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STATE OF MINNESOTA



DEPARTMENT OF VETERANS AFFAIRS

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ANNUAL REPORT 1975 - 1976

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STATE OF MINNESOTA
DEPARTMENT OF VETERANS AFFAIRS
VETERANS SERVICE BUILDING
SAINT PAUL, MINN. 55155

Office of the
Commissioner
(612) 296-2783

The Honorable Rudy Perpich
Governor, State of Minnesota
130 State Capitol
Saint Paul, Minnesota 55155

Dear Governor Perpich:

In compliance with the Minnesota Statutes which require that this agency submit an annual report covering its operations, I hereby submit our report for the fiscal year, commencing July 1, 1975 through June 30, 1976.

This report is made in a narrative form, avoiding lengthy detail. We believe the report gives an accurate summary of the Department's activities and accomplishments for the past year. This agency's prime responsibility is to Minnesota's 550 thousand veterans, their surviving spouses and dependents. The Department furnishes assistance to any of them in seeking claims against the United States Veterans Administration for any compensation, pension, burial benefits, educational benefits, or other benefits provided by the United States Congress. There is no charge to any of them for this service.

On August 1, 1975, the Department assumed the responsibilities for the operation of the Minnesota Veterans Home, which had formerly been operated by an independent Board of Trustees, appointed by the Governor. We believe that the operation of the Home as a State Department has improved the efficiency of the Home and will continue to show economical savings through the years.

One of our main targets for accomplishment during the fiscal year was to seek State bonding authority of 1.9 million dollars to be used as a 35% match for Federal funds, already granted, to build a replacement nursing facility of 250 beds, which will enable us to remove eight of the buildings constructed between 1886 and 1904 at the Home. In May of 1976, this bonding bill was approved and we would hope that in fiscal year 1978 the construction will start and that we will be occupying the new building during fiscal year 1979.

I am confident that the Department of Veterans Affairs is rendering an efficient and effective service to veterans of this State. It is our hope that this report will prove of interest to you and other members of State Government, and also to the various veterans organizations and concerned citizens.

Respectfully submitted,


RUSSELL R. GREEN
Commissioner

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ANNUAL REPORT

DEPARTMENT OF VETERANS AFFAIRS

TO THE

HONORABLE RUDY PERPICH

GOVERNOR

OF THE

STATE OF MINNESOTA

FOR THE FISCAL YEAR 1975-1976

TABLE OF CONTENTS

	<u>PAGES</u>
ADMINISTRATION	1
VETERANS BENEFITS DIVISION	2-6
VIETNAM BONUS DIVISION	7-8
FIELD SERVICE DIVISION	9-10
CLAIMS DIVISION	11-16
ADMINISTRATIVE SERVICE DIVISION . .	17-19
GUARDIANSHIP SERVICE	20-21
MINNESOTA VETERANS HOME	22-26
A PHYSICIAN VIEWS THE MINNESOTA VETERANS HOME	27-31

ST. PAUL, MINNESOTA

MINNESOTA DEPARTMENT OF VETERANS AFFAIRS

GOVERNOR

HONORABLE RUDY PERPICH

COMMISSIONER

RUSSELL R. GREEN

DEPUTY COMMISSIONER AND
ADMINISTRATIVE SERVICES DIVISION

RONALD J. LAVELL

ADMINISTRATION

JOSEPH T. HARTEL	SUPERVISOR	VETERANS BENEFITS DIVISION
PHILLIP D. NYGREN	SUPERVISOR	VETERANS CLAIMS DIVISION
RAYMOND D. SCHULTZ	SUPERVISOR	FIELD SERVICE DIVISION
PAUL M. KRENIK, JR.	ADMINISTRATOR	VIETNAM BONUS DIVISION
WILLIAM J. GREGG	ADMINISTRATOR	MINNESOTA VETERANS HOME
ROBERT J. STRUNK	ADM. ASSISTANT	MINNESOTA VETERANS HOME
MARIAN M. SCHNITKER	ADM. ASSISTANT	MINNESOTA VETERANS HOME
ROBERT MOONEY, M.D.	MEDICAL DIRECTOR	MINNESOTA VETERANS HOME
BARBARA JOHNSON, R.N.	DIRECTOR OF NURSES	MINNESOTA VETERANS HOME

VETERANS BENEFITS DIVISION

FINANCIAL ASSISTANCE -- THE DEPARTMENT OF VETERANS AFFAIRS PROVIDES FUNDS FOR THE TEMPORARY CARE OF THE FAMILIES OF VETERANS WHO BECOME SICK OR DISABLED AND ARE UNABLE TO FOLLOW A GAINFUL OCCUPATION. AID PROVIDED BY THE DEPARTMENT IS PRINCIPALLY IN THE FORM OF CASH GRANTS UNLESS, AS IN SOME INSTANCES, IT IS MORE PRUDENT OR EXPEDIENT TO USE COMMODITY ORDERS.

UNIFORM MAXIMUM ASSISTANCE IS PROVIDED WHICH COMPARES FAVORABLY WITH GENERAL ASSISTANCE PRACTICES THROUGHOUT THE STATE. WE PRIDE OURSELVES IN PROVIDING ASSISTANCE TAILORED TO THE INDIVIDUAL FAMILY NEEDS FOR THE PERIOD OF TIME THEY ARE ON OUR PROGRAM. MOST OF THE CASES ARE FOR 30, 60 OR 90 DAY PERIODS, DURING WHICH TIME EVERY EFFORT IS MADE TO PROVIDE VETERANS ADMINISTRATION BENEFITS, SOCIAL SECURITY OR OTHER TYPES OF FEDERALLY SUBSIDIZED PROGRAMS FOR LONG TERM CASES.

THE FOLLOWING ACTIVITIES AND PROCEDURE WERE CARRIED OUT BY THE VETERANS BENEFITS DIVISION.

	<u>YEARLY TOTAL</u>	<u>MONTHLY AVERAGE</u>
INTERVIEWS AND CONSULTATIONS	8,700	725
TELEPHONE CALLS--INCOMING & OUTGOING	51,996	4,333
CORRESPONDENCE & FORMS--OUTGOING	33,648	2,804
CASES REVIEWED & PROCESSED	58,976	4,998
MEETING & TRAINING HOURS	2,784	207
NEW & OLD CASES--FILES & MEDICAL PROCESSES	39,636	3,303
RECORDS RESEARCHED & COPIES OF DISCHARGES COMPLETED	2,392	200

WAR VETERANS RELIEF EXPENDITURES

FY 75	FY 76		
MONTH	TOTAL CASES	TOTAL PERSONS	TOTAL EXPENDITURES
JULY	338	886	\$ 62,145.71
AUGUST	320	911	61,702.77
SEPTEMBER	312	884	69,220.27
OCTOBER	323	935	82,683.28
NOVEMBER	275	849	61,748.87
DECEMBER	317	924	71,394.47
JANUARY	352	1,035	94,206.70
FEBRUARY	309	929	77,793.53
MARCH	377	1,019	105,104.98
APRIL	342	959	91,164.69
MAY	331	852	80,001.38
JUNE	300	756	63,410.33
TOTAL	3,896	10,939	\$920,594.85
MONTHLY AVERAGE	325	912	\$ 76,716.17
AVERAGE MONTHLY COST PER CASE	\$236.28		
AVERAGE MONTHLY COST PER PERSON	\$ 84.11		

THERE WAS AN 8% INCREASE IN CASES AND 9% INCREASE IN EXPENDITURES FOR FY 76 OVER FY 75.

BREAKDOWN ON EXPENDITURES

		PERCENTAGE
FOOD	\$287,038.78	31
SHELTER	331,719.09	36
CLOTHING	2,339.41	1
MEDICAL	203,435.32	22
PERSONAL NEEDS	55,246.31	6
MISCELLANEOUS	40,816.07	4

STATE OF MINNESOTA

WAR VETERANS RELIEF EXPENDITURES

For year ending June 30, 1976

<u>COUNTY</u>	<u>1975</u>	<u>1976</u> <u>AMOUNT</u>	<u>COUNTY</u>	<u>1975</u>	<u>1976</u> <u>AMOUNT</u>
Aitkin	8,304.25	10,033.46	Meeker	10,814.93	15,168.63
Anoka	48,045.69	74,042.78	Mille Lacs	6,666.97	13,098.70
Becker	5,879.19	10,002.93	Morrison	9,703.69	11,194.08
Beltrami	18,822.72	15,247.72	Mower	17,097.26	28,537.74
Benton	11,747.02	18,155.80	Murray	495.00	2,153.59
Big Stone	1,456.83	818.70	Nicollet	11,360.43	3,244.95
Blue Earth	8,313.58	14,443.58	Nobles	3,174.94	6,834.83
Brown	4,025.67	4,346.86	Norman	2,046.16	1,455.64
Carlton	7,547.28	6,719.83	Olmsted	4,141.07	3,498.44
Carver	6,467.62	5,433.14	Ottertail	14,974.08	33,828.09
Cass	44,720.89	22,506.39	Pennington	4,573.22	3,324.17
Chippewa	7,470.52	5,499.10	Pine	5,067.31	12,830.51
Chisago	6,504.16	11,058.36	Pipestone	1,957.87	4,287.17
Clay	9,145.42	13,063.97	Polk	1,765.98	5,185.55
Clearwater	7,172.43	5,751.71	Pope	3,105.12	2,173.15
Cook	538.70	462.94	Red Lake	600.00	694.12
Cottonwood	1,900.17	1,981.46	Redwood	4,592.22	2,164.95
Crow Wing	16,480.63	22,935.12	Renville	4,324.40	6,871.58
Dakota	20,593.38	35,341.45	Rice	10,046.28	10,105.44
Dodge	865.00	6,199.00	Rock	2,114.44	3,337.25
Douglas	8,435.33	6,194.82	Roseau	540.50	3,124.24
Faribault	4,573.33	2,039.55	Scott	8,825.03	6,280.25
Fillmore	7,565.32	5,610.99	Sherburne	1,646.00	1,763.94
Freeborn	10,632.22	14,198.48	Sibley	2,447.85	2,099.18
Goodhue	6,006.16	7,852.30	Stearns	44,415.69	32,239.74
Grant	705.67	2,496.84	Steele	6,847.07	6,630.33
Houston	1,771.77	4,097.26	Stevens	1,708.25	1,751.40
Hubbard	5,157.48	3,656.82	Swift	5,987.25	6,355.07
Isanti	9,449.71	12,176.86	Todd	13,262.21	7,258.72
Itasca	12,267.64	12,950.21	Traverse	103.00	554.50
Jackson	2,509.60	3,910.32	Wabasha	2,475.13	2,157.39
Kanabec	12,174.07	13,101.60	Wadena	6,366.74	3,975.23
Kandiyohi	11,614.60	7,175.42	Waseca	1,621.62	4,144.69
Kittson	3,834.55	2,667.55	Washington	8,105.71	8,052.85
Koochiching	10,090.02	6,121.86	Watsonwan	3,571.90	2,793.62
Lac Qui Parle	1,155.62	2,661.73	Wilkin	1,156.03	885.28
Lake	6,570.65	2,002.29	Winona	12,347.73	5,945.09
Lake of Woods	1,990.57	689.75	Wright	20,463.72	27,067.96
Le Sueur	3,734.21	3,136.59	Yellow Medicine	1,078.31	3,060.68
Lincoln	457.81	1,603.00	St. Louis	28,875.87	34,054.75
Lyon	1,882.29	1,363.95	Ramsey	48,024.55	60,643.72
Mahnomen	5,864.35	562.50	Hennepin	126,751.80	122,160.45
Marshall	1,625.84	909.74			
Martin	7,565.32	5,479.14	TOTAL	\$842,263.75	\$920,594.98
McLeod	3,385.14	903.45			

IT IS INTERESTING TO NOTE THE AVERAGE AGE OF ALL MINNESOTA VETERANS AS OF JUNE 30, 1976 WAS 46.9 YEARS. A BREAKDOWN OF AVERAGE AGES OF VETERANS, BY WAR, FOLLOWS.

12 SPANISH AMERICAN WAR	ALL OVER 90 YEARS
19,000 WORLD WAR I	AGE 81.3 YEARS
219,000 WORLD WAR II	AGE 56.4 YEARS
93,000 KOREAN CONFLICT	AGE 46.8 YEARS
58,000 POST KOREAN CONFLICT	AGE 37.7 YEARS
151,000 VIETNAM ERA	AGE 30.6 YEARS

AS THE AGE OF VETERANS ADVANCES, DISABILITIES, UNEMPLOYMENT AND DEATHS BECOME A GREATER PROBLEM. IT IS ANTICIPATED THERE WILL BE INCREASED DEMANDS FROM VETERANS AND THEIR DEPENDENTS FOR ASSISTANCE FROM THE DEPARTMENT DURING THE COMING YEARS. THIS IS PARTICULARLY TRUE OF THE 219,000 WORLD WAR II VETERANS WHO ARE THE LARGEST GROUP OF OUR MINNESOTA VETERANS.

GRAVE MARKERS -- THE DEPARTMENT PURCHASED 1700 BRONZE GRAVE FLAG HOLDERS WITH THE \$6000 APPROPRIATION FOR THE FIRST YEAR OF THE BIENNIUM. THESE WERE USED TO MARK THE GRAVES OF THE VETERANS WHO WERE BURIED IN CEMETERIES OTHER THAN THE NATIONAL CEMETERY AT FORT SNELLING. REQUESTS EXCEEDED SUPPLIES BY 624. DUE TO THE INCREASE IN DEATHS AND BECAUSE OF THE ADVANCING AGES OF ALL VETERANS, ALONG WITH THE INCREASE IN COST OF EACH MARKER, A LARGER NUMBER OF VETERAN GRAVES WILL NOT HAVE A BRONZE FLAG HOLDER DURING THE NEXT YEAR OF THE BIENNIUM. FIRST PRIORITY WILL BE GIVEN TO THE 624 REQUESTS FOR MARKERS NOT SUPPLIED DURING THE PAST YEAR. A REQUEST FOR ADDITIONAL MONEY APPROPRIATION TO FULLY FUND THIS PROGRAM WILL BE INCLUDED IN THE DEPARTMENT'S BUDGET FOR THE NEXT BIENNIUM.

VETERANS SERVICE -- CONTACTS-INFORMATION-REFERRALS-BONUS RECORDS

OUR ST. PAUL AND MINNEAPOLIS VETERANS HOSPITAL CONTACT OFFICES PROVIDE INFORMATION AND REFERRALS FOR THOSE INDIVIDUALS WHO REQUEST INFORMATION AND ASSISTANCE IN PERSON, BY TELEPHONE AND CORRESPONDENCE. INFORMATION IS DISSEMINATED ON STATE BENEFITS TO OTHER AGENCIES--FEDERAL, STATE AND LOCAL, INVOLVED WITH VETERANS' PROBLEMS AND BENEFITS.

PERMANENT BONUS RECORDS ARE MAINTAINED ON BONUS PAYMENTS FOR THE SPANISH AMERICAN WAR, WORLD WAR I, WORLD WAR II AND KOREAN CONFLICT. 1986 MILITARY RECORDS WERE FURNISHED TO INDIVIDUALS, THE WAR DEPARTMENT, VETERANS ADMINISTRATION, FUNERAL DIRECTORS AND NEXT OF KIN. 43 LATE BONUS APPLICATIONS FOR PREVIOUS WARS WERE PROCESSED AND SUBMITTED TO THE LEGISLATIVE CLAIMS COMMITTEE FOR APPROVAL AND PAYMENT BY THE DEPARTMENT.

INDEX CARDS AND RECORDS OF 383,500 WORLD WAR II AND KOREAN CONFLICT PAID BONUSES WERE MICROFILMED DURING THE PAST YEAR, UTILIZING TEMPORARY CLERICAL SUMMER AIDES-EMPLOYMENT.

EDUCATIONAL ASSISTANCE -- WAR ORPHANS AND VETERANS

FINANCIAL EDUCATIONAL ASSISTANCE OF UP TO \$250 YEARLY FOR TUITION, BOOKS, SUPPLIES, FEES, ROOM AND BOARD WAS GRANTED TO ELIGIBLE WAR ORPHANS, ALONG WITH FREE TUITION AT STATE INSTITUTIONS OF HIGHER LEARNING, EXCLUDING THE UNIVERSITY OF MINNESOTA AND ALL ITS BRANCHES.

ELIGIBLE VETERANS WHO HAVE EXHAUSTED THEIR FEDERAL G.I. EDUCATIONAL BENEFITS BY USE, MAY RECEIVE A ONE-TIME MAXIMUM PAYMENT OF \$250 FOR TUITION ONLY, TO COMPLETE THEIR EDUCATION OBJECTIVE.

DURING FY 1975-1976, THE DEPARTMENT PROVIDED PAYMENT OF \$21,693.95 FOR 152 WAR ORPHANS, \$20,978.49 FOR 138 ELIGIBLE VETERANS FOR A TOTAL OF \$42,672.44 IN EDUCATIONAL ASSISTANCE.

VIETNAM BONUS DIVISION PROGRESS REPORT

JULY 1, 1975 TO JUNE 30, 1976

ON JULY 1, 1975, MR. PAUL M. KRENIK, JR. WAS APPOINTED TO THE POSITION OF ADMINISTRATOR, REPLACING MR. JOSPEH T. HARTEL WHO RETURNED TO THE STATE CLASSIFIED SERVICE IN THE DEPARTMENT OF VETERANS AFFAIRS. MR. KRENIK HAS BEEN THE ASSISTANT ADMINISTRATOR SINCE AUGUST, 1973. THE DIVISION PERSONNEL STRENGTH IS NOW DOWN TO THREE FULL TIME AND ONE PART TIME APPEALS BOARD EMPLOYEE.

IN APRIL, THE 1976 LEGISLATIVE SESSION PASSED AN AMENDMENT TO THE BONUS LAW ESTABLISHING DECEMBER 31, 1976 AS THE LAST DAY FOR ACCEPTING APPLICATIONS. PUBLICITY WAS GIVEN TO THIS DEADLINE AND IN A THREE MONTH PERIOD WE RECEIVED 1,670 NEW APPLICATIONS.

ON MAY 7, 1976 A REQUEST WAS MADE TO THE LEGISLATIVE AUDIT COMMISSION TO CONDUCT AN AUDIT OF THE INDIVIDUAL BONUS APPLICATIONS THAT HAVE BEEN PAID AS OF APRIL 30, 1976. THIS AUDIT WAS REQUESTED TO ALLOW THE BONUS DIVISION TO START CLEANING OUT THE FILES OF UNNECESSARY DOCUMENTS AND PREPARING ALL PAID FILES FOR MICROFILMING. THE AUDIT WAS SATISFACTORILY COMPLETED ON JUNE 17, 1976 AND PERMISSION TO PREPARE THE RECORDS FOR MICROFILMING WAS RECEIVED. ON JUNE 21, 1976 WE RECEIVED PERMISSION TO HIRE FOUR STUDENTS UNDER THE GOVERNOR'S SUMMER EMPLOYMENT PROGRAM.

DURING THE PERIOD OF THIS REPORT, WE HAVE RECEIVED 2,952 NEW APPLICATIONS. WE ARE CURRENTLY RECEIVING ABOUT 90 NEW APPLICATIONS WEEKLY. THERE HAVE BEEN 2,431 BONUS PAYMENTS MADE DURING FY 76 FOR A TOTAL OF 147,062 NOW PAID. WE EXPECT TO PAY APPROXIMATELY 2,500 ADDITIONAL CLAIMS BY JUNE 30, 1977.

TOTAL APPLICATIONS RECEIVED ARE 154,086. OF THIS NUMBER, DENIALS TOTAL 5,609 MOST OF WHICH (OVER 3,000) WERE BECAUSE THEIR SERVICE WAS BETWEEN JULY 1, 1958 AND AUGUST 5, 1964 AND THEY HAD NO VIETNAM SERVICE. THE REMAINING WERE DENIED FOR VARIOUS REASONS SUCH AS RESIDENCE; DISCHARGE NOT UNDER HONORABLE CONDITIONS; ACTIVE DUTY WAS FOR TRAINING; NOT A MEMBER OF THE ARMED FORCES (RED CROSS, PUBLIC HEALTH, CONSCIENTIOUS OBJECTOR STATUS); RECEIVED A BONUS FROM ANOTHER STATE OR FAILED TO SEND REQUIRED DOCUMENTS. OF THESE, 868 HAVE APPEALED THEIR DENIAL. THE APPEALS BOARD HAS ACTED ON 839 APPEALS. THEY HAVE REVERSED THE DENIAL ON 294 AND UPHELD THE DENIAL ON 545. THERE ARE STILL 29 APPEALS PENDING.

THE STATUS OF FUNDS RECEIVED FOR THE BONUS PROGRAM AS OF JUNE 30, 1976 IS AS FOLLOWS:

EXPENDITURES:

<u>ACTUAL</u>	<u>BONUS PAYMENTS</u>	<u>ADMINISTRATIVE COST</u>	<u>TOTAL</u>
FY 74	\$57,463,918.33	\$ 688,951.97	\$58,152,870.30
FY 75	3,778,185.00	223,071.10	4,001,256.10
FY 76	<u>761,340.00</u>	<u>114,293.67</u>	<u>875,633.67</u>
	\$62,003,443.33	\$1,026,316.74	
		TOTAL EXPENDITURES	\$63,029,760.07
		FUNDS REMAINING	2,070,239.93
		FUNDS ALLOTTED TO PROGRAM	\$65,100,000.00

THE REMAINING FUNDS OF \$2,070,239.93 WILL BE SUFFICIENT TO COMPLETE THE BONUS PROGRAM. WE ANTICIPATE THAT THERE WILL BE \$1 MILLION RETURNED TO THE GENERAL FUND ON JUNE 30, 1977.

FIELD SERVICE DIVISION

THE FIELD SERVICE DIVISION INCLUDES BRANCH OFFICES IN DULUTH AND MOORHEAD, AND HAS RESPONSIBILITY FOR EDUCATION, TRAINING AND TECHNICAL SUPERVISION OF COUNTY VETERANS SERVICE OFFICERS; VISITATION AT STATE MENTAL AND PENAL INSTITUTIONS; AND VETERANS' PREFERENCE ENFORCEMENT.

DURING THE YEAR 1975-76 WE WERE ABLE TO MAINTAIN FAIRLY REGULAR VISITATION OF THE COUNTY VETERANS SERVICE OFFICERS AND WE DID MAKE SOME PROGRESS IN OUR GOAL OF ESTABLISHING A UNIFORM PROCEDURE IN REPORTING THE ACTIVITY IN THESE OFFICES.

THE COUNTY SERVICE OFFICER SYSTEM IS EXPERIENCING AN INCREASING NUMBER OF RETIREMENTS AND THE FIELD SERVICE HAS BEEN INVOLVED IN THE SELECTION PROCESS OF THE REPLACEMENTS. THIS HAS RESULTED IN CONSIDERABLY MORE TIME SPENT IN THE TRAINING AREA. TWO NEW SERVICE OFFICERS STARTED IN 1976 AND THREE MORE HAVE BEEN HIRED TO START IN EARLY 1977.

OUR CONTACT WITH THE REIMBURSEMENT OFFICERS AT THE STATE MENTAL HOSPITALS IS LESS FREQUENT BUT OUR IDENTIFICATION PROCEDURE TO ESTABLISH VETERAN STATUS IS ON A CURRENT BASIS.

WE CONTINUE TO SERVE THE PENAL INSTITUTIONS ON AN "ON CALL" BASIS.

THE MOORHEAD BRANCH OFFICE SERVES THE VETERANS IN NORTHWESTERN MINNESOTA IN THE AREA OF CLAIMS FOR FEDERAL BENEFITS AND DVA ASSISTANCE, MEDICAL AND EDUCATIONAL BENEFITS.

THE DULUTH BRANCH OFFICE SERVES VETERANS IN THE DULUTH AREA CLAIMING BENEFITS ADMINISTERED BY THE DVA.

THE DIVISION CONDUCTS ANNUAL AREA CONFERENCES FOR COUNTY VETERANS SERVICE OFFICERS; ANNUAL TRAINING AND ORIENTATION MEETINGS FOR SECRETARIES OF CVSO'S, AND ASSISTS IN PLANNING AND COORDINATING THE ANNUAL CVSO CONVENTION.

THE DIVISION IS ALSO RESPONSIBLE FOR MAINTAINING LIAISON WITH VETERANS' ORGANIZATIONS, AND FEDERAL AND STATE AGENCIES, DIRECTLY OR INDIRECTLY INVOLVED IN VETERANS AFFAIRS.

VETERANS PREFERENCE ENFORCEMENT

ON JANUARY 1, 1976, THE VETERANS' PREFERENCE HEARING OFFICER WAS TRANSFERRED. THIS FUNCTION WAS TAKEN OVER BY THE OFFICE OF HEARING EXAMINERS WHICH IS A SEPARATE STATE AGENCY.

DURING THE PERIOD OF 1 JULY 1975 TO 30 JUNE 1976, WE RECEIVED TEN PETITIONS UNDER THE PROVISIONS OF MINN. STAT. 197.481, ALLEGING VIOLATIONS OF VETERANS PREFERENCE. OF THESE, TWO WERE DISMISSED AFTER INVESTIGATION, AND IN THREE CASES WE FOUND AGAINST THE VETERAN. GENERALLY, IN THOSE CASES WHERE THE DECISION WAS AGAINST THE VETERAN, IT WAS BECAUSE THE PETITIONER FELT THAT THE LAW PROVIDED MORE VETERANS' PREFERENCE THAN IT ACTUALLY DID.

THE OTHER FIVE CASES WE FOUND IN FAVOR OF THE VETERAN. TWO OF THESE CASES WERE APPEALED TO THE DISTRICT COURT AND IN ONE CASE THE COURT ALSO FOUND IN FAVOR OF THE VETERAN; THE OTHER CASE IS STILL PENDING.

THE PUBLICITY GIVEN TO RECENT STATE SUPREME COURT DECISIONS, ON CASES INVOLVING VETERANS PREFERENCE, HAS MADE A SIGNIFICANT INCREASE IN THE VOLUME OF PETITIONS FILED. AT PRESENT WE HAVE FIVE CASES AWAITING HEARINGS.

CLAIMS DIVISION

THE MAIN JUSTIFICATION FOR OUR EXISTENCE IS TO PROVIDE EXPERT ASSISTANCE TO VETERANS AND THEIR DEPENDENTS IN ORDER TO OBTAIN DISABILITY COMPENSATION, PENSIONS, AND OTHER FORMS OF FEDERAL BENEFITS. THE DIVISION IS INEVITABLY DRAWN INTO VARIOUS OMBUDSMAN ROLES ON EDUCATIONAL AWARD MATTERS, CLERICAL AND COMPUTER ERRORS, PLUS COUNSELLING AND INSTRUCTION TO SERVICE OFFICERS AND CLIENTELE. THIS HAS BEEN PARTICULARLY TRUE BECAUSE OF THE NUMBER OF ALTERATIONS TO THE EXISTING LAWS DURING THE PAST FISCAL YEAR. IN THE PREVIOUS YEAR WE GAINED 2,047 POWERS OF ATTORNEY, WHICH ARE AUTHORIZATIONS TO REPRESENT VETERANS OR DEPENDENTS, FOR A TOTAL OF 141,439. THIS PAST YEAR WE HAD A NET GAIN OF 2,354 POWERS OF ATTORNEY WHICH REPRESENTS AN INCREASE OF 15%, FOR A TOTAL OF 143,793. THE GAIN IN POWERS OF ATTORNEY DOES NOT ACCURATELY REFLECT WORKLOAD, SINCE MANY CASES WHICH HAVE BEEN IN EXISTENCE FOR A LONG PERIOD OF TIME ARE REOPENED, AND THE REPRESENTATIVES ARE INVOLVED WITH PENDING MATTERS.

THE FORT SNELLING OFFICE RECEIVED 16,918 LETTERS, PLUS V.A. MACHINE COPIES TOTALLING 59,300. SERVICE OFFICER VISITS WERE NUMEROUS, AND THERE WERE 985 PERSONAL INTERVIEWS. SEVERAL HUNDRED CASES PER MONTH ARE CLEARED IN THE VETERANS ADMINISTRATION ADJUDICATION DIVISION BY THE INDIVIDUAL REPRESENTATIVES AND THE SUPERVISOR. (THIS INVOLVES STUDY OF THE CASES ON A DAILY BASIS IN THE ADJUDICATION AREA. IN A HIGH NUMBER OF INSTANCES THE CASES ARE RETURNED TO THE RATING BOARD FOR DISCUSSION, EXPLANATIONS AND POSSIBLE REVISIONS.) THE NUMBER OF PERSONAL APPEARANCES, FOR WHICH ADVANCE ARRANGEMENTS ARE MADE WITH THE RATING BOARDS, HAS BEEN INCREASED AND APPARENTLY WILL CONTINUE TO

INCREASE. IN EACH INSTANCE THE CLAIMS REPRESENTATIVE OR THE SUPERVISOR FUNCTIONS AS AN ADVOCATE OR ATTORNEY-IN-FACT ON BEHALF OF THE CLAIMANT. WE ARE ATTEMPTING TO HAVE MORE INFORMAL HEARINGS THAN FORMAL HEARINGS BECAUSE OF THE TIME FACTOR, BUT IT CALLS FOR JUDGMENT ON THE PART OF THE REPRESENTATIVE AS TO WHICH TYPE OF HEARING WILL BEST SERVE THE INTEREST OF THE CLAIMANT. CANDIDLY, IN SOME INSTANCES THE CLAIMS HAVE LITTLE CHANCE FOR APPROVAL, BUT SINCE OUR POLICY IS TO REFRAIN FROM ADJUDICATING CLAIMS, WE FIND OURSELVES ATTEMPTING TO PLACATE CERTAIN CLAIMANTS, EVEN THOUGH WE FIND THAT THE CASE MAY HAVE SOME WEAKNESSES INSOFAR AS EVIDENCE IS CONCERNED. FURTHERMORE, THE REPRESENTATIVES MUST USE THEIR EXPERIENCE AND JUDGMENT IN SOME INSTANCES TO PREVAIL UPON THE CLAIMANT TO REFRAIN FROM REOPENING CLAIMS WHERE SUCH ACTION MAY, IN FACT, JEOPARDIZE THEIR EXISTING BENEFITS.

WE APPEALED A SUBSTANTIAL NUMBER OF CASES TO THE BOARD OF VETERANS APPEALS IN WASHINGTON, D.C., AND THE RESULTS WERE GRATIFYING. FORTY-FOUR WERE APPROVED OR REMANDED. SUCCESS IN THIS FASHION ALWAYS HELPS IN OUR DEALINGS WITH THE ADJUDICATION DIVISION, SINCE WHEN A SIMILAR CASE IS AGAIN ENCOUNTERED, A VALUABLE PRECEDENT EXISTS.

THE DIVISION MADE EVERY EFFORT TO OFFER EXCELLENT REPRESENTATION, SUBJECT TO STAFF LIMITATIONS. THE NUMBER OF CASES ASSIGNED TO THE REPRESENTATIVES AND THE SUPERVISOR ON A PER CAPITA BASIS EXCEEDS IN VOLUME ALL OTHER ORGANIZATIONS ENGAGED IN THIS ACTIVITY AT THIS STATION BY A SUBSTANTIAL MARGIN.

WE CONTINUE TO RECEIVE EXCELLENT COOPERATION FROM V.A. OFFICIALS, TOGETHER WITH OTHER AGENCIES, AND WE CAN STATE UNEQUIVOCALLY THAT THE

REPRESENTATIVES TAKE GREAT PRIDE WITH RESPECT TO THEIR SUCCESSFUL EFFORTS. EACH DAY THE EVIDENCE IS OVERWHELMING THAT REPRESENTATION IS NOT ONLY DESIRABLE BUT ESSENTIAL ON COMPENSATION AND PENSION CASES, IN ORDER TO INSURE THAT THE PERSON WHO SERVED HIS COUNTRY, OR ONE OF HIS BENEFICIARIES, RECEIVES COMPASSIONATE CONSIDERATION AND APPROPRIATE DISPOSITION OF HIS OR HER CLAIM.

WE ENJOYED STABILITY WITH RESPECT TO THE TECHNICAL STAFF, AND THE CLERICAL ACTIVITIES WERE IMPROVED THROUGH THE ADDITION OF ANOTHER PERSON.

ACCORDING TO THE VETERANS ADMINISTRATION'S LATEST REPORT FOR FISCAL YEAR 1976, VETERANS AFFAIRS IN MINNESOTA IS BIG BUSINESS. THE VETERANS ADMINISTRATION DISBURSED \$341.4 MILLION IN MINNESOTA DURING FISCAL YEAR 1976, AN INCREASE OF \$28.7 MILLION OVER THE PREVIOUS YEAR. THE LARGEST PORTION, \$142.7 MILLION, REPRESENTED DISABILITY COMPENSATION AND PENSION CHECKS TO VETERANS, THEIR DEPENDENTS AND SURVIVORS.

APPROXIMATELY \$82.4 MILLION WAS PROVIDED FOR G.I. EDUCATIONAL AND VOCATIONAL REHABILITATION PROGRAMS FOR MINNESOTA VETERANS, AND OVER \$90.1 MILLION WENT TOWARD VETERANS ADMINISTRATION HOSPITAL AND REGIONAL OFFICE OPERATING COSTS. THE REMAINDER WAS EXPENDED FOR G.I. INSURANCE INDEMNITIES, \$18.8 MILLION; DIRECT LOANS, \$6.1 MILLION, AND CONSTRUCTION AND RELATED COSTS, \$1.2 MILLION.

A BREAKDOWN OF ESTIMATED VETERANS ADMINISTRATION EXPENDITURES FOR EACH COUNTY IN MINNESOTA DURING FISCAL YEAR 1976 IS GIVEN ON THE FOLLOWING PAGES.

GEOGRAPHIC DISTRIBUTION OF VA EXPENDITURES FOR FY 1976

ESTIMATED EXPENDITURES IN THE STATE OF MINNESOTA

BY COUNTY

COUNTY OR INDEPENDENT CITY	TOTAL	COMPENSATION & PENSION	READJUSTMENT & VOCA REHAB	INSURANCE & INDEMNITIES	DIRECT LOANS	CONSTRUCTION & RELATED COSTS	RO & HOSPITAL OPERATING COSTS
AITKIN	711,664	402,346	232,334	53,084	23,900		
ANOKA	10,111,588	5,915,342	3,415,797	780,449			
BECKER	1,580,761	813,253	469,610	107,298	190,600		
BELTRAMI	1,912,443	950,221	548,703	125,369	288,150		
BENTON	1,270,655	743,341	429,240	98,074			
BIG STONE	479,231	239,695	138,411	31,625	69,500		
BLUE EARTH	3,341,264	1,954,660	1,128,713	257,891			
BROWN	1,639,232	951,648	549,527	125,557	12,500		
CARLTON	1,931,743	1,091,471	630,267	144,005	66,000		
CARVER	1,684,048	955,928	551,998	126,122	50,000		
CASS	1,026,768	600,665	346,853	79,250			
CHIPPEWA	976,013	466,550	269,408	61,555	178,500		
CHISAGO	1,205,879	599,239	346,029	79,061	181,550		
CLAY	2,583,700	1,500,950	866,720	198,030	18,000		
CLEARWATER	531,787	296,766	171,367	39,154	24,500		
COOK	329,493	161,224	93,098	21,271	53,900		
COTTONWOOD	746,169	395,212	228,214	52,143	70,600		
CROW WING	2,468,601	1,269,815	733,251	167,535	298,000		
DAKOTA	9,392,120	5,494,448	3,172,754	724,918			
DODGE	675,619	382,371	220,799	50,449	22,000		
DOUGLAS	1,380,144	731,927	422,649	96,568	129,000		
FARIBAULT	1,100,801	634,908	366,626	83,767	15,500		
FILLMORE	1,151,867	652,029	376,512	86,026	37,300		
FREEBORN	2,518,673	1,369,628	790,923	180,712	177,350		
GOODHUE	2,258,048	1,174,223	678,052	154,923	250,850		
GRANT	367,076	208,307	120,286	27,483	11,000		
HENNEPIN	141,058,471	40,644,079	23,469,811	5,362,438		919,211	70,662,932
HOUSTON	1,017,012	594,958	349,557	78,497			
HUBBARD	786,962	406,626	234,805	53,649	91,882		
ISANTI	1,042,868	497,939	287,533	65,696	191,700		
ITASCA	2,392,846	1,392,517	804,105	183,724	12,500		
JACKSON	756,052	442,295	255,402	58,355			
KANABEC	631,400	311,033	179,605	41,037	99,725		
KANDIYOH	1,889,292	1,027,266	593,192	135,534	133,300		
KITTSON	392,659	229,708	132,644	30,307			
KOOCHICHI	1,173,295	680,564	392,990	89,791	9,950		
LAC QUI PARLE	651,803	378,091	218,328	49,884	5,500		
LAKE	1,055,701	557,867	322,176	73,602	102,100		
LAKE OF THE WOODS	246,366	119,848	69,206	15,812	41,500		
LE SUEUR	1,242,867	703,392	406,172	92,803	40,500		

GEOGRAPHIC DISTRIBUTION OF VA EXPENDITURES FOR FY 1976

ESTIMATED EXPENDITURES IN THE STATE OF MINNESOTA

BY COUNTY

COUNTY OR INDEPENDENT CITY	TOTAL	COMPENSATION & PENSION	READJUSTMENT & VOCA REHAB	INSURANCE & INDEMNITIES	DIRECT LOANS	CONSTRUCTION & RELATED COSTS	RO & HOSPITAL OPERATING COSTS
LINCOLN	431,681	252,536	145,826	33,319			
LYON	1,569,044	808,972	467,139	106,733	186,200		
MCLEOD	1,945,771	914,552	528,106	120,663	382,450		
MAHONEN	285,349	166,931	96,394	22,024			
MARSHALL	631,670	369,531	213,384	48,755			
MARTIN	1,499,911	877,457	506,685	115,769			
PEEKER	1,302,634	681,991	393,814	89,979	136,850		
PILLER LACS	936,553	493,659	285,062	65,132	92,700		
MORRISON	1,422,911	813,253	469,610	107,298	32,750		
POWER	2,960,422	1,652,187	954,051	217,984	136,200		
MURRAY	685,325	400,919	231,510	52,896			
MCOLLET	1,429,977	817,533	472,082	107,862	32,500		
NOBLES	1,318,289	751,902	434,184	99,203	33,000		
NORMAN	539,859	306,753	177,134	40,472	15,500		
OLMSTED	4,970,433	2,907,734	1,679,063	383,636			
OTTER TAIL	2,570,045	1,469,562	848,594	193,889	58,000		
PENNINGTON	831,657	486,525	280,942	64,190			
PINE	1,090,229	624,920	360,859	82,450	22,000		
PIPESTONE	729,224	426,601	246,339	56,284			
POLK	2,107,357	1,211,318	699,472	159,817	36,750		
POPE	612,270	318,167	183,725	41,978	68,400		
RAMSEY	33,249,228	19,451,003	11,231,928	2,566,297			
RED LAKE	229,866	119,848	69,206	15,812	25,000		
RED WOOD	1,098,784	579,264	334,494	76,426	108,600		
RENVILLE	1,089,418	613,506	354,268	80,944	40,700		
RICE	2,069,585	1,188,490	686,290	156,805	38,000		
ROCK	673,130	393,785	227,390	51,955			
ROSEAU	584,198	333,862	192,787	44,049	13,500		
ST. LOUIS	15,019,013	8,708,936	5,028,951	1,149,026	132,100		
SCOTT	2,060,248	1,161,382	670,637	153,229	75,000		
SHERBURNE	1,452,596	706,246	407,820	93,180	245,350		
SIBLEY	838,413	466,550	269,408	61,555	40,900		
STEARN	25,328,179	3,140,296	1,813,355	414,320	143,300	321,946	19,494,962
STEELE	1,563,389	854,629	493,503	112,757	102,500		
STEVENS	535,203	275,364	159,008	36,331	64,500		
SWIFT	756,530	419,467	242,220	55,343	39,500		
TODD	1,268,467	652,029	376,512	86,026	153,900		
TRAVERSE	299,982	175,491	101,337	23,154			
WABASHA	1,274,029	599,239	346,029	79,061	249,700		
WADENA	704,836	412,333	238,101	54,402			

321,946

19,494,962

GEOGRAPHIC DISTRIBUTION OF VA EXPENDITURES FOR FY 1976

ESTIMATED EXPENDITURES IN THE STATE OF MINNESOTA

BY COUNTY

COUNTY OR INDEPENDENT CITY	TOTAL	COMPENSATION & PENSION	READJUSTMENT & VOCA REHAB	INSURANCE & INDEMNITIES	DIRECT LOANS	CONSTRUCTION & RELATED COSTS	RO & HOSPITAL OPERATING COSTS
WASECA	914,129	522,194	301,539	68,896	21,500		
WASHINGTON	5,650,281	3,305,800	1,908,925	436,156			
WATONWAN	825,136	463,697	267,760	61,179	32,500		
WILKIN	419,488	245,403	141,707	32,378			
WINONA	2,443,756	1,429,612	825,526	188,618			
WRIGHT	2,483,329	1,246,987	720,069	164,523	351,750		
YELLOW MEDICINE	955,932	515,061	297,419	67,952	75,500		
MINNESOTA TOTAL	\$341,371,337	\$142,675,883	\$82,387,791	\$18,824,155	\$6,084,457	\$1,241,157	\$90,157,894

ADMINISTRATIVE SERVICES DIVISION

THE ADMINISTRATIVE SERVICES DIVISION IS RESPONSIBLE FOR PROVIDING ADMINISTRATIVE SUPPORT TO THE DEPARTMENT HEAD AND DEPARTMENTAL PROGRAMS IN FOUR MAJOR AREAS AS INDICATED BELOW:

- 1) FISCAL MANAGEMENT - THIS RESPONSIBILITY INCLUDES THE FULL RANGE OF FISCAL SERVICES THAT ARE NECESSARY FOR THE OPERATION OF THE DEPARTMENTAL PROGRAMS. THE ACTIVITIES INCLUDE PREPARATION OF THE ANNUAL AND BIENNIAL BUDGETS, FISCAL CONTROL OF ALL EXPENDITURES WITH PERIODIC REVIEW OF ALL APPROPRIATIONS, PREPARATION OF FINANCIAL STATISTICAL REPORTS, MAINTENANCE OF THE EMPLOYEE PAYROLL ACTIVITY, PREPARATION OF COST/REVENUE PROJECTIONS FOR NEW PROGRAMS AND THE MAINTENANCE OF ALL FINANCIAL RECORDS.
- 2) PERSONNEL MANAGEMENT - IN RECENT YEARS THE RESPONSIBILITY FOR PERSONNEL MANAGEMENT HAS BEEN SHIFTED TO THE INDIVIDUAL DEPARTMENTS WHICH HAS REQUIRED THE DIVISION TO EXPAND THE SERVICES NECESSARY TO MEET THE DEMANDS OF STATE DEPARTMENTS AND COLLECTIVE BARGAINING AGREEMENTS. THE ACTIVITIES INCLUDE LABOR RELATIONS, HIRING, OPERATION AND CONTROL OF TRAINING PROGRAMS, MAINTENANCE OF PERFORMANCE APPRAISAL SYSTEMS, MAINTENANCE OF PERSONNEL RECORDS AND OTHER RELATED PERSONNEL FUNCTIONS.
- 3) SUPPORT SERVICES - THIS ACTIVITY INCLUDES MAINTENANCE OF A MAIL DISTRIBUTION SYSTEM, FORMS PREPARATION AND RELATED PRINTING ACTIVITIES, PURCHASES OF OFFICE SUPPLIES/EQUIPMENT

AND THE MAINTENANCE OF AN INVENTORY SYSTEM FOR ALL MATERIALS AND EQUIPMENT.

- 4) GUARDIANSHIP SERVICES - THE MANAGEMENT OF THE ESTATES OF INCOMPETENT VETERANS AND/OR DEPENDENTS IS PROVIDED TO A LIMITED NUMBER OF CASES WHEN APPOINTED BY THE PROBATE COURT AS FINANCIAL GUARDIAN. A FULL EXPLANATION OF THIS SERVICE IS PROVIDED UNDER THE TITLE OF GUARDIANSHIP SERVICES IN THIS REPORT.

FISCAL REPORT

Salaries - 54000:01-10

Veterans Benefits Administration	\$156,387
Fiscal Guardianship	33,179
Information & Referral - Bonus Records	26,054
Field Services (Includes Veterans Preference)	68,105
Claims Services	134,128
General Support	<u>72,587</u>

Expenditure Total	\$490,440
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Supplies & Expenses - 54000:02-10

Veterans Benefits Administration	\$ 11,653
Fiscal Guardianship	63
Information & Referral - Bonus Records	1,950
Field Services (Includes Veterans Preference)	7,854
Claims Services	2,388
General Support	<u>67,492</u>

Expenditure Total	\$91,400
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Bronze Flag Holders - 54031:00-10

Expenditure Total	\$ 5,950
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War Orphan-Veteran Education - 54033:00-10

Expenditure	\$ 42,922
Transferred to F.Y. 1977	<u>9,078</u>

Total	\$ 52,000
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Late Bonus Claims - 54050:06-10, 54050:07-10

Expenditure Total	\$ 3,603
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War Veterans Financial Assistance - 54092:00-10

Expenditure Total	\$968,524
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GUARDIANSHIP SERVICES

THE COMMISSIONER OF VETERANS AFFAIRS ACTS AS FINANCIAL GUARDIAN FOR INCOMPETENT VETERANS OR DEPENDENTS WHEN NO OTHER SUITABLE GUARDIAN IS AVAILABLE. THE DEPARTMENT IS ASSIGNED BY DUE PROBATE COURTS TO ACT AS GUARDIAN FOR THOSE INDIVIDUALS WHO ARE INCAPABLE OF MANAGING THEIR FINANCIAL AFFAIRS. THE GUARDIANSHIP CASES ARE PRIMARILY THOSE INDIVIDUALS THAT HAVE LIMITED INCOME AND HAVE SEVERE MENTAL OR PHYSICAL DISABILITIES.

AS GUARDIAN, OUR PRIME OBJECTIVES ARE TO PROVIDE THE BEST POSSIBLE MANAGEMENT OF FUNDS RECEIVED ON BEHALF OF THE INDIVIDUAL AND TO UTILIZE THESE FUNDS FOR THE MAINTENANCE OF THE INDIVIDUAL. THE LIMITATION OF FUNDS REQUIRES THAT APPLICATION BE MADE FOR ALL BENEFITS FOR WHICH THE INDIVIDUAL IS ELIGIBLE, SUCH AS SOCIAL SECURITY, WELFARE ASSISTANCE PROGRAMS, LOW COST HOUSING AND VETERANS ADMINISTRATION BENEFITS.

A RECENT REVIEW OF ALL THE GUARDIANSHIP CASES PROVIDED THE FOLLOWING STATISTICAL INFORMATION:

PERSONAL DATA:

Total: 150 Cases

- 1) Average age - 60 years - ages ranging from 16 years to 96 years of age.
- 2) Service Era:

World War I	26 wards	(17.3%)
World War II	84 wards	(56.0%)
Korea	8 wards	(5.3%)
Vietnam	8 wards	(5.3%)
Helpless Child	8 wards	(5.3%)
Widow	7 wards	(4.7%)
Minor	9 wards	(6.0%)

150 Total Cases

- 3) Location of Wards:

Metropolitan Area	83 wards	(55.3%)
Out-State	52 wards	(34.7%)
Out-of-State	13 wards	(8.7%)
Unknown	2 wards	(1.3%)

- 4) Types of Residences:

Nursing Home Care	41 wards	(27.3%)
Board & Room Care	13 wards	(8.7%)
Minnesota Veterans Home	10 wards	(6.7%)
V.A. Hospitals	23 wards	(15.3%)
Private Home	63 wards	(42.0%)

- 5) Average number of years under guardianship - 9 years

Newest Case - 3 months
Oldest Case - 19 years

FINANCIAL DATA:

- 1) Category of Income -

V.A. Compensation	35 wards
V.A. Pension	85 wards
Social Security	91 wards
Other	10 wards

- 2) Average income per ward \$ 373.00

Smallest Income/per month	53.00
Largest Income/per month	1,240.07

- 3) V.A. Benefits Received -

Aid and Attendance	
Benefits	35 wards
Household Benefits	5 wards

- 4) Social Security - Welfare Benefits Received -

Medicare	93 wards	(62.0%)
Food Stamp Program	6 wards	(4.0%)
Medical Assistance	26 wards	(17.3%)
Low-Income Housing	3 wards	(2.0%)
Other	3 wards	(2.0%)

MINNESOTA VETERANS HOME

THE MINNESOTA VETERANS HOME WAS FOUNDED AND AUTHORIZED BY MINNESOTA STATUTES IN 1887 TO PROVIDE A HOME FOR VETERANS, THEIR WIVES, WIDOWS AND MOTHERS WHO, FOR MEDICAL, SOCIAL OR ECONOMIC REASONS, NEED ASSISTANCE IN LIVING. THE HOME IS LOCATED ON 51 ACRES. THERE ARE 19 BUILDINGS, MOST OF WHICH WERE ERECTED IN THE 1890's. THE MOST RECENT BUILDINGS ARE THE INFIRMARY OF 85 BEDS COMPLETED IN 1936, THE CHAPEL-AUDITORIUM, COMPLETED IN 1958, AND DOMICILIARY BUILDING COMPLETED IN 1972.

THE NEEDS OF THE RESIDENTS OF THE HOME ARE CHANGING FROM CUSTODIAL LIVING TO TOTAL CARE, TREATMENT AND MEDICAL NEEDS. THE PROPOSED LONG RANGE PLAN REPRESENTS THE ORDERLY REPLACEMENT OF EXISTING, AGING DOMICILES, AND WILL ALLOW FOR THE ADDITION OF NURSING CARE UNITS. THE MINNESOTA VETERANS HOME IS PROVIDING A STRUCTURED LIVING ENVIRONMENT FOR RESIDENTS THAT ARE TOO PROBLEMED TO BE CARED FOR AND ACCEPTED IN ANY NURSING HOME OR OTHER CARE FACILITY OTHER THAN COMMITMENT. THE EMPHASIS OF THE HOME OPERATION HAS BEEN DEVELOPED TO A MEDICALLY-ORIENTED CARE ATMOSPHERE.

A STRONG WORKING RELATIONSHIP WITH THE VETERANS ADMINISTRATION HOSPITAL HAS BEEN DEVELOPED TO UTILIZE THEIR CURRENT COMMUNITY INTEREST AND EXPERTISE IN ALL AREAS OF RELATED MEDICAL SERVICES. THIS ARRANGEMENT MAKES IT POSSIBLE TO UTILIZE THE MORE COSTLY SERVICES. FOR EXAMPLE, RESIDENTS ARE SENT ON A DAILY OUT-PATIENT BASIS FOR PT, OT, DAY-CARE TREATMENTS, SPECIALTY CLINICS, JOB-ORIENTATION AS IT RELATES TO REHABILITATION, ALCOHOL TREATMENT AND DRUG DEPENDENCY PROGRAMS.

AS THE PROVIDER OF TOTAL CARE, WE ARE RECEIVING THE MAXIMUM REIMBURSEMENT FOR SERVICES FROM THE VETERANS ADMINISTRATION BY IDENTIFYING THE LEVEL OF CARE GIVEN TO EACH INDIVIDUAL RESIDENT. AT THE

PRESENT TIME, THE STATE OF MINNESOTA IS RECEIVING \$6.50 PER DIEM FOR DOMICILIARY CARE AND \$10.50 FOR NURSING CARE, AS WELL AS AID AND ATTENDANCE OF \$155.00 PLUS AVAILABLE DRUGS AND MEDICAL SUPPLIES.

THE ORDERLY REPLACEMENT OF 250 BEDS IN THE OUTMODED DOMICILIARY BUILDINGS WITH 250 BEDS OF NURSING CARE WOULD ALSO INCLUDE AN UPDATED FOOD SERVICE DEPARTMENT FOR THE ENTIRE POPULATION, AND WOULD BRING THIS FACILITY INTO COMPLIANCE WITH THE PRESENT HEALTH-CARE REGULATIONS AND NEEDS EXPECTED OF THIS HOME. THE COMPLETION OF THE NEW UNIT IS ANTICIPATED FOR 1979.

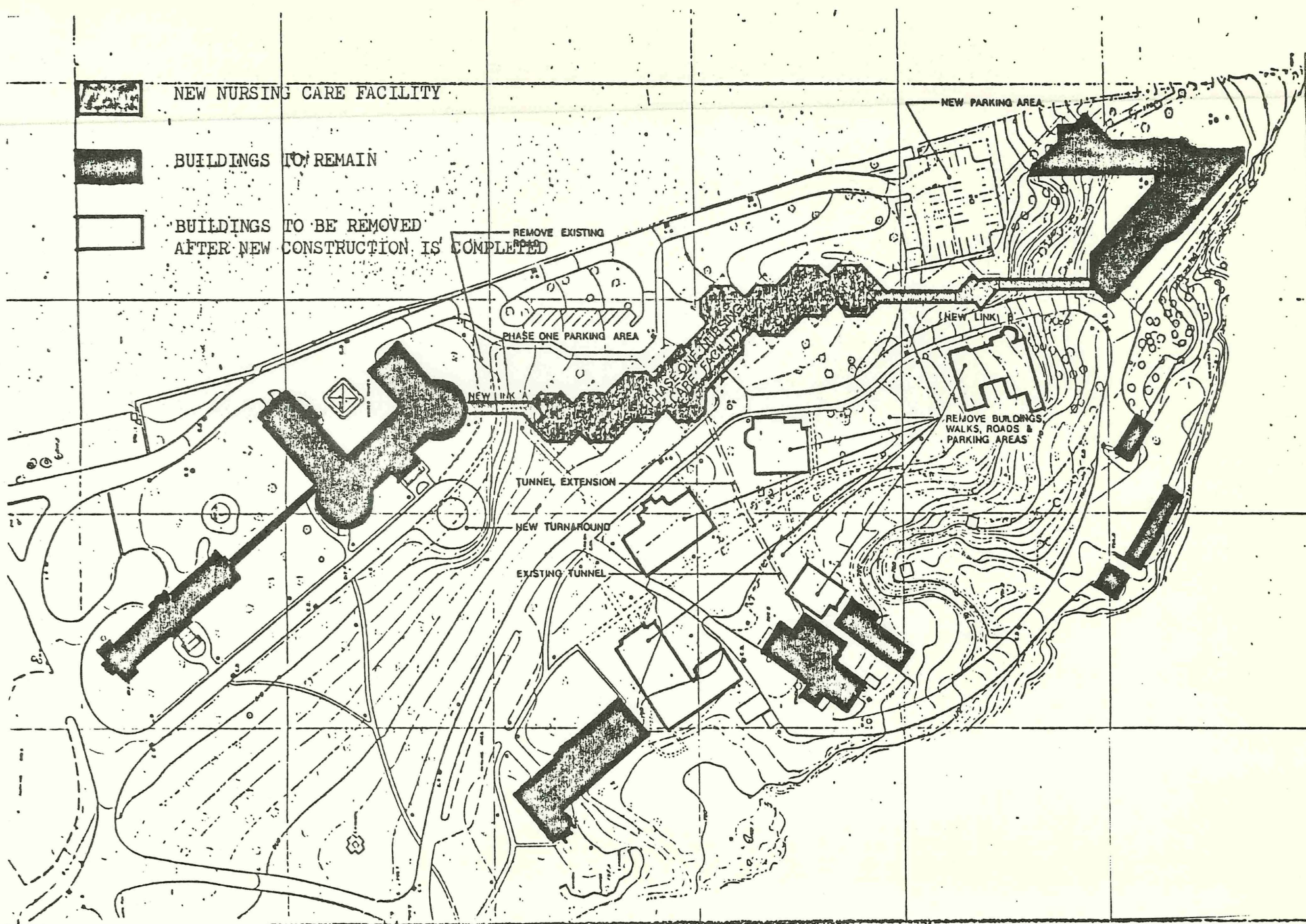
THE DOLLAR VALUE OF OUTSIDE
SERVICES PROVIDED TO THE
MINNESOTA VETERANS HOME,
F.Y. 1975

MINNESOTA VETERANS HOME UTILIZING
MINNEAPOLIS VETERANS ADMINISTRATION
HOSPITAL FOR MEDICAL SUPPORT SERVICES:

ANNUALLY	\$ 650,000
VETERANS ADMINISTRATION OUTPATIENT SUPPORT FOR DRUGS AND APPLIANCES:	44,000
DRUG DEPENDENCY PROGRAM:	31,870
ALCOHOL PROGRAM:	27,000
VETERANS' SERVICE ORGANIZATIONS DONATIONS:	
ANNUALLY	24,500
PERSONAL - MAN HOURS SUPPORT (12,570 HOURS ANNUALLY)	25,500
RESIDENT THERAPY WORK PROGRAM:	<u>273,200</u>
TOTAL	\$ 1,076,270

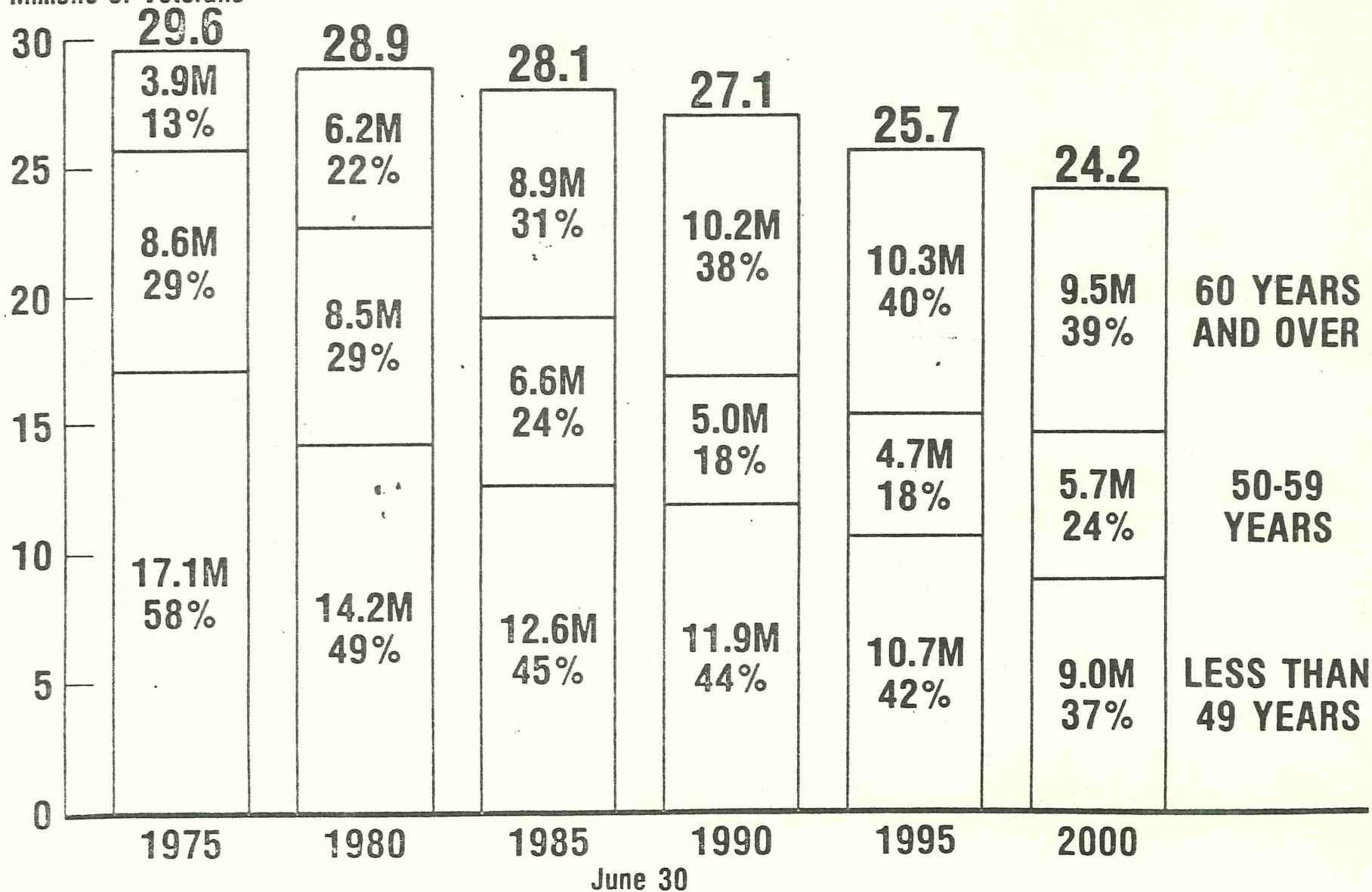
SUMMARY OF FOUR-YEAR FINANCIAL PERFORMANCE OF THE MINNESOTA VETERANS HOME

	<u>1972</u>	<u>1973</u>	<u>1974</u>	<u>1975</u>
Expenditures - Maintenance & Repairs 01	\$1,353,662.66	\$1,496,772.79	\$1,607,457.17	\$1,897,442.20
Expenditures - Repairs & Replacements 02	<u>39,334.75</u>	<u>5,567.00</u>	<u>4,415.00</u>	<u>1,400.00</u>
	\$1,392,997.41	\$1,502,339.79	\$1,611,872.17	\$1,898,842.20
<u>PER CAPITA COST</u>				
Average Residents - Men	339.76	385.05	436.53	484.41
Average Residents - Women	<u>60.95</u>	<u>59.48</u>	<u>52.18</u>	<u>44.40</u>
	400.71	444.53	488.71	528.81
Per Capita Cost per Year	\$ 3,476.32	\$ 3,379.62	\$ 3,298.22	\$ 3,590.78
Per Capita Cost per Month	289.69	281.64	274.85	299.23
Per Capita Cost per Day	9.50	9.26	9.04	9.83
<u>RECEIPTS ANALYSIS</u>				
Maintenance & Repair	\$ 610,549.00	\$ 623,644.00	\$ 519,924.00	\$ 519,122.00
Transfer-In	7,662.11	61,454.00	69,968.78	-----
Repairs and Replacements	<u>47,010.00</u>	<u>7,675.25</u>	<u>15,000.00</u>	<u>-----</u>
Total State Financing	\$ 665,221.11 45.5%	\$ 692,773.25 41.8%	\$ 604,892.78 32.5%	\$ 519,122.00 25.5%
Federal Aid - Veterans Administration	\$ 400,249.50 27.4%	\$ 441,843.50 26.6%	\$ 601,595.00 32.4%	\$ 730,816.26 35.8%
Resident Maintenance Charge	\$ 382,241.81 26.2%	\$ 513,253.62 31.0%	\$ 641,133.46 34.5%	\$ 784,002.46 38.4%
Civil Service Employee Deduction	\$ 7,241.14 00.5%	\$ 5,276.57 00.3%	\$ 3,197.76 00.2%	\$ 1,130.50 00.1%
All Other	<u>\$ 6,342.97 00.4%</u>	<u>\$ 4,888.31 00.3%</u>	<u>\$ 7,374.54 00.4%</u>	<u>\$ 4,374.03 00.2%</u>
Total	\$1,461,296.53 100%	\$1,658,035.25 100%	\$1,858,193.54 100%	\$2,039,445.25 100%
Excess Revenue over Budget Returned to General Fund	\$ 68,299.12	\$ 137,695.46	\$ 246,321.37	\$ 140,603.05
Excess Total for 4 Years			\$ 592,919.00	



THE NUMBER OF OLDER VETERANS WILL INCREASE

Millions of Veterans



A PHYSICIAN VIEWS THE MINNESOTA VETERANS HOME
A LONG TERM CARE FACILITY

MY EXPERIENCE WITH COMMUNITY LONG TERM CARE IS RELATED TO THE MINNESOTA VETERANS HOME, A FIVE HUNDRED AND EIGHTY BED LONG TERM FACILITY WITH AN EIGHTY-FIVE BED INFIRMARY. I'VE BEEN CONTRACTUALLY INVOLVED THERE AS A PHYSICIAN SINCE THE FALL OF 1968. THIS POPULATION OF AMERICAN VETERANS (MEN AND WOMEN), WIVES OF VETERANS, AND PARENTS OF VETERANS, NOW ENCOMPASSES FOUR LEVELS OF CARE:

1. RESIDENTIAL CARE - BOARD AND CARE (DOMICILIARY)
2. RESTORATION CARE - DOMICILIARY PLUS SPECIALIZED PROGRAMS
3. INTERMEDIATE NURSING CARE - MODERATE NURSING CARE
4. SKILLED NURSING CARE - CONSIDERABLE NURSING CARE AND MAXIMUM NURSING CARE.

THE HOME HOUSES A WIDE RANGE OF AGES, FROM VIETNAM ERA VETERANS IN THEIR TWENTIES THROUGH WORLD WAR I AND WORLD WAR II ERA MEN AND WOMEN SPANNING THROUGH THE FIFTIES, SIXTIES, SEVENTIES, EIGHTIES AND NINETIES. A MEDICAL-ORIENTED SURVEY OF THIS POPULATION, MADE BY MYSELF IN 1968 AT THE REQUEST OF THE BOARD OF TRUSTEES, ABOLISHED, TO MY SATISFACTION, THE MYTH OF THE "LITTLE OLD VETERAN." FINANCIAL CONSIDERATIONS ASIDE, IT APPEARED THAT PERSONS WERE IN THE VETERANS HOME FOR IMPORTANT DEFINABLE REASONS THAT KEPT THEM FROM GAINFUL LIVING IN THE COMMUNITY AT LARGE, WITH ATTENDING PERSONAL AND FAMILY COMMITMENTS. THE FOLLOWING CATEGORIES OF HUMAN PROBLEMS WERE IDENTIFIED:

1. ADULTS HANDICAPPED OR INCAPACITATED AS THE RESULT OF CHRONIC BODY STRUCTURAL AND ORGAN DISEASE, REQUIRING CONTINUED CARE IN A NURSING CARE FACILITY (BED CONFINED OR LIMITED AMBULATION).
2. ADULTS HANDICAPPED BY CHRONIC BRAIN SYNDROME, WITH IMPAIRMENT OF ORIENTATION AND MEMORY AND REQUIRING VARYING LEVELS OF SUPERVISION. THESE WERE DETERIORATIVE AND/OR TOXIC IN ORIGIN, AND MOST FREQUENTLY RELATED TO CHRONIC ALCOHOLISM.
3. ADULTS WITH CHRONIC ILLNESS WHO NOT INFREQUENTLY HAVE HAD POLY SURGERY IN PRIVATE, PUBLIC OR VETERANS HOSPITALS. THEY HAVE, ON OCCASION, BEEN "SICKLY" ALL OF THEIR ADULT LIVES.
4. OLDER INDIVIDUALS PHYSICALLY LIMITED BY DECREASED PHYSICAL RESERVES INCIDENT TO THEIR TYPE OF AGING, BUT STILL CAPABLE OF VARYING LEVELS OF SELF-CARE IN A PROTECTED SETTING. I CALL THEM THE "WALKING EIGHTIES."
5. ADULTS DISABLED BY CHRONIC ALCOHOLISM, OFTEN WITH SEVERE EMOTIONAL DEPENDENCY STATES.
6. ADULTS PHYSICALLY CAPABLE, BUT DISABLED BY CERTAIN LEVELS OF MENTAL DEFICIENCY AND INEPTITUDE.
7. ADULTS WITH CHARACTEROLOGICAL DISORDERS.
8. ADULTS WITH THE BACKGROUND PROBLEM OF CHRONIC MAJOR MENTAL ILLNESS (SCHIZOPHRENIA, MANIC-DEPRESSIVE PSYCHOSIS, AND PSYCHOTIC DEPRESSION). THESE PROBLEMS, SOMETIMES CALLED "TRUE BRAIN DISEASE," ARE AT SOME LEVEL OF REMISSION. MANY OF THESE PATIENTS ARE MAINTAINED ON NEUROTROPIC DRUGS, AND REMAIN ON THEM FOR INDEFINITE AND SOMETIMES LIFELONG PERIODS. I WISH TO COMMENT FURTHER ON THIS GROUP OF PATIENTS LATER ON IN THIS PAPER, BECAUSE OF THE FREQUENCY AND DEGREE OF ATTENTION THEIR PROBLEMS GENERATE.

PRIOR TO 1971, THE ADMINISTRATION OF THE MINNESOTA VETERANS HOME HAD A "MILITARY ATMOSPHERE" - NOT SURPRISING SINCE IN ITS TRADITION IT RECRUITED "COMMANDANTS" - APPLICANTS WITH MILITARY ADMINISTRATIVE, BUT NOT HOSPITAL OR PATIENT CENTERED ORIENTATION. MEDICAL CARE AT THE HOME HAD HISTORICALLY AND TRADITIONALLY BEEN

AVAILABLE. A FULL TIME PHYSICIAN WAS EMPLOYED. HIS RESPONSIBILITY CONSISTED OF PHYSICAL EXAMINATION OF NEW MEMBERS, THE ONGOING CARE AT "SICK CALL," AND MEDICAL SUPERVISION OF AN EIGHTY-FIVE BED INFIRMARY. PATIENTS REQUIRING CARE BEYOND INFIRMARY LEVEL WERE TRANSFERRED TO THE LOCAL VA HOSPITAL, OR OTHER FACILITIES, AS ELIGIBLE. IN 1971 THE PRESENT ADMINISTRATION BEGAN, WITH THE EMPLOYMENT OF A HOSPITAL ADMINISTRATOR, BUT, MOST IMPORTANT, AN ADMINISTRATOR WITH REAL CONCERN FOR MEMBERS AS PERSONS AND THE INSTITUTIONAL ENVIRONMENT AS A "HOME." THE BENEFITS OF THIS ENLIGHTENED APPROACH HAVE PROGRESSIVELY DEVELOPED. PHYSICAL IMPROVEMENTS IN THE HOME HAVE BEEN MADE. THE HEALTH CARE AREA IN THE INFIRMARY (CLINIC) HAS BEEN MADE MORE ATTRACTIVE, AND NICER TO WORK IN, AND NEEDED EQUIPMENT MADE AVAILABLE. MORE THAN EVER, THERE HAS BEEN A DETERMINED EFFORT TO HELP THE MEMBERS WITH MEDICAL AND PSYCHIATRIC PROBLEMS, CARING FOR THEM WHEN POSSIBLE, AND SEEKING PROPER DISPOSITION WHEN APPROPRIATE CARE CANNOT BE PROVIDED. THERE HAS BEEN A DETERMINED EFFORT TO CULTIVATE GOOD WORKING RELATIONSHIPS WITH REFERENCE HOSPITAL FACILITIES. THE ADMINISTRATION IS PURSUING FEDERAL VA ASSISTANCE AS AUTHORIZED BY NEW FEDERAL LAW, AND THIS INCLUDES PROCUREMENT OF SOME DRUGS AND SUPPLIES. THE TRADITIONAL "VETERANS HOME PHARMACY" HAS BEEN ABANDONED IN FAVOR OF USING VENDOR PROFESSIONAL SERVICES OF A HIGH QUALITY, BUSY COMMUNITY PHARMACY. STAFF PHARMACISTS THERE PACKAGE "UNIT DOSE MEDICATION", SERVICING THE HOME'S INFIRMARY PATIENTS THROUGH THE DRUSTAR SYSTEM. THIS SYSTEM HAS SAVED NURSING TIME AND REDUCED MEDICATION ERROR. PATIENTS IN THE OUTLYING VETERANS HOME BUILDINGS RECEIVE NEEDED DRUGS THROUGH THE SAME VENDOR, BUT MONITORED THROUGH THE CLINIC

FACILITY AND RECORDED ON THE INDIVIDUAL'S RECORDS. THIS DRUG PROCUREMENT SYSTEM, IN OPERATION NOW BETTER THAN A YEAR HAS MADE IT POSSIBLE TO PUT A DOLLAR VALUE ON THIS SERVICE PROVIDED MEMBERS. IN THIS TIME OF CONSTANTLY CHANGING COSTS, THIS HAS ADDED IMPORTANCE. AN ALCOHOL COUNSELING PROGRAM, DIRECTED BY A TRAINED COUNSELOR, HAS BEEN INSTITUTED. THIS HAS REFLECTED ITSELF IN A REDUCED RATE OF FREQUENCY OF SERIOUS ACUTE ALCOHOLIC BOUTS, AND THE INSTITUTION OF AN IN-HOME, ACTIVE AA GROUP. A FEW BEDS HAVE BEEN ALLOTTED FOR CONVALESCENT POST-OP CATARACT PATIENTS FROM THE LOCAL VA HOSPITAL. THESE PATIENTS, OFTEN WITH OTHER INFIRMITIES, ARE IN NEED OF A TEMPORARY HOME, AND CONTINUED SEMI-SKILLED NURSING CARE. A FEW OF THE HOME'S BEDS HAVE BEEN USED BY KIDNEY TRANSPLANT PATIENTS, WHO, WHILE OUT-OF-STATE RESIDENTS, ARE NONETHELESS VETERANS IN NEED OF PROLONGED OUT-PATIENT CARE, AND EASY ACCESS TO THE MINNEAPOLIS VA HOSPITAL. A REHABILITATION PROGRAM FOR DRUG DEPENDENT VETERANS HAS BEEN IN OPERATION FOR SOME TIME, AND IS UNDER VA DIRECTION.

THERE IS ONE BRACKET OF PATIENTS CARED FOR AT THE MINNESOTA VETERANS HOME, REFERRED TO EARLIER AND DESERVING OF SPECIAL MENTION BECAUSE OF THE FREQUENCY AND DEGREE OF ATTENTION THAT THEIR PROBLEMS REQUIRE. THESE ARE THE PATIENTS WITH CHRONIC MENTAL ILLNESS. SUCH PATIENTS ARE BEING DISCHARGED IN INCREASING NUMBERS FROM VETERANS HOSPITALS AND CLOSING STATE HOSPITALS ALL OVER THE NATION. THEY ARE DISCHARGED TO THE COMMUNITY AT LARGE - TO HALF-WAY HOUSES, AND TO SOME NURSING HOMES. CONCERNED COMMUNITY PERSONS - SOCIAL WORKERS, PSYCHIATRISTS, AND EX-PATIENTS, ARE HELPING THESE PERSONS

ORGANIZE FOR THEIR CIVIL RIGHTS. AS A GROUP THEY HAVE BEEN DISCRIMINATED AGAINST, IN INSURANCE MEDICAL CARE PROVISION AND COVERAGE AND INACCEPTANCE IN THE COMMUNITY. LONG TERM HEALTH ADMINISTRATORS WILL WILLY NILLY BE INVOLVED WITH THEM. AT THE MINNESOTA VETERANS HOME, WE CARE FOR SOME SIXTY SUCH PATIENTS, THE MAJORITY OF WHOM, IN YEARS GONE BY, WOULD HAVE SPENT THE BULK OF THEIR LIVES IN THE STATE OR FEDERAL MENTAL HOSPITAL. IN THIS GROUP OF PERSONS, MAJOR MENTAL ILLNESS HAS HAD A DEVASTATING AND PROLONGED EFFECT ON THEIR LIVES. UNDERSTANDING THE NATURE OF THESE DISORDERS CAN HELP IN THEIR CARE. THE THEMES AND EXPRESSIONS OF MENTAL ILLNESS IN THESE PERSONS HAVE GREATLY INTERFERED WITH THEIR CAPACITY FOR SKILLFUL AND ARTFUL LIVING AS IT RELATES TO FAMILY, MARRIAGE, CHILDREN, WORK AND MOSTLY WITH THEMSELVES IN THE FAILURE TO ACHIEVE WHAT OUTWARDLY APPEARS TO BE THE EFFECTIVE UTILIZATION OF THEIR INNATE AND EDUCATED POTENTIAL. SOME OF THESE PEOPLE, ON A CONTINUOUS BASIS, ARE ACTIVELY DELUSIONAL, UNDULY SUSPICIOUS, UNUSUALLY QUARRELSOME, AND HAVE TENDENCIES TO ODD MANNERISMS, DRESS AND GET-UP, AND INADEQUATE PERSONAL CARE AS JUDGED BY COMMON STANDARDS. MOST OF THEM ARE TAKING NEUROTROPIC DRUGS, USED ON A MAINTENANCE BASIS. THESE DRUGS HAVEN'T "CURED" BUT HAVE MODIFIED THEIR BEHAVIOR, AND ALONG WITH ENLIGHTENED PUBLIC ATTITUDES HAVE MADE IT POSSIBLE FOR THESE PEOPLE TO LIVE CLOSER TO SOCIETY AT LARGE THAN WAS PREVIOUSLY POSSIBLE.