

Table of Contents

Minnesota Department of Veterans Affairs

<i>Agency Profile</i>	1
Agency Expenditure Overview	4
Agency Financing by Fund	5
Agency Change Summary	8
<u>Program</u>	10
Veterans Programs and Services	10
<i>Program Narrative</i>	10
Program Expenditure Overview	14
Program Financing by Fund	16
<u>Program</u>	18
Veterans Healthcare	18
<i>Program Narrative</i>	18
Program Expenditure Overview	23
Program Financing by Fund	24

<https://mn.gov/mdva/>

AT A GLANCE

- The Minnesota Department of Veterans Affairs serves more than 285,000 Veterans and their families. This number represents about 6% of Minnesota's population
- Employs approximately 1,620 staff statewide
- The Agency operates eight State Veterans Homes and four State Veterans Cemeteries
- To meet the needs of Minnesota's Veterans, MDVA operates seven major program areas in two divisions. Each program area encompasses many additional Veteran services:
 - Skilled Nursing and Domiciliary care
 - Adult Day Center and Resources for Caregivers
 - Veteran Suicide Prevention and Awareness as well as a Community Health Navigator Program
 - Veterans Education and Occupational Resources
 - Federal Veterans Affairs (VA) Claims and Outreach Services
 - Homeless Veteran Prevention and Assistance Services
 - State Soldiers Assistance Program

PURPOSE

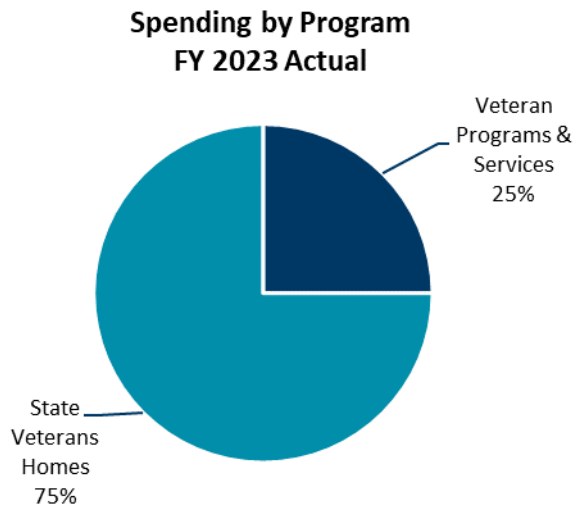
The Minnesota Department of Veterans Affairs (MDVA) mission is to *"Serve Minnesota Veterans, their dependents and survivors by connecting them with the Federal and State care as well as the benefits they have earned."*

Established in 1943, MDVA is a post-war-time agency created to consolidate Veteran programs and services for service members. Since 2007, MDVA has also operated the Minnesota State Veterans Homes.

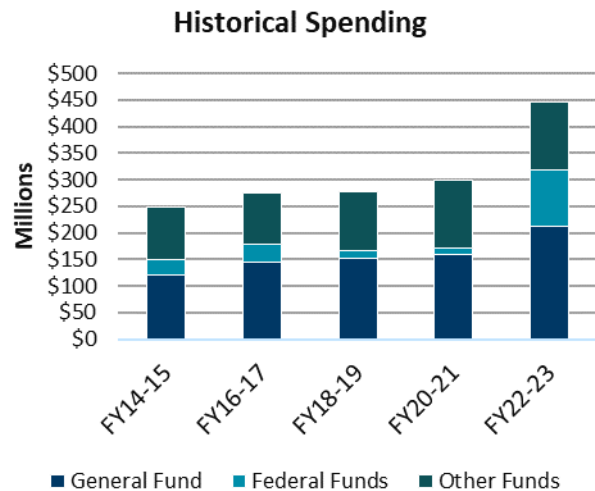
Approximately 41,000 Minnesotans have served since the terrorist attacks on 9/11/01. Veterans from all eras face common as well as unique employment, education, reintegration to society, and health challenges. More than 52% of Minnesota's Veterans are over the age of 65, creating specific, long-term care needs. Veterans from the current conflicts faced multiple deployment, burn pits, and an environment very different from Minnesota. As a result of these conflicts, Veterans may experience short as well as long-term health in addition to mental health challenges, unemployment or underemployment, and complications navigating the Federal Veterans Affairs programs. MDVA's mission is to also care for military/Veteran families. Many of these families faced both mental fatigue and physical injuries associated with multiple deployments of their Veteran loved one.

MDVA's leaders constantly seek opportunities to pioneer programming to meet the unique needs for Minnesota's Veterans and their families. The MDVA goal is to ensure Veterans are provided programs, services, and healthcare to maximize their quality of life in addition to enhance their opportunity to fulfil their desire to become productive Minnesotans.

BUDGET



Source: Budget Planning & Analysis System (BPAS)



Source: Consolidated Fund Statement

MDVA operational program activities were funded by approximately 60% from the general fund, 4% from federal funds, and 36% from special revenue funds in the FY 2022-23 biennium. This percentage breakdown does not include \$94 million in Federal Funding for the construction of three new Veterans Homes and one new State Veterans Cemetery. The \$94 million is included in the large increase in federal funds during the FY 2022-23 Biennium in the Historical Spending graph above.

Most of the Programs and Services Division budget is funded by the General Fund. Minnesota's four State Veterans Cemeteries receive burial reimbursements from Federal funding. These funds cover maintenance and development costs. MDVA also receives Federal reimbursement to approve and certify programs in Minnesota's Higher Education institutions so Veterans along with their families can access the Federal GI Bill.

The Veterans Healthcare Division is funded through a State General Fund appropriation, Resident maintenance fees, VA per diem, Medicare along with third-party insurance, and other reimbursements. The historical spending graph above reflects the following breakdown:

- A General Fund appropriation of \$133 million in the FY 2022-23 biennium was received and transferred to the MDVA Special Revenue Healthcare Fund as permitted in state statute. The Historical Spending graph above reflects the expenditure of these funds out of the General Fund to show its source of funding.
- An additional \$110 million of receipts was received from the Federal VA for Veterans full as well as partial per diems, Medicare reimbursements for Medicare Part A, B, & D, receipts from Resident maintenance fees, and other miscellaneous reimbursements. The Historical Spending graph above reflects the expenditure of all these funds in the other funds category rather than the federal funds category for Federal per diems and Medicare receipts.

STRATEGIES

MDVA takes pride in offering innovative solutions specifically tailored to enhance the lives of Minnesota's Veterans and their families. Many of these innovative solutions can be seen in our 2023 Annual Report (https://mn.gov/mdva/assets/2023-mdva-annual-report_tcm1066-608988.pdf). Through strategic planning modalities, leaders develop as well as implement programming to meet current, ongoing, and future needs. MDVA does this through two divisions: **Programs & Services** (including Minnesota's four State Veterans Cemeteries) and **Veterans Healthcare** (eight Minnesota State Veterans Homes and support programs).

Many Veterans are not aware of the benefits they earned through their military service. The **Programs & Services Division** collaborates with its partners in the Veterans services community to assist Veterans in accessing these benefits. Examples include securing or assisting in the provision of financial, educational, and medical benefits. Additionally, there are an estimated 200 Veterans without safe, stable or affordable housing on any given night in Minnesota. Through partnerships as well as collaboration with stakeholders and the Homeless Veteran Registry, ([https:// mn.gov/mdva/resources/homelessnessandprevention/homelessveteranregistry.jsp](https://mn.gov/mdva/resources/homelessnessandprevention/homelessveteranregistry.jsp)) MDVA strives to identify along with develop housing plans for Veterans who are homeless or at risk of homelessness. To date, Minnesota has achieved the effective end to Veteran homelessness in eight of 10 continuums of care.

MDVA operates four State Veterans Cemeteries (<https://mn.gov/mdva/memorials/>) located in Duluth, Little Falls, Preston and Redwood Falls.

Finally, the Programs & Services Division and partners provide resources to assist Veterans transitioning back to Minnesota, attending higher education, pursuing occupational resources strategies, accessing financial as well as family counseling, and filing federal claims.

The **Veterans Healthcare Division** operates eight Minnesota Veterans Homes located in Bemidji, Fergus Falls, Hastings, Luverne, Minneapolis, Montevideo, Preston, and Silver Bay. The three newest facilities in Bemidji, Montevideo, and Preston opened in early 2024.

MDVA works to ensure Veterans and their families have options for meeting long-term care needs while providing the highest-quality care. The division offers multiple options for Veterans as well as their families including 24-hour skilled nursing, domiciliary, adult day care, and pharmaceutical needs. The division provides specialty care units for Alzheimer's as well as dementia, oral health care initiative, physical rehabilitation, work therapy, transportation, chemical dependency, psychological, spiritual, and recreational services to improve the health along with quality of life of our Residents.

In addition, the Healthcare Division leads a robust effort to reduce Veteran suicide rates in Minnesota and has most recently engaged in strategic planning and program development for a Veteran health navigator program to further connect Veterans with their state and federal benefits when seeking healthcare services in the community.

Minnesota Department of Veterans Affairs legal authority comes from:

Minn. Stat. 196 (<https://www.revisor.mn.gov/statutes/cite/196>)

Minn. Stat. 197 (<https://www.revisor.mn.gov/statutes/cite/197>)

Minn. Stat. 198 (<https://www.revisor.mn.gov/statutes/cite/198>)

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
<u>Expenditures by Fund</u>						
1000 - General	24,915	54,820	47,789	45,856	35,813	35,813
2000 - Restrict Misc Special Revenue	2,299	1,877	2,028	3,059	2,689	2,438
2001 - Other Misc Special Revenue	121,616	130,806	159,990	182,868	183,380	189,724
2301 - Arts & Cultural Heritage			250			
2403 - Gift	828	1,473	1,138	1,101	1,275	1,314
3000 - Federal	39,394	65,168	2,339	1,368		
3010 - Coronavirus Relief	2,315					
3015 - ARP-State Fiscal Recovery	26	174				
6000 - Miscellaneous Agency	1,432	1,530	1,633	1,678	1,688	1,718
Total	192,827	255,848	215,167	235,930	224,845	231,007
Biennial Change				2,422		4,755
Biennial % Change				1		1

Expenditures by Program

Veterans Programs and Services	31,796	64,088	50,652	48,299	37,504	37,337
Veterans Healthcare	161,031	191,761	164,515	187,631	187,341	193,670
Total	192,827	255,848	215,167	235,930	224,845	231,007

Expenditures by Category

Compensation	107,197	111,997	137,537	161,857	153,734	158,386
Operating Expenses	44,158	109,233	45,580	47,055	52,037	53,614
Grants, Aids and Subsidies	9,740	33,187	29,246	24,060	17,456	17,510
Capital Outlay-Real Property	31,404	766	1,996	2,247	964	819
Other Financial Transaction	328	665	808	711	654	678
Total	192,827	255,848	215,167	235,930	224,845	231,007

Total Agency Expenditures	192,827	255,848	215,167	235,930	224,845	231,007
Internal Billing Expenditures	6	5				
Expenditures Less Internal Billing	192,821	255,843	215,167	235,930	224,845	231,007

Full-Time Equivalent

1,206.03	1,220.21	1,342.88	1,358.19	1,335.95	1,312.15
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(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY22	FY23	FY24	FY25	FY26	FY27
1000 - General						
Balance Forward In		6,899	4,222	8,973		
Direct Appropriation	89,530	128,493	146,488	131,951	123,611	124,659
Open Appropriation	2,414	2,285	4,105	4,600	4,600	4,600
Transfers In	13,512	16,086	15,908	1,609	21	21
Transfers Out	74,953	89,729	104,689	101,277	92,419	93,467
Cancellations		4,992	9,272			
Balance Forward Out	5,587	4,222	8,973			
Expenditures	24,915	54,820	47,789	45,856	35,813	35,813
Biennial Change in Expenditures				13,910		(22,019)
Biennial % Change in Expenditures				17		(24)
Full-Time Equivalents	104.85	114.69	124.53	136.66	107.50	103.20

2000 - Restrict Misc Special Revenue

Balance Forward In	2,814	2,566	3,137	3,373	2,422	1,871
Receipts	1,225	1,279	1,555	1,482	1,512	1,542
Transfers In	736	543	1,045	626	626	626
Transfers Out	111		334			
Balance Forward Out	2,365	2,510	3,375	2,422	1,871	1,601
Expenditures	2,299	1,877	2,028	3,059	2,689	2,438
Biennial Change in Expenditures				911		40
Biennial % Change in Expenditures				22		1
Full-Time Equivalents	4.71	4.66	3.56	3.53	3.53	3.53

2001 - Other Misc Special Revenue

Balance Forward In	19,335	14,611	11,632	4,423	55	53
Receipts	53,786	56,512	64,041	78,872	91,020	96,320
Transfers In	150,411	158,670	194,868	204,281	184,139	186,165
Transfers Out	89,041	88,405	106,128	104,653	91,781	92,759
Balance Forward Out	12,875	10,582	4,423	55	53	55
Expenditures	121,616	130,806	159,990	182,868	183,380	189,724
Biennial Change in Expenditures				90,435		30,246
Biennial % Change in Expenditures				36		9
Full-Time Equivalents	1,095.13	1,099.97	1,214.07	1,217.28	1,224.20	1,204.70

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY22	FY23	FY24	FY25	FY26	FY27

2301 - Arts & Cultural Heritage

Transfers In			250			
Expenditures			250			
Biennial Change in Expenditures				250		(250)
Biennial % Change in Expenditures						

2403 - Gift

Balance Forward In	2,461	2,673	4,159	3,668	3,850	3,868
Receipts	957	994	1,361	1,258	1,268	1,278
Transfers In	31	1,735	35	25	25	25
Transfers Out	3		747			
Balance Forward Out	2,617	3,930	3,669	3,850	3,868	3,857
Expenditures	828	1,473	1,138	1,101	1,275	1,314
Biennial Change in Expenditures				(62)		350
Biennial % Change in Expenditures				(3)		16

3000 - Federal

Receipts	39,394	65,168	2,339	1,368		
Expenditures	39,394	65,168	2,339	1,368		
Biennial Change in Expenditures				(100,856)		(3,707)
Biennial % Change in Expenditures				(96)		(100)

3010 - Coronavirus Relief

Direct Appropriation	2,315					
Expenditures	2,315					
Biennial Change in Expenditures				(2,315)		0
Biennial % Change in Expenditures						

3015 - ARP-State Fiscal Recovery

Balance Forward In		174				
Direct Appropriation	200					
Balance Forward Out	174					

Veterans Affairs

Agency Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
Expenditures	26	174				
Biennial Change in Expenditures				(200)		0
Biennial % Change in Expenditures				(100)		

6000 - Miscellaneous Agency

Balance Forward In	730	761	724	871	886	928
Receipts	1,468	1,492	1,779	1,693	1,730	1,770
Balance Forward Out	766	723	870	886	928	980
Expenditures	1,432	1,530	1,633	1,678	1,688	1,718
Biennial Change in Expenditures				348		95
Biennial % Change in Expenditures				12		3
Full-Time Equivalents	1.34	0.89	0.72	0.72	0.72	0.72

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Direct				
Fund: 1000 - General				
FY2025 Appropriations	132,011	132,011	132,011	264,022
Base Adjustments				
All Other One-Time Appropriations		(1,190)	(1,190)	(2,380)
Current Law Base Change		(7,176)	(6,128)	(13,304)
Allocated Reduction	(60)	(60)	(60)	(120)
Minnesota Paid Leave Allocation		26	26	52
Forecast Base	131,951	123,611	124,659	248,270
Open				
Fund: 1000 - General				
FY2025 Appropriations	4,950	4,950	4,950	9,900
Base Adjustments				
Forecast Open Appropriation Adjustment	(750)	(750)	(750)	(1,500)
November Forecast Adjustment	400	400	400	800
Forecast Base	4,600	4,600	4,600	9,200
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Planned Spending	3,059	2,689	2,438	5,127
Forecast Base	3,059	2,689	2,438	5,127
Fund: 2001 - Other Misc Special Revenue				
Planned Spending	182,868	183,380	189,724	373,104
Forecast Base	182,868	183,380	189,724	373,104
Fund: 2403 - Gift				
Planned Spending	1,101	1,275	1,314	2,589
Forecast Base	1,101	1,275	1,314	2,589
Fund: 3000 - Federal				
Planned Spending	1,368			
Forecast Base	1,368			
Fund: 6000 - Miscellaneous Agency				
Planned Spending	1,678	1,688	1,718	3,406
Forecast Base	1,678	1,688	1,718	3,406

(Dollars in Thousands)

	FY25	FY26	FY27	Biennium 2026-27
Revenue Change Summary				
Dedicated				
Fund: 2000 - Restrict Misc Special Revenue				
Forecast Revenues	1,482	1,512	1,542	3,054
Fund: 2001 - Other Misc Special Revenue				
Forecast Revenues	78,872	91,020	96,320	187,340
Fund: 2403 - Gift				
Forecast Revenues	1,258	1,268	1,278	2,546
Fund: 3000 - Federal				
Forecast Revenues	1,368			
Fund: 6000 - Miscellaneous Agency				
Forecast Revenues	1,693	1,730	1,770	3,500

Program: Veterans Programs and Services<https://mn.gov/mdva/>**AT A GLANCE**

- Serve Veterans of all ages and wartime service periods by:
 - Acting as the agent of a resident of the state having a claim against the United States for benefits arising out of or by reason of service in the U.S. Armed Forces
 - Administering the State Soldiers Assistance Fund
 - Working to provide Veterans with a seamless transition from their military service through approved education and training programs, resulting in a career with permanent, full-time employment
 - Providing outreach and state-wide benefits advocacy to include services on tribal reservations
 - Providing burial and perpetual care for Veterans and their eligible dependents in four State Veterans Cemeteries
 - Preventing and ending Veteran homelessness
- Collaborate with community, state, and federal partners:
 - Executing and maintaining the Agency's Federal authority on accrediting representatives as power of attorney for VA purposes
- Employ approximately 115 staff throughout the State

PURPOSE AND CONTEXT

The mission of the Programs and Services Division is to meet the needs of Minnesota Veterans and their families by providing proven and innovative programs and services, helping to maximize their quality of life, and providing final resting places that commemorate their service as well as honor their sacrifice to our Nation.

Minnesota is experiencing a continuing demand for services due to both the aging of the Veteran population in addition to because of 21 years of continuous conflict and ongoing military operations worldwide. For example:

- In fiscal year 2023, the Minnesota Department of Veterans Affairs (MDVA) processed 21,723 State and Federal benefits claims actions.
- Burials at our State Veterans Cemeteries averaged 918 interments/inurnments annually between fiscal year 2020 and fiscal year 2024, with 991 total in fiscal year 2024.
- The State Soldiers Assistance Program assisted 1,255 Veterans and family members, while also providing CORE services to 3,686 individuals in fiscal year 24.
- The Veterans Stable Housing Initiative continues to lead the effort to end Veteran homelessness in the State and has received confirmation from the United States Interagency Council on Homelessness (USICH) of having effectively ended Veteran homelessness in eight of the state's 10 Continuums of Care (comprising 85 of the state's 87 counties).
- The Minnesota GI Bill provided education funding to 1,639 Veterans and family members in 2021.

The Federal VA-estimated Veteran population in the State of Minnesota is 285,000 in 2023. With an end to major military operations related to the Global War on Terrorism and the estimated 47,081 Minnesota Veterans who served during that period, MDVA stands ready to meet Veterans' needs as they continue to return to Minnesota. Many Veterans return with visible combat injuries such as amputated limbs, while many more carry invisible wounds such as traumatic brain injury and post-traumatic stress disorder. MDVA helps them meet their needs by providing assistance including support in accessing their higher education, medical, and financial assistance benefits. The Programs & Services Division also works to identify gaps in programming and services which may

exist in the Veterans services community. It then addresses those shortcomings by providing innovative, Veteran-focused services to Minnesota Veterans, their dependents, and survivors.

Calendar year 2024 includes the following initiatives:

- **“Functional Zero” for Veteran Homelessness**

Goal: Minnesota seeks to be the fourth state in the nation—joining Connecticut, Delaware, and Virginia—to end Veteran homelessness by reaching functional zero for homeless Veterans statewide. In Minnesota, 85 of 87 counties in the state have reached this milestone. The remaining two counties, comprising Minnesota’s most populous areas, will require significant effort and resources to reach the final threshold.

- **Post 9/11 Service Bonus**

Goal: Minnesota seeks to honor its Post-9/11 Veterans by providing bonus payments to Minnesota Veterans of the Global War on Terrorism, as it has done for every war since World War I. MDVA was appropriated \$24.88M for this purpose during the 2022 legislative session and strived to provide bonus payments to the estimated 47,081 eligible Veterans. As in the past, we believe this connection will spur more awareness of State as well as Federal benefits to this newest group of Veterans and allow MDVA to effectively outreach to them.

- **Consolidation of Veteran Information Systems**

Goal: Continued development of our Veterans Application Tracking System (VATS) to further consolidate all MDVA Veterans information management systems into one database which will provide for better lifetime case management, electronic submissions, improved reporting, and reduction of stand-alone systems.

- **Full Operational Capability for the SOAR Team**

Goal: MDVA’s Veteran Supplemental Security Income/Social Security Disability Insurance (SSI/SSDI), Outreach, Access, and Recovery (SOAR) Program is a critical part of our strategy to prevent Veteran homelessness by assisting Veterans and former service members including their spouses as well as dependents with obtaining Federal benefits through the Social Security Administration. Full staffing for the first time in the program’s history resulted in the achievement of full operational capability in addition to effectiveness by realizing more than double the number of referrals to the program in fiscal year 2024 as well as demonstrated the ability to action every one of those referrals, significantly increasing the program’s impact on at-risk Veterans and their families.

SERVICES PROVIDED

- **Claims and Field Operations** (<https://mn.gov/mdva/resources/healthdisability/>) staff represent as Federally Accredited Representatives (Power of Attorney for VA purposes) Veterans in addition to their family members by acting as their advocate in matters pertaining to the U.S. Department of Veterans Affairs (VA) as well as State of Minnesota benefits and entitlements. This division consists of the St. Paul & Fargo (East & West) Federal Regional Office Claims offices, the Gold Star Families as well as Women’s Program, Tribal Veterans Service Officers, Incarcerated Veterans Program, County Veteran Services Education Division, Medical Operations including Veterans Affairs Medical Center’s (VAMC) as well as MDVA Veteran Homes Staffing, and Veterans Outreach.
- **Veterans Employment and Occupational Resources Division** (<https://mn.gov/mdva/resources/education/>) Assists Veterans along with eligible family members navigate the complicated higher educational benefits system while promoting employment and self-sufficiency for those individuals. This division includes the Higher Education Veterans Program (Veterans Campus Representatives) including the State Approving

Agency. It also administers the Minnesota GI Bill and Veterans Employment Preference along with Veteran Owned Small Business as well as Veteran hiring initiatives.

- **Memorial Affairs Division** (<https://mn.gov/mdva/memorials/>) ensures that Veterans along with their families receive the honor they deserve with final resting places of national significance as well as lasting tributes commemorating their service and sacrifice. The division operates Veterans cemeteries at four statewide locations: Little Falls, Preston, Duluth, and Redwood Falls, as well as oversees the Military Funeral Honors Stipend Program in addition to the Bronze Star Marker Program. Through the provision of dignified burial services, upkeep of sacred resting places, and facilitation of commemorative events, the division preserves the memory as well as the legacy of those who have served our country with honor along with valor.
- **State Veterans Benefits Division** (<https://mn.gov/mdva/resources/familyassistance/>) provides programs as well as services unique to Minnesota's Veterans including managing the State Soldiers Assistance Program (SSAP) and Minnesota Service CORE.
- **State Veterans Programs Division** (<https://mn.gov/mdva/resources/homelessnessandprevention/>) Assists Veterans, eligible former service members along with their family members, who are residents of Minnesota, to access applicable Federal as well as State Veterans programs including:
 - The Veteran SOAR Program, which assists Veterans, former service members and Veterans along with former service members spouses as well as dependents with obtaining Federal benefits through the Social Security Administration.
 - The Veterans Stable Housing Initiative, which administers the Minnesota Homeless Veteran Registry (HVR) in addition to providing resources as well as support to assist at-risk Veterans and former service members. They also assist Veterans and former service members experiencing homelessness in obtaining or maintaining stable housing as well as preventing homelessness where possible.
 - The Minnesota Operation for Veterans Empowerment (MOVE) program, which temporarily assists homeless Veterans with one-on-one case management regarding eligible resource availability to empower them to move beyond their current situation and a paid bed at the Union Gospel Mission (St Paul).
- **The MDVA Grant Programs** is housed in Central Office to provide funding for stakeholders and partners who assist MDVA in achieving the agency's mission.
 - **Veterans Service Organizations (VSO) Grants** are provided to Congressionally Chartered Veterans Service Organizations (excluding The American Legion) in Minnesota to assist Veterans along with their families receive the Federal, State, and local benefits they are entitled to receive.
 - **County Veterans Service Officers (CVSO) Grants** provide Minnesota's 87 counties with funding for combat Veteran reintegration; to collaborate with social service agencies, educational institutions, and other community organizations to enhance services offered to Veterans; reduce homelessness; and to enhance the operations of the County Veterans Service Office (<http://macvso.org>).
 - **Minnesota Assistance Council for Veterans (MACV)** (<http://mac-v.org>) is funded through a grant from MDVA that provides assistance throughout Minnesota to Veterans and their families who are homeless or in danger of homelessness.
 - **Support our Troops (SOT) Grants** (<https://mn.gov/mdva/resources/supporttroopslicenseplates.jsp>) are competitive grants provided to eligible foundations along with other organizations approved by the Commissioner, whose purpose is supporting as well as improving the lives of Veterans and their families. These grants are funded through the Support Our Troops License Plate Account.

Partners

MDVA partners with the VA, VSOs, CVSOs, the MACV, and other organizations to provide benefits and services to Veterans. Additionally, MDVA partners with several state agencies to accomplish its work.

RESULTS

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Number of Homeless Veterans identified in MN	Results	HUD's annual Point in Time (PIT) Count	Gradual decrease (644 as of Jan. 2010 PIT Count)	336 (Jan. 2023 PIT Count)
Number of Homeless Veterans housed	Quantity	Minnesota's Homeless Veteran Registry (HVR)	564 in FY23	506 in FY24
Number of Homeless Veterans on the HVR	Quantity	Minnesota's Homeless Veteran Registry	318 (7/1/2023)	189 (7/1/2024)
Number of referrals to the Veteran SOAR Program	Quantity	SOAR SharePoint Data	163 in FY23	335 in FY24
Number of interments/inurnments at State Veterans Cemeteries	Quantity	Federal VA40-0241 Annual Reporting	Steady increase (918/yr average FY20-FY24)	991 in FY24
Number of Clients Served by the State Soldiers Assistance Program	Quantity	VATS SQL Server Reporting Services	Steady increase since FY22 1,128 in FY 22 1,142 in FY23	1,255 in FY24
Number of Clients who were provided statewide, community-based counseling through CORE program participation.	Quantity	CORE Tracking Spreadsheet	Steady increase since FY22 3,107 in FY22 3,240 in FY23	3,686 in FY24

Minnesota Department of Veterans Affairs Programs and Services legal authority comes from:

Minn. Stat. 190.07 (<https://www.revisor.mn.gov/statutes/cite/196.07>)

Minn. Stat. 190.19 (<https://www.revisor.mn.gov/statutes/cite/190.19>)

Minn. Stat. 196.05 (<https://www.revisor.mn.gov/statutes/cite/196.05>)

Minn. Stat. 196.08 (<https://www.revisor.mn.gov/statutes/cite/196.08>)

Minn. Stat. 196.081 (<https://www.revisor.mn.gov/statutes/cite/196.081>)

Minn. Stat. 197 (<https://www.revisor.mn.gov/statutes/cite/197>)

Veterans Programs and Services

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
<u>Expenditures by Fund</u>						
1000 - General	24,550	54,173	47,186	44,262	34,863	34,863
2000 - Restrict Misc Special Revenue	1,973	1,641	1,798	2,608	2,504	2,338
2301 - Arts & Cultural Heritage			250			
2403 - Gift	71	40	47	61	137	136
3000 - Federal	2,861	8,060	1,371	1,368		
3010 - Coronavirus Relief	2,315					
3015 - ARP-State Fiscal Recovery	26	174				
Total	31,796	64,088	50,652	48,299	37,504	37,337
Biennial Change				3,067		(24,110)
Biennial % Change				3		(24)

Expenditures by Activity

Veterans Services	3,109	3,430	3,863	4,937	4,148	4,148
State Veterans Cemeteries	9,664	13,014	6,000	6,660	4,936	4,793
Programs and Services	6,791	5,409	5,410	7,949	7,494	7,494
Veterans Homelessness Programs	1,022	10,373	13,986	8,176	6,511	6,494
Veterans Education Programs	2,065	2,210	2,332	2,436	2,335	2,355
MN GI Bill Open Appropriations	2,414	2,285	4,105	4,600	4,600	4,600
Claims and Outreach	4,763	4,933	5,439	6,202	5,471	5,471
Miscellaneous Appropriations	1,968	22,434	9,517	7,339	2,009	1,982
Total	31,796	64,088	50,652	48,299	37,504	37,337

Expenditures by Category

Compensation	10,236	11,162	13,301	15,493	13,378	13,353
Operating Expenses	12,869	20,611	7,900	8,096	7,494	7,475
Grants, Aids and Subsidies	8,308	31,627	27,553	22,253	15,505	15,509
Capital Outlay-Real Property	261	517	1,653	2,221	963	818
Other Financial Transaction	122	171	245	236	164	182
Total	31,796	64,088	50,652	48,299	37,504	37,337

Total Agency Expenditures	31,796	64,088	50,652	48,299	37,504	37,337
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Veterans Programs and Services

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
Internal Billing Expenditures	6	5				
Expenditures Less Internal Billing	31,790	64,083	50,652	48,299	37,504	37,337
<u>Full-Time Equivalents</u>	108.61	117.17	126.02	135.12	107.03	102.93

Veterans Programs and Services

Program Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY22	FY23	FY24	FY25	FY26	FY27
1000 - General						
Balance Forward In		6,149	4,222	8,469		
Direct Appropriation	27,073	57,460	56,523	31,214	30,284	30,284
Open Appropriation	2,414	2,285	4,105	4,600	4,600	4,600
Transfers In	13,425	15,963	15,849	1,609	21	21
Transfers Out	13,454	19,284	15,862	1,630	42	42
Cancellations		4,178	9,182			
Balance Forward Out	4,908	4,222	8,469			
Expenditures	24,550	54,173	47,186	44,262	34,863	34,863
Biennial Change in Expenditures				12,725		(21,722)
Biennial % Change in Expenditures				16		(24)
Full-Time Equivalents	103.90	112.51	122.46	131.59	103.50	99.40

2000 - Restrict Misc Special Revenue

Balance Forward In	2,576	2,465	2,916	2,937	2,337	1,871
Receipts	1,036	928	1,110	1,382	1,412	1,442
Transfers In	736	543	1,045	626	626	626
Transfers Out	111		334			
Balance Forward Out	2,265	2,296	2,939	2,337	1,871	1,601
Expenditures	1,973	1,641	1,798	2,608	2,504	2,338
Biennial Change in Expenditures				792		436
Biennial % Change in Expenditures				22		10
Full-Time Equivalents	4.71	4.66	3.56	3.53	3.53	3.53

2301 - Arts & Cultural Heritage

Transfers In			250			
Expenditures			250			
Biennial Change in Expenditures				250		(250)
Biennial % Change in Expenditures						

2403 - Gift

Balance Forward In	124	161	305	430	500	494
Receipts	83	28	137	106	106	106
Transfers In	28	30	35	25	25	25

Veterans Programs and Services

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
Transfers Out	3					
Balance Forward Out	161	179	430	500	494	489
Expenditures	71	40	47	61	137	136
Biennial Change in Expenditures				(4)		165
Biennial % Change in Expenditures				(4)		153

3000 - Federal

Receipts	2,861	8,060	1,371	1,368		
Expenditures	2,861	8,060	1,371	1,368		
Biennial Change in Expenditures				(8,182)		(2,739)
Biennial % Change in Expenditures				(75)		(100)

3010 - Coronavirus Relief

Direct Appropriation	2,315					
Expenditures	2,315					
Biennial Change in Expenditures				(2,315)		0
Biennial % Change in Expenditures						

3015 - ARP-State Fiscal Recovery

Balance Forward In		174				
Direct Appropriation	200					
Balance Forward Out	174					
Expenditures	26	174				
Biennial Change in Expenditures				(200)		0
Biennial % Change in Expenditures				(100)		

Program: Veterans Healthcare<https://mn.gov/mdva/>**AT A GLANCE**

- Operate eight State Veterans Homes in Bemidji, Fergus Falls, Hastings, Luverne, Minneapolis, Montevideo, Preston and Silver Bay
- Provide 24/7 Skilled Nursing and Domiciliary Care
- Achieved Centers for Medicare and Medicaid Services (CMS) Certification at four skilled nursing homes, with pending applications in our three newest State Veterans Homes
- Achieved United States Department of Veterans Affairs (VA) recognition for three new Veterans Homes in 2024
- Operate one of only three Adult Day Healthcare Programs (Medical Model) in the country
- Employ approximately 1,215 staff to care for Veterans
- Focus on Veteran Suicide Prevention and Awareness
- Launching Veteran Community Health Navigator program
- Work closely with state, federal, and community partners to enhance all State Veterans Homes Resident's lives

PURPOSE AND CONTEXT

The first Minnesota Veterans Home was established in 1887 in Minneapolis as the Minnesota Soldiers Home to “reward the brave and deserving.” This Soldiers Home in Minneapolis was not primarily designed as a skilled nursing facility, but as the needs of Veterans changed, so too have the Veterans Homes. In the 1960s, Minnesota started shifting its primary focus to meet the healthcare needs of Veteran Residents in the Federal Veterans Administration State Veterans Home program. Today, the Minnesota Department of Veteran’s Affairs (MDVA) operates eight Veterans Homes located in Bemidji, Fergus Falls, Hastings, Luverne, Minneapolis, Montevideo, Preston, and Silver Bay; and one Adult Day Care program located in Minneapolis.

Healthcare Division initiatives are reviewed annually to ensure both quality care and operational excellence are achieved in all Veteran Homes. The initiatives detailed below were developed with staff as well as stakeholder input. The Veteran Homes were the primary focus in fiscal year 2023, including agency-level policy and procedures. Our goal is to always provide quality Resident care outcomes in state-of-the-art facilities with the highest level of efficiency. Many stakeholder groups are engaged in our Division performance, and we strive to align with both State and Federal goals impacting aging Veterans. The MDVA Healthcare Division’s goal is to ensure all healthcare facilities and programs are coordinating as one agency providing the highest level of care. In addition to the initiatives noted below, a primary focus of this past year was to stabilize the Healthcare Division, ensuring the growth of three new facilities is incorporated into the overall organizational structure. An additional focus area is to redesign an organizational chart that ensures continuity of services during transitions and succession planning.

Calendar year 2023 included the following initiatives (not an inclusive list but highlights of top priorities):

1. COVID-19 Pandemic Emergency Response Transition

Goal: Under the guidance of MDVA Healthcare senior leaders, each facility continues to refine an Infection Prevention (IP) strategy which includes the latest guidance from CMS, the Minnesota Department of Health (MDH), Centers for Disease Control and Prevention (CDC), and Department of Labor and Industry (DOLI). This allows all facilities to minimize the negative effects of all infectious diseases, including COVID-19, and follow

an operational plan that monitors the impacts to a community, minimizes emergency response during outbreak, and continues to provide the highest quality of care.

2. Clinical Education/Best Practice – End of Life Care Education Program

Goal: Enhance all areas of palliative care, advance care planning, and hospice in all Veterans Homes to provide Residents with dignity at end of life. Continue to offer as well as lead in clinical training programs to improve and enhance the quality of care delivered to Residents specifically during end of life along with prepare to meet the new healthcare needs of our current aging Veteran population.

3. Three New MN Veterans Homes

Goal: Successfully open the three new Minnesota Veterans Homes and achieve federal VA recognition. All Homes have successfully opened, admitted their first Residents, and achieved Federal VA recognition. Homes will be at 75% occupancy by end of fiscal year 2025. Going forward, a primary focus will be efforts to continue to recruit and hire, in addition to admitting Residents along with ensuring that quality of care remains excellent.

4. Healthcare Operations

Goal: Maximize revenues available through all possible means available to include federal VA per diem, Medicare, insurance, and Medicare Part D. Reviews of all Resident reimbursement options are ongoing. Primary areas of focus have been census realignment along with maximization, a comprehensive Healthcare Division recruitment as well as retention strategy, and an intentional collaboration of the admissions process, ensuring that all Veterans maximize their available benefits. In addition, a review of Minnesota Administrative Rule 9050 with recommended revisions will be completed this year.

5. Domiciliary Program Quality of Care

Goal: MDVA facilitated a Quality-of-Care workgroup to evaluate Resident/Veteran care needs, staffing requirements, and program enhancements to further improve the care delivery model. In addition, State funding was received for the Hastings campus as well as design work is in progress as we wait for a decision from the Federal VA State Construction Grant Program.

6. Veteran Suicide Prevention and Awareness.

Goal: MDVA continues working to reduce Veteran suicide rates in Minnesota. Current data shows approximately 100 Veterans die by suicide annually in Minnesota. MDVA leads the Minnesota Veteran Suicide Prevention and Awareness Collaborative (formerly called the “Governor’s Challenge to Reduce Veteran Suicide”). MDVA is actively partnering with the Minnesota Department of Health, the Federal VA, Minnesota Army National Guard, County Veteran Service Officers, Veterans Service Organizations, and other community partners on this effort.

7. Veteran Health Navigator Program

Goal: MDVA has begun strategic planning and development of the Veteran Health Navigator program. The program targets active military and Veterans, connecting them to Veteran resources at all levels (community, State, and Federal), engaging them in preventive care as well as assisting with management in care coordination programs. MDVA is actively working with the Minnesota Department Health’s Office of Rural Health & Primary Care, Health Care Homes, Minnesota Hospital Association, and the Federal VA systems on best practices, building key metrics, as well as evaluating healthcare systems on readiness to implement a Navigator Program.

SERVICES PROVIDED

MDVA provides care designed and delivered according to the individual needs of the Resident (Resident Centered Care). All MDVA State Veterans Homes have the goal of restoring, optimizing, and/or maintaining each Resident's level of function, personal autonomy, and dignity as well as recognizing the individual's service to the country.

The following programs and services are offered in each Veterans Home:

- Specialty care units for those diagnosed with dementia
- Rehabilitation services – including occupational, speech, physical therapy, and general physical fitness
- Social services, recreational therapy and behavioral services
- Coordination of specialty appointments with outside providers
- Life enhancement activities – Entertainment, games and outdoor activities
- Drug and alcohol supportive services
- Vocational rehabilitation
- On-site specialty services – dental, ophthalmology, audiology, podiatry
- Primary Care and some Specialty Care

In recent years, the Healthcare Division senior leadership team, with a strong commitment to Veteran-centric care, has focused primarily on the transition from the COVID-19 pandemic emergency response to the construction and opening of three new Minnesota Veterans Homes. Minnesota was the first state in the country to ever open three new Veterans Homes at one time. The accomplishment required the leadership team to provide frequent and onsite support to ensure successful openings along with meeting regulatory requirements.

To optimally manage operations and ensure a high-quality experience across the system for both Residents and staff, the following initiatives have been a priority:

- Enhancement of Resident-centered care and family-centered care models at all Veterans Homes to meet the unique individualized care of Veterans and their families.
- Clinical care advancements to include innovative programming that cares for Veterans with dementia diagnoses, addressing complex medical and behavioral health needs.
- Implementation of a Healthcare Division Recruitment and Retention strategy to include seven different focus areas to attract new talent and improve the employee experience.
 - Retention efforts focused on leadership and clinical training program as well as individualized development plans.
 - Recruitment includes the recruitment of staff to: open three new Veterans Homes in greater Minnesota, reduce supplemental staffing from all homes, and begin a recovery strategy from pandemic impacts to staffing.
 - The Healthcare Division Employee Wellness Initiative focused on enhancing the enterprise-provided wellness resources to support the unique stressors of the Healthcare worker experience.
- Asset preservation, repair, and betterment funding as an ongoing necessity to extend the useful life as well as maintain aging facilities at all locations.
- The eight Minnesota Veterans Homes continue to make facility refinements for the long-term health of the facilities. Hastings is in process of a total campus redesign, with the goal of single rooms with private bathrooms, pending Federal VA funding.
- Compliance with CMS standards for the purpose of enhancing the level of care provided at the Veterans Homes and generating an opportunity to bill services to all available sources.
- By hiring a Director of Community Health to lead the Veteran Suicide Prevention and Awareness program along with to develop as well as implement a new Veterans Health Navigator program.

RESULTS

The Minnesota Veterans Homes provide a community environment for Veterans along with their families that promotes respect and dignity in addition to mental, physical, and spiritual well-being. Providing enhanced mental health and chemical dependency training as dedicated professionals, our staff can promote along with support transitioning Domiciliary Residents back to their communities. The key measures include customer satisfaction, staff turnover, and the prevalence of citations or recommendations from the Minnesota Department of Health, the Federal Department of Veteran Affairs, as well as CMS.

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Survey Performance	Quantity	<p>The annual CMS 5 Star Staffing Report continues to score at the higher end of the rating. MDVA's goal is to maintain a 4- or 5-star overall staffing ratio at the Skilled Veterans Homes, and this goal has been met for the past four years. Of our current 4 skilled nursing facilities certified with CMS – 3 out of 4 were rated as a 5-star facility in 2023.</p> <p>In 2024/2025 – MDVA will pursue CMS certification with our three new Minnesota Veterans Homes.</p>	4 & 5 star – 2021	<p>4 & 5 star – 2023</p> <p>MN Veterans Home - Luverne and Fergus Falls achieved <i>US News and World Report</i> – Best Nursing Home in the Country for second year in a row.</p>

Measure name	Measure type	Measure data source	Historical trend	Most recent data
Resident Satisfaction Survey	Quality	Customer satisfaction surveys have been conducted at the five established Veterans Homes by Pinnacle Quality Insight on a monthly basis, dating back to 2009. Comparative results are calculated quarterly and annually. The company surveys Residents and families on a number of key indicators which include nursing, response to individual needs, therapy, safety and cleanliness. The results are then compared to other Veterans Homes and nursing homes across the country.	4.92 (low = 1, high = 5) – 2021	4.73 (low – 1, high – 5) - 2023

Minnesota Department of Veterans Affairs legal authority comes from M.S. 198.01 (<https://www.revisor.mn.gov/statutes/?id=198.01>).

Veterans Healthcare

Program Expenditure Overview

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
<u>Expenditures by Fund</u>						
1000 - General	365	647	603	1,594	950	950
2000 - Restrict Misc Special Revenue	327	237	231	451	185	100
2001 - Other Misc Special Revenue	121,616	130,806	159,990	182,868	183,380	189,724
2403 - Gift	757	1,432	1,091	1,040	1,138	1,178
3000 - Federal	36,533	57,108	968			
6000 - Miscellaneous Agency	1,432	1,530	1,633	1,678	1,688	1,718
Total	161,031	191,761	164,515	187,631	187,341	193,670
Biennial Change				(645)		28,865
Biennial % Change				(0)		8

Expenditures by Activity

Veterans Healthcare	16,082	15,445	16,780	17,780	16,716	17,036
Minneapolis Veterans Homes	58,674	62,391	68,659	75,553	68,627	69,697
Hastings Veterans Home	11,449	11,612	13,148	14,276	12,766	12,863
Silver Bay Veterans Homes	13,757	14,326	15,460	15,859	14,643	14,890
Luverne Veterans Home	13,115	13,643	14,828	15,830	14,343	14,566
Fergus Falls Veterans Home	17,237	17,201	18,434	19,397	17,679	17,961
Bemidji Veterans Home	7,657	22,168	5,963	9,976	14,829	16,925
Montivideo Veterans Home	12,831	21,497	5,489	10,184	15,662	17,051
Preston Veterans Home	10,228	13,478	5,755	8,776	12,076	12,681
Total	161,031	191,761	164,515	187,631	187,341	193,670

Expenditures by Category

Compensation	96,961	100,835	124,236	146,364	140,356	145,033
Operating Expenses	31,289	88,622	37,680	38,959	44,543	46,139
Grants, Aids and Subsidies	1,431	1,560	1,692	1,807	1,951	2,001
Capital Outlay-Real Property	31,143	249	344	26	1	1
Other Financial Transaction	206	494	563	475	490	496
Total	161,031	191,761	164,515	187,631	187,341	193,670

Full-Time Equivalents

1,097.42	1,103.04	1,216.86	1,223.07	1,228.92	1,209.22
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Veterans Healthcare

Program Financing by Fund

(Dollars in Thousands)

	Actual	Actual	Actual	Estimate	Forecast Base	
	FY22	FY23	FY24	FY25	FY26	FY27
1000 - General						
Balance Forward In		750		504		
Direct Appropriation	62,457	71,033	89,965	100,737	93,327	94,375
Transfers In	87	122	60			
Transfers Out	61,499	70,445	88,827	99,647	92,377	93,425
Cancellations		814	90			
Balance Forward Out	679		505			
Expenditures	365	647	603	1,594	950	950
Biennial Change in Expenditures				1,185		(297)
Biennial % Change in Expenditures				117		(14)
Full-Time Equivalents	0.95	2.18	2.07	5.07	4.00	3.80

2000 - Restrict Misc Special Revenue

Balance Forward In	238	100	221	436	85	
Receipts	189	351	445	100	100	100
Balance Forward Out	100	214	436	85		
Expenditures	327	237	231	451	185	100
Biennial Change in Expenditures				118		(397)
Biennial % Change in Expenditures				21		(58)

2001 - Other Misc Special Revenue

Balance Forward In	19,335	14,611	11,632	4,423	55	53
Receipts	53,786	56,512	64,041	78,872	91,020	96,320
Transfers In	150,411	158,670	194,868	204,281	184,139	186,165
Transfers Out	89,041	88,405	106,128	104,653	91,781	92,759
Balance Forward Out	12,875	10,582	4,423	55	53	55
Expenditures	121,616	130,806	159,990	182,868	183,380	189,724
Biennial Change in Expenditures				90,435		30,246
Biennial % Change in Expenditures				36		9
Full-Time Equivalents	1,095.13	1,099.97	1,214.07	1,217.28	1,224.20	1,204.70

2403 - Gift

Balance Forward In	2,337	2,512	3,854	3,238	3,350	3,374
Receipts	873	966	1,224	1,152	1,162	1,172

Veterans Healthcare

Program Financing by Fund

(Dollars in Thousands)

	Actual FY22	Actual FY23	Actual FY24	Estimate FY25	Forecast Base	
					FY26	FY27
Transfers In	3	1,705				
Transfers Out			747			
Balance Forward Out	2,456	3,751	3,238	3,350	3,374	3,368
Expenditures	757	1,432	1,091	1,040	1,138	1,178
Biennial Change in Expenditures				(58)		185
Biennial % Change in Expenditures				(3)		9

3000 - Federal

Receipts	36,533	57,108	968			
Expenditures	36,533	57,108	968			
Biennial Change in Expenditures				(92,674)		(968)
Biennial % Change in Expenditures				(99)		

6000 - Miscellaneous Agency

Balance Forward In	730	761	724	871	886	928
Receipts	1,468	1,492	1,779	1,693	1,730	1,770
Balance Forward Out	766	723	870	886	928	980
Expenditures	1,432	1,530	1,633	1,678	1,688	1,718
Biennial Change in Expenditures				348		95
Biennial % Change in Expenditures				12		3
Full-Time Equivalents	1.34	0.89	0.72	0.72	0.72	0.72