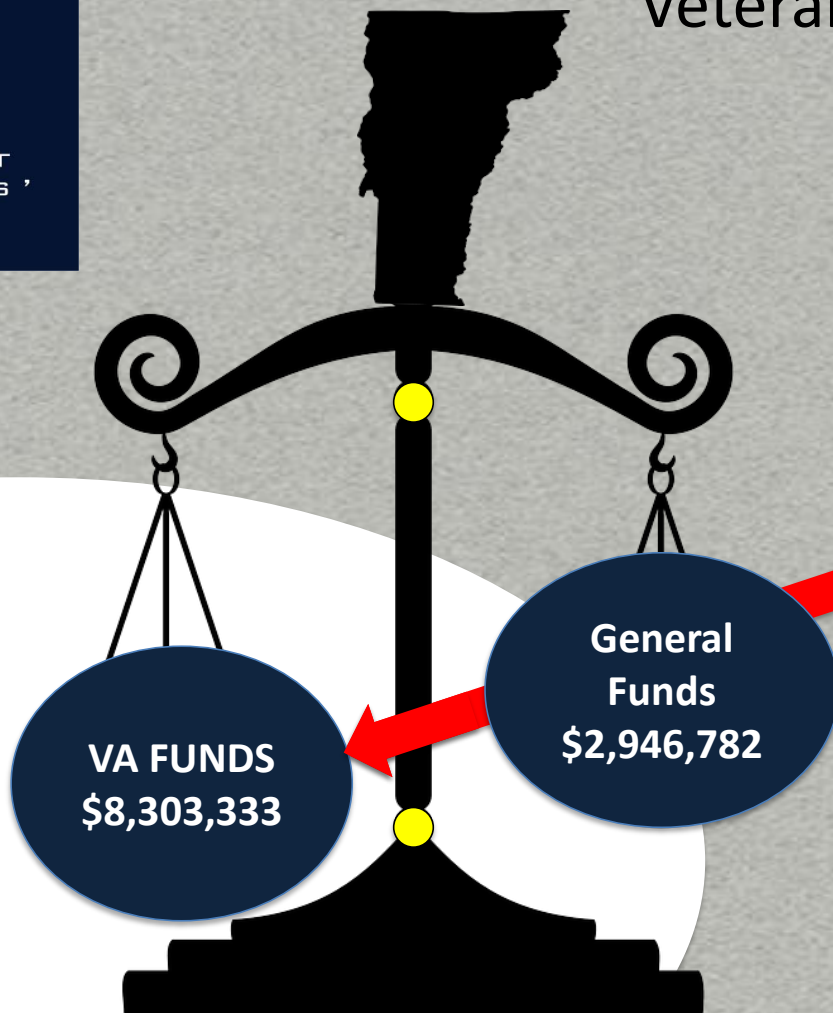
★ **DOM Stipend-**
\$48.07
per day
\$102,629

★ **Service**
Connected -
\$429.95 per
day
\$5,492,611

This \$8.3 Million dollars would not transfer to private nursing homes in Vermont...

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The shared cost of caring for our most vulnerable Vermont Veterans



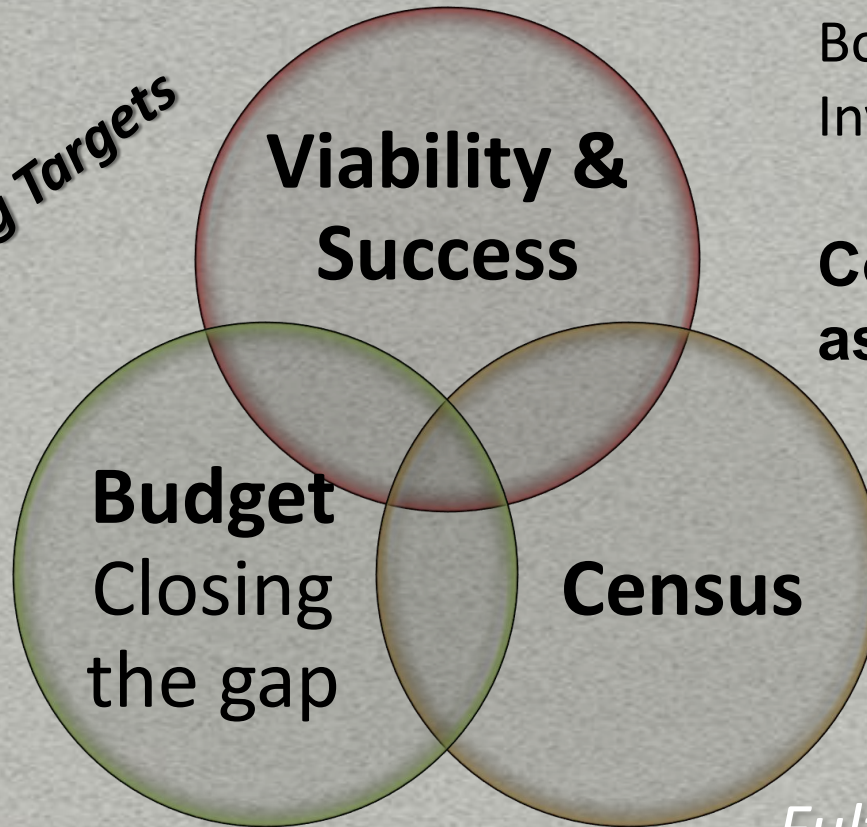
Vermont would not receive these VA Funds without a State Veterans' Home

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The Vermont Veterans' Home Path to a successful Future



Strategic Planning Targets



Board of Trustee
Involvement/Priority

**Consultant Hired to
assist with process**

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What is a State Veterans' Home



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- State Veterans Homes are facilities that provide nursing home, domiciliary or adult day care. *They are owned, operated and managed by state governments.*

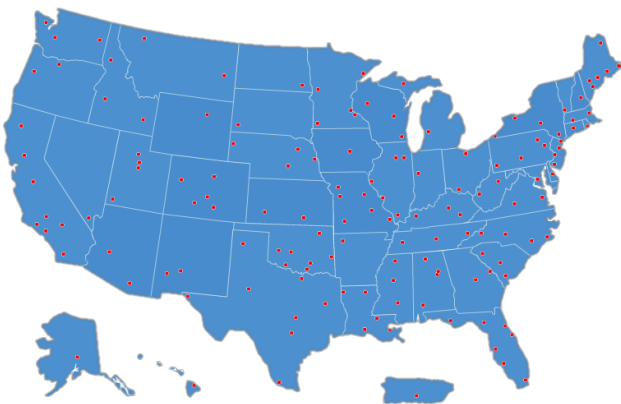
- To participate in the State Veterans Home program, VA must formally recognize and certify a facility as a State Veterans Home. VA then surveys all facilities each year to make sure they continue to meet VA standards.

- *VA does not manage State Veterans Homes.*

- http://www.va.gov/GERIATRICS/Guide/LongTermCare/State_Veterans_Homes.asp

156 State Veterans' Homes

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VA Reimbursement



Provided for Veterans only.

- Two types: Basic Per Diem and Full Cost of Care
- Basic Per Diem is paid for each Veteran residing at the facility, current rate is \$111.38 for the nursing home and \$48.07 for the Dom
 - Remainder of the cost of their nursing home stay is covered by Medicare, Medicaid, Private Pay or Long-Term Care Insurance.
 - Remainder of the cost of their Dom stay is paid via private funds.

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VA Reimbursement Cont.

- Full Cost of Care is paid for any Veteran who is 70% or More Service-Connected Disabled, as determined by the VA.

- This rate includes (Nursing Home Only):

- Room and Board

- MEDICATIONS

- Medical Supplies

- Physician Visits including community physicians

- Facility Cannot Bill Other Insurances

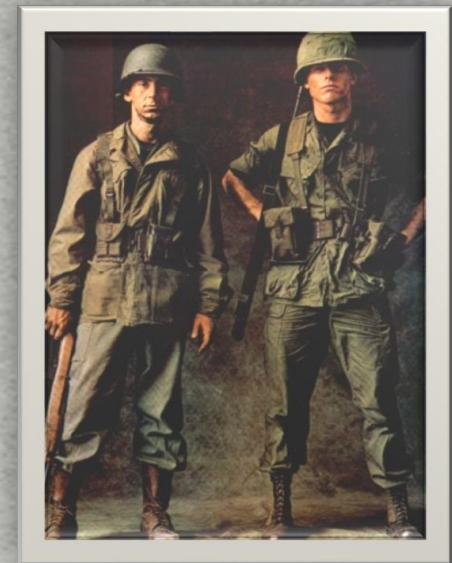


For Service Connected Disabled



The disability had to originate

While serving in the military



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VVH TODAY

- **A Premier Residential and Healthcare Campus for Veterans, their Spouses/Widows, and Gold Star Parents**
- **130 Bed Skilled Nursing Facility**
- **8 Bed Domiciliary “The Dom”/Assisted Living**
- **195 State Employees + 25 Temp**
- **Services Provided**
 - Short-Term Rehabilitation Physical, Occupational, Speech Therapy
 - Long Term Care
 - Internationally Recognized Memory Care Program
 - Hospice and Palliative Care
 - Respite Care
 - Outpatient Rehabilitation Services
 - Guest Room for family members



Celebrating birthdays....this picture depicts residents coming together as family!

Our job to serve and care for our Veterans will never be done



Vermont Guardsmen are working with their Senegalese counterparts



Single enlistment Average Veteran benefits



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- **Misconception-** All Veterans receive a pension, not true. Generally a minimum of 20 years service to receive.
- Most serve an initial enlistment of 3-5 years.

Benefits from initial enlistment


- Pension – Generally no
- Education – GI Bill varies, dependent on how long served on active duty
- Health Care/Disability dependent upon whether service connected & Priority Number assigned
- Home Loan – qualify for VA Home Loan, zero percent down
- Burials – VA national cemetery, Military burial and honors

Performance Measures

Best In Class for Overall Nursing Home Care and Short Term Care by US News and World Report





Vermont Veterans' Home
325 North Street, Bennington, VT 05201

 **Best Nursing Home**

Vermont Veterans' Home in Bennington, VT, has an overall rating of High Performing. It is a large facility with 177 beds and has state ownership. Vermont Veterans' Home is not a... [READ MORE »](#)

HOME SIZE
Large 177 Beds

OVERALL RATING
High Performing


SHORT-STAY RATING
High Performing


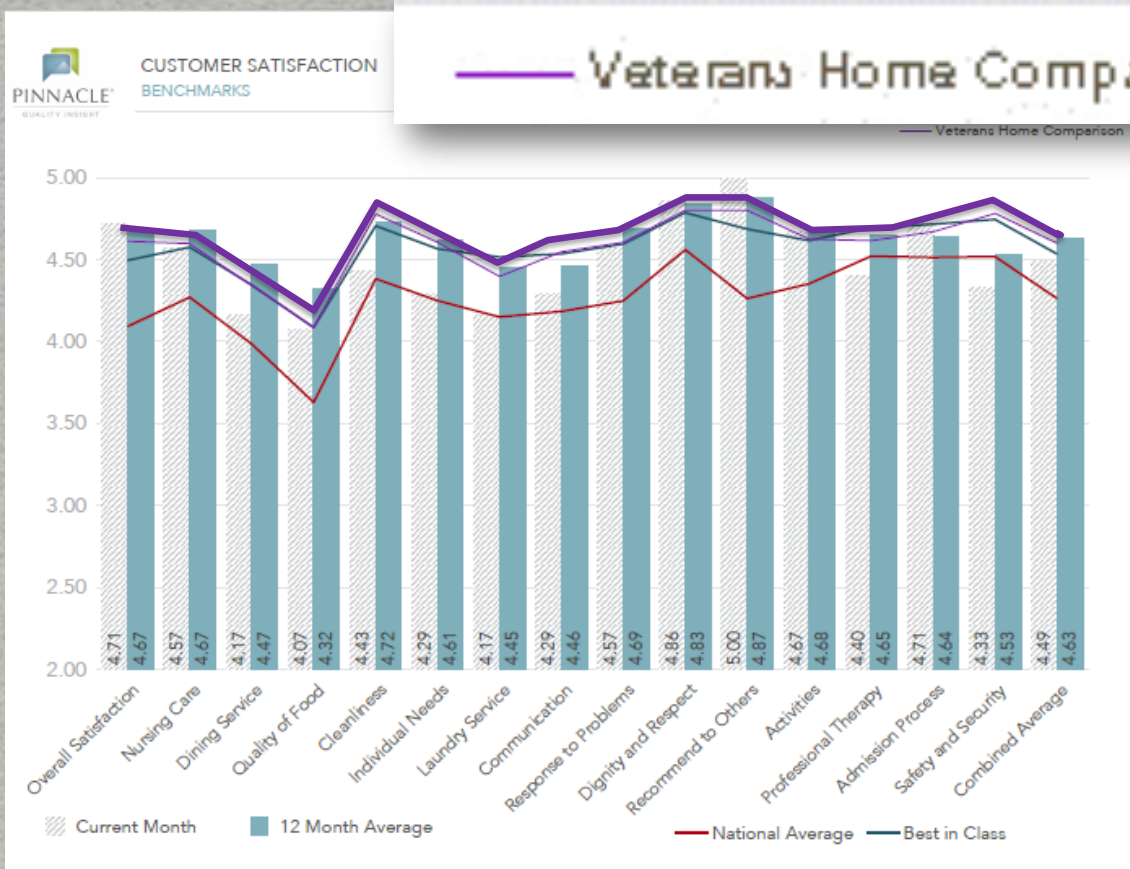
[Talk to an Advisor](#)

Source: US News and World Report

<https://health.usnews.com/best-nursing-homes/search?name=&location=Vermont+>

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PINNACLE Performance Measures



- Overall Satisfaction
- Nursing Care
- Dining Service
- Quality of Food
- Cleanliness
- Individual Needs
- Laundry Service
- Communication
- Response to Problems
- Dignity and Respect
- Recommend to Others
- Activities
- Professional Therapy
- Admission Process
- Safety and Security
- Combined Average

In FY 2019 VVH provided 46,887 days of care to Vermont's most vulnerable Veterans last year. 23

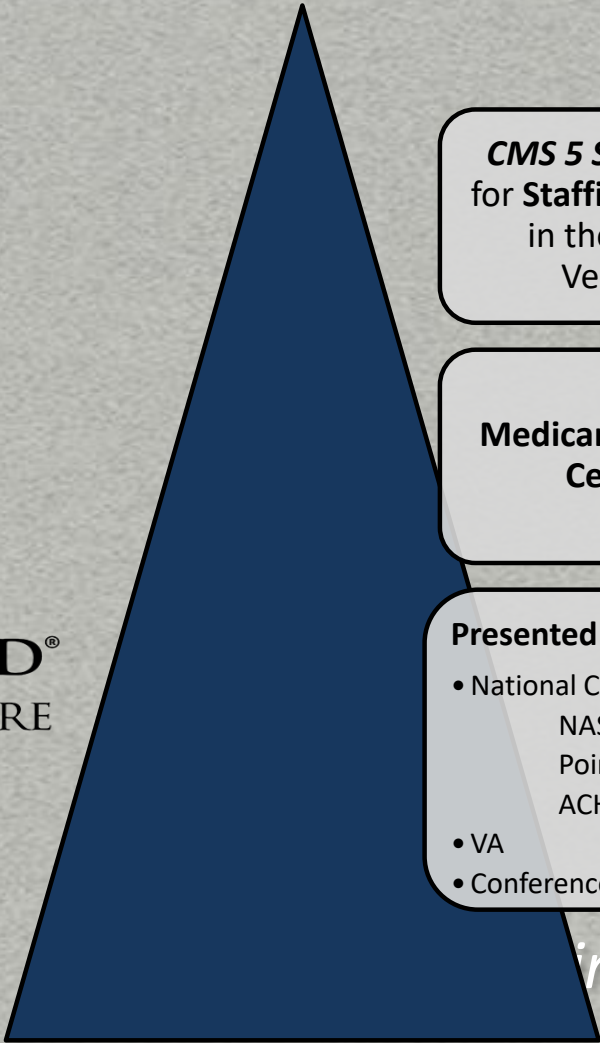
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Performance Measures Continued



2019
WOMEN'S CHOICE AWARD®
AMERICA'S BEST FOR EXTENDED CARE

<http://medicare.gov/nursinghomecompare/results.html#state=VT&lat=0&lng=0>



CMS 5 STAR RATED
for **Staffing** one of 10
in the state of
Vermont.

**Medicare/Medicaid
Certified**

Presented Best Practices

- National Conferences
NASVH
Point Click Care
ACHCA
- VA
- Conference Calls and Visits

Performance Measures Continued



Antipsychotics: Safely reduce the off-label use of antipsychotics by at least 10% since Q1 2017, or maintain a rate of 8% or less among long-stay residents and 1% or less among short-stay patients.



***Functional Outcomes:** Improve short-stay functional improvement or long-stay worsening mobility by 15% - or maintain greater than 75% on short-stay functional improvement or maintain less than 12% on long-stay worsening mobility.

*Note: Due to data availability, we are utilizing Nursing Home Compare's short-stay functional improvement and long-stay worsening mobility measures for the 2020 Recognition Program.



Hospitalizations: Safely reduce long-stay and short-stay hospitalizations by at least 10% since Q1 2017, or maintain a rate of 10% or less.

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Vermont Nursing Home Occupancy



Vermont Nursing Home Occupancy By County Total and Medicaid August 2019

(Yellow highlight indicates occupancy below 90%; red font indicates occupancy below 75%)

| Nursing Home by County | Licensed Capacity | VT Medicaid (all types of VT Medicaid) Days | VT Medicaid Occupancy | Total Days | Total Occupancy |
|----------------------------|-------------------|--|--------------------------|---------------|--------------------|
| Bennington | | | | | |
| Bennington | 91 | 1,166 | 41.33% | 2,184 | 77.42% |
| Crescent Manor | 90 | 1,532 | 54.91% | 1,948 | 69.82% |
| Veterans Home | 130 | 1,746 | 43.33% | 3,914 | 97.12% |
| Centers For Living & Rehab | 130 | 1,198 | 29.73% | 2,916 | 72.36% |
| County Average (weighted)* | 441 | 5,642 | 41.27% | 10,962 | 80.18% |

| | | | | | |
|--------------------------------|------------|--------------|---------------|--------------|---------------|
| Veterans Home Occupancy | 130 | 1,746 | 43.33% | 3,914 | 97.12% |
|--------------------------------|------------|--------------|---------------|--------------|---------------|

| | | | | | |
|--------------|--------------|---------------|---------------|---------------|---------------|
| State | 2,906 | 46,148 | 51.23% | 75,972 | 84.33% |
|--------------|--------------|---------------|---------------|---------------|---------------|

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Key Factors for Budget Request



The Home's Veterans:

- Average Age 81.1
 - Youngest 52
 - Oldest 99
- Males 63
- Females 31
- 99 Veterans, including 4 Women
- Represent all branches of the Military
- World War II 12
- Korea 18
- Vietnam 46
- Gulf War 3
- Cold War 20

This results in:

- Higher Acuity/Care Needs
- Increase Need for 1 on 1
CY 19 total hrs: 32,424
FTEs 15.58



Key Factors for Budget Request

- 85.0% (\$20,564,964) of The Home's budget is fixed cost
 - **75.7% Salary Benefits**
\$18,314,004
 - **3.5% State Allocations**
\$846,119
 - **3.2% Utilities \$765,371**
 - **2.6% Bed Tax \$639,470**
- 12.2% (\$2,946,782) of our budgetary funding is General Funds
- 87.8% (\$21,240,080) of our budgetary funding comes from Medicare, Medicaid, Private and VA Funds



FY 2021 Challenges

- **Meeting The Home's Financial Goals**

- We reduce our costs while others continue to increase their cost to us, limited ability to absorb these increases without requesting an increase in State funding.
- New CMS payment structure began Oct 1, 2019.

- **Labor Costs**

- No control over salary and benefit increases and not included in the pay act.

- **Veteran Care**

- **Perception**

- Lack of understanding or appreciation of the need to care for our Veterans, “we can do it another way” but no suggestions offered.
- Outside groups/individuals providing false information on the cost of care and potential cost saving measures for the home.



Budget Assumptions



• Revenue

- Based on an average daily census (ADC) of 125
- Private Room \$335 Semiprivate \$315 per day
- Vermont Medicaid Interim Payment Rate of \$475.00
- Service-Connected VA Daily Rate \$429.95
- VA Stipend Daily Rate \$111.38
- VA DOM Stipend Daily Rate \$48.07

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Budget Assumptions

- **Expense Challenges:**

- Limited ability to reduce costs
- Increase need for 1 to 1 supervision of Veterans based on their acuity and safety of others
- FMLA resulting in high call out rate, increased overtime, need to use agency staff
- Costs associated with ongoing maintenance of the facility



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Cost Cutting Measures

- **Employee Compensatory Time**
 - Instituted better compliance with the use of compensation time as outlined and allowed via the Collective Bargaining Agreement.
 - Reduces the number of employees off at one time.
 - Employees receive cash instead of banking comp time after 56 hours are on the books.
- **Position Pool Approvals**
 - Position Pool positions approved:
 - 2 RNs 1 -32 Hours, 1-24 Hours per week.
 - 4 LNAs All at 24 Hours per week.
- **Continuous Spending Review**
 - Ensuring costs are inline with daily census
- **LNA Class**
 - Train individuals to become LNAs
 - Fill our open positions
 - Reduce OT and agency use



Admissions & Marketing Focus of Effort

FY 21

- Increased & more active Social Media Marketing effort
- Capitalize on gains
- New Marketing Coordinator

FY 20

- Convert Nurse Case Manager to full-time
- Geo Fencing around CBOCs
- Marketing Directors Duties more focused
- Capitalize on gains

FY 19 Target Chittenden County

- Hire a Temp Nurse Case Manger
 - Proof of concept
- Utilize all media resources
 - Radio-TV-Paper

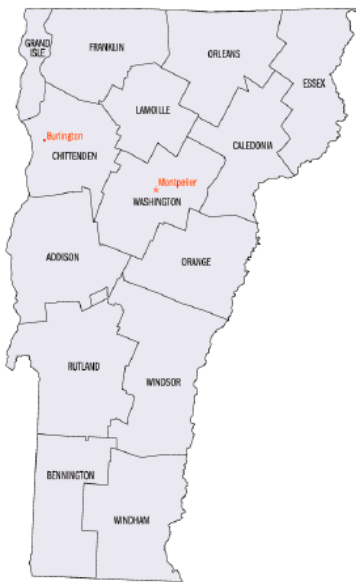
FY 18 Target Rutland County

- Utilize all media resources
 - Radio-TV-Paper
- Meet with area leaders
 - Municipal
 - Clubs-Elks-Lions-Eagles etc.
 - Churches

Promise



Where do Veterans live in VT?



| County | Veteran Population | % Enrolled in VA |
|------------|--------------------|------------------|
| Chittenden | 9,704 | 38% |
| Rutland | 5,201 | 44% |
| Washington | 4,700 | 37% |
| Windsor | 4,467 | 58% |
| Franklin | 3,930 | 9% |
| Bennington | 3,432 | 45% |
| Windham | 3,303 | 46% |
| Caledonia | 2,551 | 46% |
| Orleans | 2,376 | 50% |
| Orange | 2,367 | 50% |
| Addison | 2,268 | 9% |
| Lamoille | 1,938 | 35% |
| Essex | 753 | 51% |

Admissions & Marketing Focus of Effort



website: www.vvh.vermont.gov

Like us on Facebook: https://www.facebook.com/vtvetshome/?ref=br_rs

Follow us on Twitter: <https://twitter.com/vtvetshome>

Follow us on Instagram: vermontveteranshome

Community Events

We continue our community outreach by hosting several events on our Campus. These events have brought VVH tremendous Press, good will, and support.

Summer Concert Series- concerts were held this past summer on our front lawn, Many from the local community and surrounding area attended. This is a tremendous gift to the community for their resolute support of VVH.

Fathers Day Car Show- this annual event continues to grow in popularity as visitor's routinely attend from the four contiguous states.

Wreaths Across America- This annual event occurs at VVH each December on National Wreaths Across America Day, our mission to *Remember, Honor and Teach* is carried out by coordinating a wreath-laying ceremony to coincide with Arlington National Cemetery, as well as over 1,400 additional locations in all 50 U.S. states, at sea, and abroad.

Veterans Motorcycle Ride x 2 - The Annual Veterans Ride occurs on VVH property with a barbeque and music for attendees.

Holiday Tree Lighting- A Community event hosted by VVH for the Local community and their children; music, snack, the tree, and Santa.

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Community impact

- 195 Employees + Temps
- Purchasing-local first attitude
- Community events
- High School affiliation
- **College Internship Site**
 - Castleton University
 - SVMC
 - SUNY Albany
 - Southern VT Tech
 - Medical Residency
- **Local School to Work Site**



Questions.....



Gov. Phil Scott takes the checkered flag at Thunder Road. Photo by Alan Ward.

“ We know that Veteran’s benefits, in this administration, are not entitlements. Veteran benefits are the on-going compensation that was earned in the uniform of the United States of America.”

Vice President Mike Pence Elizabeth Dole Foundation 3rd Annual Convening Washington, DC

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