



Minnesota Governor's Veterans Long -Term Care Advisory Commission Report

*Let us strive on to finish the work we are in; to bind up the nation's wounds;
and care for him who shall have borne the battle...*

Abraham Lincoln

March 4, 1865



November 2007

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Governor's Veterans Long-Term Care Advisory Commission

The Honorable Governor Tim Pawlenty
Governor, State of Minnesota
130 State Capitol
75 Rev. Dr. Martin Luther King, Jr. Blvd.
St. Paul, MN 55155

November 19, 2007

Dear Governor Pawlenty:

As chair of the Veterans Long-Term Care Advisory Commission, I am pleased to present to you the Commission's report. Your charge to the Commission was to "be bold" in addressing the care problems at the Minneapolis Home and to provide advice on how the state can better serve veterans in the future. The report addresses the Minneapolis facility and recommends a new way to provide long-term care and support to Minnesota veterans, consistent with Minnesota's innovative approach to long-term care for non-veterans.

Care at the Minneapolis Home

The many rule violations and poor care outcomes at the Minneapolis facility that led to the formation of the Commission must *stay* fixed. The good news is that, currently, there are no outstanding correction orders at the Minneapolis Home. The Veterans Home Board, its consultants, facility leadership and staff have made many improvements and should be commended for the progress to date. The Commission's primary concern here is sustainability. Without strong leadership, reliable systems of care, and a positive work environment, care problems will likely resurface. The report focuses on ways to sustain the high level of care our veterans deserve.

Governance and leadership

In making its recommendations, the Commission stresses the importance of strong leadership and clear lines of responsibility and accountability. As such, the Commission recommends transferring the Veterans Home program to the Minnesota Department of Veterans Affairs. This transition should include continued monitoring of the Minneapolis facility as required by the Minnesota Department of Health in the current stipulation settlement and other support. The recent appointment of the new executive director is a positive step toward achieving the Commission's recommendations and, for realizing the promise of an exciting new vision for the Veterans Home program.

A new approach to veterans long-term care

Minnesota must seize the opportunity to redefine how the Veterans Home program serves veterans. There is broad support for a new approach, where veterans and their families could look to all five campuses for:

- **Professional Care Planning and Coordination.** Anyone who has helped a loved one access long-term care knows that it can be a trying process. The campuses would be a preferred place for veterans and families to go for professional assistance in the development of a plan of care that could in many cases allow veterans to access community based services allowing them to live independently in their own homes. Facilitating access to a variety of care and support options is especially important as over 550 individuals are on the waiting list at the veterans homes.
- **Alternatives to Institutional Care.** The campuses would become regional points of entry to a state-of-the-art continuum of quality care. Services could include geriatric evaluation and other assessments, community services, adult day care, home services, local assisted living, respite services, and others—including skilled nursing care at the veterans homes.
- **New Housing with Services Options.** The five campuses would provide new housing options with supportive services. The transformed campuses should embody principles of privacy, small scale normal living environments, quality of life emphasis, state-of-the-art architectural design and use of technology. Redesign should rebalance resources to achieve a much greater emphasis on supportive housing and assistive living rather than nursing homes. These new housing and support options would be designed to serve a new generation of younger veterans as well.
- **Excellence in Chronic Disease Management, Nursing and Rehabilitative Care.** The campuses would be highly integrated with the VA Medical Centers (Minneapolis, St. Cloud, Fargo, and Sioux Falls) and provide veterans seamless access to the Veteran Integrated Service Network, community-based outpatient clinics, and rehabilitative services. This is especially important as returning veterans present new acute, post-acute and rehabilitative care challenges.

Minnesota has long been recognized as a national leader in developing creative alternatives to providing care for its elders. Today, there is strong support for a similar transition in caring for our veterans. This transition, however, must also result in a care system that meets the needs of future veterans including those, for example, now returning from Iraq and Afghanistan.

This is, indeed, the time to be bold. Veterans and their families, the current Veterans Home Board and their staff, Veterans organizations, legislative leaders and others have all expressed their support of the Commission's recommendations.

The Commission and its members are committed to help advance these recommendations and the important work of serving our veterans in any way that may be of help. Please do not hesitate to call on us.

Sincerely,



Dale Thompson, Chair
Governor's Veterans Long-Term Care Advisory Commission

Acknowledgements

Many people contributed to this report and – by working together – have come to believe that Minnesota can serve veterans long-term care needs in a new and enhanced way.

The commission would like to especially thank the family members who were faithful in attending all of the commission’s meetings. They helped keep the focus squarely where it needed to be – on veterans.

Thank you to the current Veterans Homes Board and its chair, Jeff Johnson. The commission has come to respect the individual and collective commitment of personal time and effort the board members have made to caring for veterans. It is our belief that they are committed to whatever is the best way forward to achieving better results.

The Veterans Homes Board staff and their consultant were always responsive and made it possible to prepare a report complete with relevant background and facts.

Also thank you to the legislators who participated as ex-officio members to the commission and consistently offered their support, perspective, and encouragement consistent with the growing commitment the Minnesota Legislature has shown to veterans.

The commission held nine meetings from May 16, 2007, to November 19, 2007, during which time it also benefited from the contributions of:

- Governor Tim Pawlenty;
- Residents and staff at the Minneapolis Veterans Home;
- Jeff Johnson, Veterans Homes Board Chairman;
- Charles (Chip) Cox, Interim-Executive Director of Veterans Homes Board;
- Union officials;
- Staff from the Minnesota Department of Finance, Employee Relations, Health, Human Services, Veterans Affairs;
- U.S. Department of Veteran Affairs Medical Center in Minneapolis;
- Veterans service organizations;
- Previous Blue-Ribbon Commission members with extensive historical knowledge of the Veterans Homes;
- Long-term care experts and leaders from Stratis Health, Presbyterian Homes, Benedictine Health System, UCare, Ecumen, Tealwood Care Centers, Eldercare of Minnesota, and others.

The work was punctuated by a strong consensus among commission members and others that it is time to dramatically enhance the supportive services offered to Minnesota veterans.

EXECUTIVE SUMMARY

Introduction

Between July 2005 and April 2007, the Minnesota Department of Health conducted two full licensure inspections of the Minneapolis Veterans Home. Sixteen onsite Office of Health Facility Complaints (OHFC) investigations were completed and seven were substantiated. A total of 66 correction orders were issued and 11 penalty assessments were issued which resulted in fines to the Home in the amount of \$42,300. Governor Pawlenty created the Veterans Long-Term Care Advisory Commission in response to these events.

Although the Minneapolis facility is the only one of five homes experiencing serious regulatory problems, the commission believes that these recommendations will benefit all five homes including those in Silver Bay, Fergus Falls, Hastings and Luverne. The commission's report addresses the Minneapolis facility and recommends a new way to provide long-term care and support to Minnesota veterans, consistent with Minnesota's innovative approach to long-term care for non-veterans.

It is important to note that the commission believes that resources are not the source of the troubles at the Minneapolis Home or the Veterans Home program, overall. Agency resources appear to be sufficient for the current VHP program. However, resources must be allocated properly. For example, agency level (central office) resources need to be restructured and possibly increased to strengthen key functions, especially during the next 3-5 year transition period. For this reason agency leadership must have the latitude to focus resources where they can have the greatest impact.

Recommendations to Strengthen Governance and Executive Leadership

The governance and leadership of the Minnesota Veterans Homes will play a vital role in an extraordinary multi-year effort to fully implement these recommendations. The Board's recent recruitment and hiring of an executive director is a positive step in strengthening the executive leadership of the Veterans Home program. An effective governance structure is also needed to rebuild the credibility of the Minneapolis facility and to enable all five facilities to serve veterans in an enhanced way.

Governance:

- **Transfer the Veterans Home program (VHP) to the DVA.** The VHP can succeed under a number of governing models. However, it is imperative that responsibility and accountability for the VHP be clarified and strengthened. It is also logical that state services to veterans be delivered through the only state agency with the mission to serve veterans.

- **Restructure the DVA to create a deputy commissioner of veteran health care, which is the equivalent of the existing executive director position.** The deputy commissioner of veteran health care would be responsible for supervising the Veterans Home program and would report directly to the commissioner of the DVA.
- **Clarify and communicate the chain of command.** The commissioner of DVA must hire and hold the deputy commissioner of veteran health care accountable for the success of the VHP. The deputy commissioner of veteran health care must hire and supervise a central staff responsible for the essential support functions and facility administrators, who in turn are directly responsible for the operations of the facilities.
- **Revise the DVA's mission and duties in statute to explicitly include post-acute health care and long-term care.**
- **Establish in statute a new Veteran Health Care Board which would advise the commissioner of the DVA. The nine member Veteran Health Care Board membership must be composed primarily of health care and long-term care experts and fairly represent the geographic areas of the state.**
- **Establish formal interagency agreements between the DVA and partner agencies, including departments of human services and health, the housing finance agency, and the board on aging.** The purpose of the agreements would be to ensure that the DVA and the Health Care Board benefit from the specialized expertise of these agencies.
- **Establish in statute that the governance structure of the VHP, including the Veteran Health Care Board, will be evaluated within five years to assure continued accountability and active involvement of health care experts and stakeholders in the governance structure.**

Leadership:

- **Establish appropriate executive leadership compensation.** In order to attract and retain highly skilled and talented executive leadership in the future, the compensation for these positions must be commensurate with similar positions in the market. The commission recommends that compensation for the deputy commissioner and the administrator of the Minneapolis facility be given special consideration when determining compensation level.
- **Establish a strong leadership team in Minneapolis.** The senior leadership positions with the Minneapolis Home should be filled immediately with competent leaders who are committed to working with the other agency leaders *over the long haul*. The leadership team in Minneapolis must have a clear charge,

be visible and engaged with employees and veterans, and they must get people excited about the mission.

- **Establish practical ways for the administrators, home staff, and the deputy commissioner to communicate frequently and develop as a team of leaders. They must work together to achieve improvements in both internal and external benchmarks for employee, resident, and family satisfaction across all five facilities.**
- **The administrators of the five facilities can also help lead by:**
 - Actively engaging family and resident councils, employees and leadership in promoting and building a resident-centered approach at the facilities.
 - Creating a positive, healthy work environment at the facilities.
 - Informing the Veteran Health Care Board and deputy commissioner about the needs of their facilities.
- **All employees of the Veterans Home program can help lead the way by:**
 - Drawing on their own personal commitment to veterans.
 - Taking responsibility for learning about the new direction of the VHP and looking for ways to personally contribute to the cause.
 - Sharing and celebrating successes.
- **The commissioner of the DVA, the deputy commissioner of veteran health care, and the proposed Veteran Health Care Board must help lead this effort by mobilizing a diverse range of expertise (health care, veterans benefits, long-term care, housing, organizational performance, and other areas) to help the VHP achieve its potential.**
- **The Governor and the Legislature, together, must act urgently to implement these recommendations.** For example, the Governor must immediately restructure the Veterans Home program within state government, clarify and strengthen the chain of command, and hold people accountable. The Legislature must maintain the high commitment it has already shown through increased appropriations to veterans programs and implement the recommendations which require legislative action.

Recommendations to Achieve and Sustain “State-of-the-Art” Clinical Operations

The many rule violations and poor care outcomes at the Minneapolis facility that led to the formation of the Commission must be corrected and *stay* fixed.

The good news is that, currently, there are no outstanding correction orders at the Minneapolis Home. The Veterans Home Board, its consultants, facility leadership and staff have made many improvements and should be commended for the progress to date.

The Commission's primary concern here is sustainability. Without strong leadership, reliable systems of care, and a positive work environment, care problems will likely resurface.

- **Create a customized transition plan for the Minneapolis facility.** This transition plan should include continued monitoring as required by the Minnesota Department of Health in the current stipulation settlement.
- **Strengthen delivery of primary health care for veterans.** The U.S. Department of Veterans Administration program in the region, working in partnership with the state of Minnesota, is responsible for the delivery of primary health care, chronic disease management, and primary mental health services to veterans served by the Veterans Home program. The Veterans Administration has substantial expertise in these areas, including Alzheimer's care, brain injury programs, and others. To date, residents of the Minneapolis Veterans Home have not received the full benefit of this capability. The commission recommends that the state work with the leadership at the VISNs to ensure that delivery of primary care to residents of state veterans homes be seen as an integral part of the VISN programs.
- **Hire a medical director at the agency level and designate clinical directors at each facility.** The medical director must be a licensed physician and provide direction and oversight to each facility's clinical operations. The facility's clinical director may be licensed physician, a certified-nurse practitioner (CNP) or a certified physician assistant (PA-C). The clinical director at the Minneapolis facility should be a full-time licensed physician, since the issues are particularly complex and require clear authority and responsibility.
- **Develop a clinical leadership team at each Home, composed of the clinical director, primary care physicians, nurse practitioners, director of nursing and social work, pharmacist, and other key stakeholders as appropriate.**
- **Select and embrace a quality improvement approach and implement it consistently across all five facilities through a quality improvement plan.**
- **Update the Veterans Homes' electronic capabilities, both hardware and software, and integrate the systems with the VA Medical Center systems to allow for better access to medical records for both parties when treating the resident (of Veterans Homes) and patient (of VA Medical Center).**
- **Provide ongoing training and develop staff and clinical teams based on the improvement plan's goals and targets.**

Recommendations to Improve Core Organizational Systems and Performance

The most successful multi-facility post-acute care organizations tend to centrally manage key administrative functions and achieve economies of scale in areas such as fiscal management, human resources, and information technology. They also have a core of central staff responsible for system-wide performance goals (such as clinical quality improvement) that work side-by-side with the facility administrators and staff to help achieve performance targets.

When the commission reviewed how the VHP manages key administrative functions, it found that the Veterans Home program is out of synch with the best performers. The commission estimates that 3 – 5 percent of total revenue is typically needed to manage an organization’s resources across multiple facilities. Expenditures for the Veterans Homes Board (Board office) in FY2007 were \$1,469,000. This is slightly over 2 percent of total expenditures.¹

- **Restructure staff and budget, and consider the need for increased appropriations, so that central office staff have the capacity to provide value-added support at the facility level that result in measurable improvements in targeted areas.**
- **Develop a “balanced scorecard” for each of the five facilities to provide useful information on key areas of performance.**
- **Use the performance measurement system to set and monitor performance targets, catch early warning signs of trouble, and problem solve where performance deficits are identified.**

Recommendations to Achieve Focus and Strategic Direction

Minnesota must seize the opportunity to redefine how the Veterans Home program serves veterans. There is broad support for a new approach, where veterans and their families could look to all five campuses for:

- **Professional Care Planning and Coordination.** Anyone who has helped a loved one access long-term care knows that it can be a trying process. The campuses would be a preferred place for veterans and families to go for professional assistance in the development of a plan of care that could in many cases allow veterans to access community based services allowing them to live independently in their own homes. Facilitating access to a variety of care and support options is especially important as over 550 individuals are on the waiting list at the veterans homes.

¹Minnesota Department of Finance, Expenditures in FY 07 for Minnesota Veterans Homes Board, October, 2007.

- **Alternatives to Institutional Care.** The campuses would become regional points of entry to a state-of-the-art continuum of quality care. Services could include geriatric evaluation and other assessments, community services, adult day care, home services, local assisted living, respite services, and others—including skilled nursing care at the veterans homes.
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The Veterans Homes program has a unique window of opportunity to build on its mission – and on renewed public support for veterans – to create a new vision for the Veterans Homes.