

Minnesota Department of Veterans Affairs' State Veterans Home Special Revenue Account & Veterans Homes Staffing Report

2021 MINNESOTA STATUTES, CHAPTER 198, §198.45

JANUARY 14, 2022



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Introduction

Pursuant to 2021 Minnesota Statutes, Chapter 198, §198.45 (see 2021 1st Special Session, Chapter 12, Article 3, Section 11), the following report includes data reflecting current and historical reserve amounts maintained in the special revenue fund, current and historical Minnesota State Veterans Homes’ bed capacity and usage, information regarding state and national standards for staffing of direct care providers, metrics and surveys pertaining to the MN State Veterans Homes’ quality of care, and MN Veterans Homes Veterans Health Care staffing levels and vacancy rates.

Since the past reporting period, the MDVA Healthcare Division (MN State Veterans Homes) have been working diligently through the COVID-19 pandemic in the four skilled nursing facilities, two domiciliary locations and an adult day healthcare program. From the beginning, MDVA Healthcare Division has been proactive in its approach to Infection Prevention in such areas as; PPE, screening of staff, residents and visitors, testing, cohorting of residents and staff (where possible), increased disinfection within the facilities, and contact tracing related to positive cases. In addition, there has been much effort in creating policies and operational procedures that reflect the intent of regulatory bodies such as MDH, CMS, OSHA, and others. MDVA has been successful in limiting negative outcomes, sharing best practices within and outside the agency, redesigning supply distribution amongst facilities and keeping residents, families, and staff well informed of daily occurrences and any acute changes. MDVA Healthcare has been diligent in providing all the means necessary to manage the pandemic, while at the same time pursuing any available additional COVID-19 funding to help supplement the budget.

Minnesota Veterans Homes Healthcare - Reserve

The Veterans Homes special revenue reserve account is maintained to mitigate against unexpected costs and variations in funding from the State of Minnesota General Fund, revenues received from the United States Department of Veterans Affairs (VA), and the Centers for Medicare and Medicaid Services (CMS). Fluctuations in the reserve account from historical levels, year-to-year, are generally attributable to increases in staffing, salaries and benefits costs and recurring changes to the resident mix & resident maintenance fees and the associated levels of federal funding and reimbursements. During calendar years 2020 & 2021, the Healthcare Division utilized the reserve account to pay for significant, unanticipated expenses such as up-front testing costs, PPE, COVID salary costs and to support Healthcare operations as revenues declined due to the necessity of reducing admissions and limiting bed capacity. The department did receive \$12M in Federal ARPA funding near the end of FY21 from the VA to help support our infection prevention costs which is the main reason there was an increase in the reserve ending balance in FY21. Without these additional funds, the FY21 year-end reserve balance would have been significantly lower. The current amount recognized in the reserve account is \$4.37 million.

(in thousands)

	FY2016	FY2017	FY2018	FY2019	FY2020	FY2021	FY2022
Ending Reserve Balance	\$11,175	\$12,384	\$13,757	\$13,994	\$13,125	\$16,943	\$4,371

Utilization of Existing Veterans Homes

Bed Utilization and census within the Veterans Homes has been significantly impacted because of the COVID-19 pandemic. Both federal and state regulations required the initial creation of isolation units within each MN Veterans Home to ensure the safety, health, and well-being of residents. This operational change impacted the maximum census that could exist in a home, especially in those facilities with shared rooms and shared bathrooms. As the pandemic progressed over the year, each MN Veterans Home was able to reconfigure and make changes to optimize the use of beds. In fall of 2021 however, healthcare organizations began to experience critical staffing levels and difficulty in recruiting staff. These staffing challenges continue and are significantly impacting the average daily census. The MN Veterans Homes are not able to admit as many residents due to low staffing availability and are not able to provide the same level of high-quality services that are normally offered in a MN Veterans Home.

Current and Historical Bed Capacity

HOME	BEDS						AVERAGE DAILY CENSUS					
	2016	2017	2018	2019	2020	2021	2016	2017	2018	2019	2020	2021
HASTINGS (DOMS)	200	200	200	200	200	200	139	137	130	121	123.4	116.7
FERGUS FALLS	106	106	106	106	106	106	102.3	98.9	102.7	103.1	94.2	90.7
LUVERNE	85	85	85	85	85	85	81.6	80.1	78.9	81.1	74.1	69.4
MINNEAPOLIS - SKILLED	291	300	300	300	300	300	278.8	282.7	281	289.5	272.6	269.9
MINNEAPOLIS - DOMS	50	50	50	50	50	50	41.2	38.3	33	39.5	36.6	35.9
SILVER BAY	83	83	83	83	83	83	80.4	77.4	78	78	74.9	58.5

MN Veterans Home Staffing Level Analysis

Staffing Data Explanation

The Centers for Medicare and Medicaid Services (CMS) provides an objective measure of several key factors when reporting and evaluating on the care provided at a CMS certified nursing facility. Among the key factors of measurement, CMS has long identified staffing as a strong indicator in evaluating nursing home performance. Effective 2016, Payroll Based Journaling (PBJ) was introduced as a revised reporting system and is now a requirement for all CMS certified homes. This system requires that staffing numbers come from payroll systems rather than being reported voluntarily. In late 2019, the MDVA Healthcare Division implemented a new scheduling and timekeeping software system to improve the efficiency of scheduling in a 24/7 operational environment and have access to various reports that can be compared across homes regarding employee costs. Healthcare is finalizing a project evaluation and implementation plan with an outside consultant regarding the PBJ report, to ensure that all staff hours for direct care time with a resident are properly accounted for. The updated report will more clearly correlate direct care workers hours to resident care per day and established state and national standards based on comparisons of all facilities that are submitting that data.

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Under CMS Federal Guideline 483.35, the intent is to ensure that there are always sufficient qualified nursing staff available. These staff provide nursing and related services to meet the residents' needs safely and in a manner that promotes each resident's rights, and their physical, mental, and psychosocial well-being.

Current MN Veterans Home Data

Currently all four skilled homes are CMS certified, with Fergus Falls Veterans Home achieving this certification most recently. As the skilled homes have all achieved CMS certification, direct care staffing positions are reported to CMS so that stakeholders can pull objective data in a transparent way and then evaluate that data against other measurements and/or facilities. The following is currently reported on the CMS website Nursing Home Compare tool for the MN Veterans Homes:

Silver Bay

	SILVER BAY	MN AVERAGE	FEDERAL AVERAGE
Total Licensed Nurse staff hours per resident per day	2 hour and 3 minutes	1 hour and 48 minutes	1 hour and 38 minutes
CNA hours per resident per day	2 hours and 46 minutes	2 hours and 34 minutes	2 hours and 16 minutes
RN hours per resident per day	1 hour and 37 minutes	1 hour and 8 minutes	44 minutes

Luverne

	LUVERNE	MN AVERAGE	FEDERAL AVERAGE
Total Licensed Nurse staff hours per resident per day	1 hour and 49 minutes	1 hour and 48 minutes	1 hour and 38 minutes
CNA hours per resident per day	3 hours and 1 minutes	2 hours and 34 minutes	2 hours and 16 minutes
RN hours per resident per day	1 hour and 11 minutes	1 hour and 8 minutes	44 minutes

Minneapolis

	MINNEAPOLIS	MN AVERAGE	FEDERAL AVERAGE
Total Licensed Nurse staff hours per resident per day	2 hour and 16 minutes	1 hour and 48 minutes	1 hour and 38 minutes
CNA hours per resident per day	4 hours and 3 minutes	2 hours and 34 minutes	2 hours and 16 minutes
RN hours per resident per day	1 hour and 4 minutes	1 hour and 8 minutes	44 minutes

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Fergus Falls

	FERGUS FALLS	MN AVERAGE	FEDERAL AVERAGE
Total Licensed Nurse staff hours per resident per day	2 hours and 3 minutes	1 hour and 48 minutes	1 hour and 38 minutes
CNA hours per resident per day	2 hours and 51 minutes	2 hours and 34 minutes	2 hours and 16 minutes
RN hours per resident per day	1 hour and 27 minutes	1 hour and 8 minutes	44 minutes

MN Veterans Home Hastings/Minneapolis Domiciliary Care (DOMs) operations are not CMS certified - and will not be - under the licensure with which they operate, (as residents need to be relatively independent): Board and Care license. As such, staffing data does not exist in this manner. The staffing model is much different for domiciliary level of care. DOMs residents do not require need hands-on care and by virtue of the MDH license and federal VA certification that residents are expected to be independent with activities of daily living. However, because we are treating Veterans with complex mental health and chemical dependency concerns, we have agreed to provide a higher level of direct care staffing to ensure needs are met in a comprehensive way. The nursing hours/ratios are reported below. They are also complimented by staff in various psychosocial positions such as social worker, chemical dependency counselor and independent living skills worker to add to the care team. We can report that currently the domiciliary program staffs with the following licensed staff-per-day:

	Weekend	Day	Evening	Night
Hastings DOMS	3-3-2 (for 120)	7 nurses	3 nurses	2 nurses
Minneapolis DOMS	2-2-2 (with HST for 45)	2	2	2

Quality Measurement

In addition to staffing, CMS also measures quality care of services by tracking survey reports and quality metrics. All the MN Veterans Homes are closely monitored in a variety of capacities to ensure excellent care is delivered to residents.

CMS Quality care and services are reviewed based on quality indicators that come from the resident information submitted to the state and the federal government in the MDS (minimum data set). We monitor the long term stay metrics as a part of our clinical tracking and management. CMS produces a Certification and Survey Provider Enhanced Report (CASPER) that provides detailed information regarding the number of residents at risk in various clinical capacities and the clinical interventions for those concerns. For example, it will evaluate the submission of all clinical data to CMS in the areas of falls, skin, behaviors and weight loss, and objectively compare the number of residents at risk, the response to an issue with other homes that are also CMS certified. The agency has two senior nurse

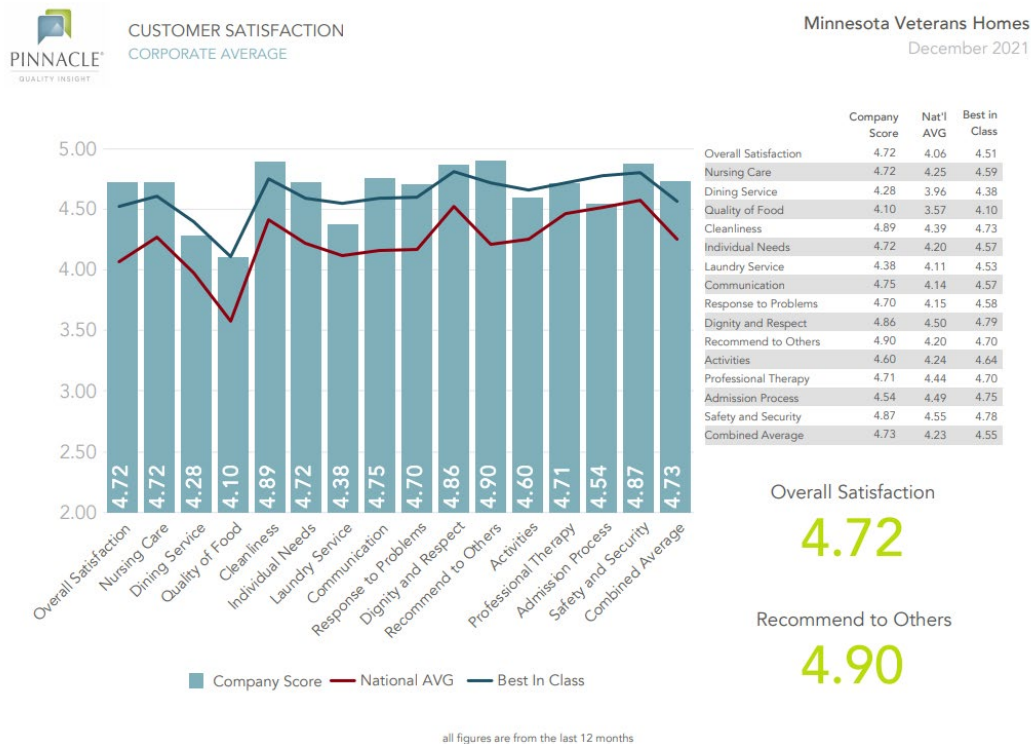
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leaders who monitor the CASPER report closely and work with the homes to develop performance improvement projects to address weaknesses. The MN Veterans Homes have had recent projects regarding antipsychotic medication use and behaviors and weight loss. This year we also introduced a new agency performance improvement project regarding influenza prevention.

Pinnacle Resident Satisfaction Surveys

The Minnesota Veterans Homes use an objective third party contract with Pinnacle to complete monthly resident and family satisfaction surveys. In the latest comprehensive report for all the skilled homes from December 2021, the Homes achieved a “Best in Class” status for a 12-month average.



This classification is above the national averages and is at the top 10% level. This was achieved in the following categories:

Overall Satisfaction, Recommendation to Others, Nursing Care, Quality of Food, Cleanliness, Individual Needs, Communication, Responses to problems, Dignity and Respect, Professional Therapy, and Safety and Security.

State/Federal Survey Performance

The current state average for survey deficiencies is 7.9 while the national average is 8.2. Because of the pandemic, surveys took a different light this year in long-term care both from the federal VA and MDH/CMS. Overall, all MN Veterans Homes performed very well in their MDH/CMS survey this past calendar year and are below the state and national average for deficiencies. It should also be noted that over the past three years, CMS has introduced three phases of new regulatory requirements for skilled nursing facilities and a new payment model. These changes have substantially increased the documentation and education requirements for staff in a skilled nursing facility and increased the overall

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compliance requirements for this federal program. Despite that increase in regulatory oversight, all MN Veterans Homes performed exceptionally well in the MDH/CMS annual survey.

MN Veterans Homes also receive a second survey each year based on our regulatory requirements with the federal VA Health Care System. This is unique; other community nursing facilities do not have this additional survey. This year, the VA introduced a virtual survey process, which included the entire survey team working in a remote capacity and utilizing video conferencing technology to visually see the care provided in the facility and environment.

	2021 Federal/State Survey	2021 VA Survey
Silver Bay	1 complaint tag/no annual survey	4 tags
Luverne	2 tags	4 tag
Minneapolis Skilled	5 tags	6 tag
Fergus Falls	3 tags	3 tag
Domiciliary Care	Mpls-0 tags and Hastings- no survey	Mpls – 1 tag and Hastings 5 tags

Staff Vacancy Rate

Staffing is and will always be a primary focus of the MN Veterans Homes due to the staffing challenges experienced in all healthcare settings throughout the country, and specifically senior healthcare settings locally. Senior Advocacy partners such as LeadingAge report annually the declining number of direct healthcare workers throughout the state of MN and the priority focus on the industry to ensure that there are competent and caring staff to care for our seniors into the future. MDVA is developing a comprehensive Recruitment and Retention strategy for the Healthcare division, which is in alignment with the agency strategic plan and Governor’s initiatives. CMS (QSO-22-08-NH) has put in place a new measure regarding staff turnover rates. MN Veterans Homes will be required to report this information within the current CMS staffing reporting tool. Measures will be available for public consumption.

Historically, MDVA did not have software programs or other electronic reporting systems to systematically track or gather vacancy rate data within the organization. To address this issue, MDVA partnered with Minnesota IT (MNIT) to develop a vacancy filling tracking system which will provide more contemporaneous data on vacancies. Healthcare organizations are experiencing the highest number of vacancies in history as a result of the stress with the pandemic. As we look ahead to 2022, and the construction of three new Veterans Homes healthcare recruitment and retention is at the forefront of the strategic plan.

Future Veterans Homes

MDVA has begun construction on three new Veterans Homes in Bemidji, Montevideo and Preston, which will add an additional 198 new skilled nursing beds in greater Minnesota, and approximately 500 staff. The three new Veterans Homes are scheduled to open in the late summer/fall of 2023. As with other state agencies, and more importantly healthcare organizations, challenges regarding recruiting and retaining staff, especially direct care staff is a critical aspect of our operations and the delivery of quality services. MDVA is working collaboratively on innovative ways to retain and recruit staff in the current and future expected staff shortages.