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# ANNUAL PERFORMANCE REPORT

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1994

MINNESOTA  
DEPARTMENT  
OF  
VETERANS AFFAIRS

Prepared: September 15, 1994

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**AGENCY:** Veterans Affairs, Department of

MISSION:

The Minnesota Department of Veterans Affairs will serve Minnesota veterans, their dependents and survivors, in securing those benefits provided by Federal and State laws.

GOALS:

- to provide state soldiers assistance program benefits to eligible veterans, their dependents and survivors.
- to process for payment all eligible late bonus claims and maintain and provide veteran discharge records
- to provide state education benefits for eligible state veterans and war orphans
- to provide bronze star grave markers to mark the graves of eligible deceased state veterans
- to provide operational improvement grants to Minnesota county veterans service officers
- to administer an educational and certification program to Minnesota county veterans service officers
- to contract with the Vinland National Center for rehabilitation services for eligible veterans
- to provide representation to veterans, their dependents and survivors in securing federal veterans benefits, as their designated power of attorney
- to provide court/agency appointed fiduciary services to veterans, their dependents and survivors
- to provide information, assistance, referral and counseling services to those veterans exposed to agent orange or other chemical agents or environmental hazards
- to enforce veterans preference statutes
- to coordinate information, referral and sharing of information with collateral agencies
- to develop, operate and maintain the state veterans cemetery

**Table 1:**

<u>Program</u>	<u>Estimated Expenditures (\$ in Thousands)</u>	<u>Percent of Total</u>	<u>FTE Staff Positions</u>	<u>Percent of Total</u>
State Benefits and Grants	\$1,852	52	8	25
Service	691	20	16	50
Departmental Operations	989	28	8	25
<u>Totals</u>	<u>\$3,532</u>	<u>100</u>	<u>32</u>	<u>100</u>

**ORGANIZATION:**

The department is organized in three program areas: (1) state benefits and grants; (2) services and; (3) departmental operations. These programs all combine to provide state and federal benefits and services to Minnesota's veterans and their dependents. The department was created in 1943 to meet the needs of returning World War II veterans. Since its' creation, the department has seen three additional generations of veterans; those from the Korean War, the Vietnam War and Southwest Asia (Persian Gulf) War.

The department maintains a close working relationship with the United States Department of Veterans Affairs, (USDVA) the federal agency which is responsible for providing veterans benefits and services which flow from service in the armed forces of the United States. These benefits are received in a variety of forms, primarily in the areas of health care, educational benefits, home loans and financial compensation and pension benefits. Minnesota veterans are served by six USDVA health care facilities located within the state and immediately adjacent thereto. During the last federal fiscal year, the total amount of federal veterans benefits received by Minnesota veterans and their families was in excess of \$600 million dollars.

The department also works closely with the men and women who comprise the Minnesota County Veterans Service Officer (CVSO) system. The 116 CVSOs and their assistants, who are employed by each of Minnesota's 87 counties, are the primary point of contact for veterans and their dependents seeking veterans benefits and services. This local source of personal assistance ensures that veterans are fully informed of and assisted with applications for veterans benefits and services. The department fosters and maintains this relationship through personal contacts, training and educational conferences, seminars and meetings. The department also administers a certification process for CVSOs to ensure that they meet and maintain minimal educational and training standards required to adequately assist in the applications process. This application process will be enhanced through the development of a computer network between all functions of the department and the CVSO system. Funding for this program has been made available through the County Veterans Service Officer Operational Improvement Grant Program. This grant program was established by the 93 Legislature to assist CVSO's in modernizing and improving the technology in their offices. Funds were appropriated for this use and this Department developed the rules to distribute these funds according to legislative direction.

The department also serves as the leader in all matters relating to veterans and their families through a close working relationship with the Congressionally Chartered veterans organizations active in Minnesota. The department established the Commanders's Task force, an organization comprised of the commanders of the major veterans organizations in Minnesota, to work closely with the department on all issues of concern to the 474,000 veterans of Minnesota. These issues and concerns frequently involve legislative issues.

State benefits and services administered by the department include: provision of bronze star grave markers to mark the graves of deceased veterans buried in Minnesota, preparation and presentation of late claims for veterans bonus payments to the Joint Claims Committee, provision of educational benefits to veterans and war orphans, maintenance of veterans discharge records, which are required to establish eligibility for veterans benefits and rehabilitation services to veterans through a contract with the Vinland National Center.

Other state benefits administered by the department include providing information, referral and assistance to veterans and their dependents regarding the long term health effects of Agent Orange, and enforcement of those state statutes governing veterans preference. While these are important issues and worthy of discussion, the department has decided to concentrate this performance report on three major activities which affect the most vulnerable and at risk group of veterans and their dependents in Minnesota.

**WAYS TO IMPROVE PROGRAM OUTCOMES:**

Increased funding of the State Soldiers Assistance Program. The department has the authority to transfer funds between fiscal years to meet the budgetary needs of this program. This action was required during the last fiscal year to meet program demands. This program has been funded at a constant level for several biennia, while inflation has eroded the

purchasing power of these constant dollars. Increasing costs of, and demands for benefits and services require that the department seek increased funding for this program.

Vinland National Center. The department maintains a grant contract with the Vinland National Center to provide rehabilitation services to veterans. The department requires an additional staff position to provide long term follow-up services as part of the grant contract, including performing audit functions to meet contract requirements.

Agent Orange/Environmental Hazards. United States involvement in the Southwest Asia theater has demonstrated that military personnel involved in this action have experienced health problems which might be attributable to exposure to possible chemical, biological, radiological and other environmental hazards. Recent disclosures regarding radiation testing during World War II and after has proven that testing was more widespread and involved more individuals than was previously thought. Numbers of veterans were deliberately exposed to damaging radiation during their military service. The effects of this exposure are only now becoming known. Chemical warfare testing in Minneapolis and other areas of Minnesota was conducted on an unknowing public; future revelations might result in an increased need to provide information to all concerned.

State Veterans Cemetery. The department received a one time appropriation of \$250,000.00 for development, operation, improvement and maintenance of the cemetery. We will be seeking additional funding to continue state veterans cemetery operations. While the enabling legislation created a permanent trust account of \$1,000.00 (one thousand) for cemetery operations, only the interest earned on this account is available to the department. The challenge to the department is to receive operational funding until such time as sufficient funds are available in the permanent trust account so that the interest earned by this account is adequate to meet cemetery operations.

**SUMMARY**

**AGENCY:** Veterans Affairs, Department of  
**PROGRAM:** 01 - State Benefits and Grants

<b>EXPENDITURES AND STAFFING (F.Y. 1994)</b>		
(\$ in Thousands)		
<b>Total Expenditures:</b>	\$ 1,852	52% of department's budget
From State Funds	\$ 1,852	
From Federal Funds	\$ 0	
 <b>Number of FTE Staff:</b>	 8.0	 25% of department's staff

**PROGRAM GOALS:**

- to provide state soldier's assistance program benefits to veterans and their dependents in a timely manner (M.S. 197.03-197.07)

**DESCRIPTION OF SERVICES:**

The state benefits and grants program exists to aid and assist Minnesota veterans and/or their dependents in securing subsistence, emergency medical, optical and dental benefits under the State Soldier's Assistance Program. Subsistence benefits provides the veteran with financial assistance to meet the daily needs of living during a short (six month or less) period of disability while the applicant cannot pursue their normal occupation. Optical, dental and emergency medical benefits are provided according to Department of Human Services fee schedules. All applicants must meet stringent income and asset guidelines, as established in department rules governing this program.

**BACKGROUND INFORMATION:**

**MEASURES OF ACTIVITIES (A), WORKLOAD (W), UNIT COSTS (EACH), OTHER DATA (O)**

<u>Type</u>	<u>Measure</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>
	State benefits and grants.		
W	No. of cash grants and vendor orders processed for payment.	5,343	6,305

**PROGRAM DRIVERS:**

- Federal action. Federal actions that affect the ability of the department to service our client population include: downsizing of the active military, restrictions upon eligibility for federal veterans benefits, to include health care and unemployment benefits. The United States Department of Veterans Affairs has experienced reduced levels of funding, which results in fewer federal veterans benefits being made available and consequently, fewer federal veterans benefits are granted. Budget reductions on the federal level has resulted in fewer staff to process claims, which has increased the amount of time it takes to process claims and has also increased the amount of time it takes for claimants to receive benefits. Eligibility restrictions has resulted in fewer veterans being admitted to the United States Department of Veterans Affairs Medical Center system. Veterans denied care in federal health care facilities are forced to seek care from private providers. These veterans then turn to the department for assistance with payment of these bills.
- Dependent population. A significant number of clients of the department are dependent upon various government programs at federal, state and county levels. This dependency is due to a number of factors such as: physical disability, limited educational and vocational skills, subsistence level income, which continues to qualify these individuals for various income assistance programs.
- New conflicts: Southwest Asia (Persian Gulf War). Some of the Minnesota military personnel involved in Southwest Asia are experiencing physical and psychological problems which will require treatment and intervention long into the future. The primary health concerns of these veterans are multiple chemical sensitivities, exposure to toxic vehicle paint, exposure to oil well fire residue, depleted uranium, and possible chemical warfare agents. Minnesotans, continue to serve in the Southwest Asia theater, as the conflict has not officially ended.



**AGENCY:** Veterans Affairs, Department of  
**PROGRAM:** 01-State Benefits and Grants

**OBJECTIVE, MEASURE**

Objective 1: To process 97% of complete State Soldier's Assistance Benefits applications for financial assistance within 48 hours of receipt of a completed application, by 1997.

Measure (1): % of applications processed that meet this standard.

Actual Performance	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 1996</u>	<u>F.Y. 1997</u>
Target	--	--	--	95%	96%	97%

**DEFINITION, RATIONALE, DATA SOURCE:**

This measurement demonstrates the amount of time it takes this program to process a complete application for State Soldiers Assistance Program benefits. These applications are completed by a County Veteran's Service Officer and the veteran or dependent of a veteran seeking assistance. Benefits provided are in the form of direct financial assistance with meeting the basic needs of life, such as food, shelter and utilities. A complete application is defined as an application with all required supporting documentation necessary to make a decision to grant or deny the application.

The data source will be the results of a case management review of financial assistance cases, performed by management personnel. The results of this review will be used to measure performance.

**DISCUSSION OF PAST PERFORMANCE:**

The department has attempted to provide direct financial assistance to eligible veterans and their dependents in a timely manner. The department has never studied the amount of time it takes to provide this assistance in past fiscal years. While we feel that we are providing assistance in a timely manner, this exercise will provide current performance data.

**PLAN TO ACHIEVE TARGETS:**

The case management review will provide substantiating information regarding the performance of the division. The department will increase training opportunities for County Veterans Service Officers to increase the number of applications that are complete when received. Additionally, the department will streamline the application process by simplifying forms, making them easier to complete. We will continue to work with the United States Department of Veterans Affairs to decrease the amount of time required to obtain supporting medical documentation, a requirement for obtaining benefits.

**OTHER FACTORS AFFECTING PERFORMANCE:**

Limited staffing available in small agencies such as ours restricts the ability of the department to meet this objective 100% of the time.

## SUMMARY

**AGENCY:** Veterans Affairs, Department of  
**PROGRAM:** 02 - Services

## EXPENDITURES AND STAFFING (F.Y. 1994)

(\$ in Thousands)

<b>Total Expenditures:</b>	\$691	20% of departments budget
From State Funds	\$691	
From Federal Funds	\$0	
<b>Number of FTE Staff:</b>	16.0	50% of department's staff

**PROGRAM GOALS:**

- to maintain as many guardianship clients in independent lifestyles as possible, through earlier intervention by personal contact (M. S. 196.05)
- to serve as the accredited representative of veterans and their dependents in securing federal veterans benefits. (M.S. 196.05)

**DESCRIPTION OF SERVICES:**

The department provides accredited representation before the USDVA adjudication division to ensure veterans and their dependents obtain the full measure of federal veterans benefits to which they are entitled. Those cases which are not resolved in favor of the claimant at the local level are appealed to the Board of Veterans Appeals. If not successful at this level, claims are pursued to the Court of Veterans Appeals, which is located in Washington, DC. Cases which are lost at this level may be appealed to the federal appellate court system and eventually to the United States Supreme Court. An equal amount of time is expended upon cases which ultimately result in the denial of the benefit sought. However, the department feels strongly that all veterans claims for benefits, whether likely of a successful outcome or not, should be pursued if the veteran so chooses.

The Commissioner is appointed as the guardian of incompetent veterans and dependents of veterans by the Probate Court system. As guardian, the Commissioner is responsible for controlling in excess of \$2,000,000.00 in income and assets. The guardianship activity provides complete and comprehensive financial management of income and assets, to include receipt, investment and expenditure of client funds. These services are supervised by the court of competent jurisdiction, which requires an annual accounting of all assets and expenditures. Decisions regarding client funds are made, to the extent possible, with the cooperation of the client. This cooperation is fostered and maintained by personal contact with the client and contact with social workers, care providers and other interested parties, such as relatives.

**BACKGROUND INFORMATION:****MEASURES OF ACTIVITIES (A), WORKLOAD (W), UNIT COSTS (UC), OTHER DATA (O)**

<u>Type</u>	<u>Measure</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>
	Services		
A	No. of powers of attorney maintained by the department.	103,000	103,000
W	No. of individuals served by guardianship program.	125	108
W	No. of guardianship checks produced	9,575	8,722

**PROGRAM DRIVERS:**

- Aging veteran population. The number of aging veterans, particularly World War II veterans, present increasing demands for health services and federal veterans benefits. This demand is reflected in the growing caseload in the claims offices and guardianship division.
- New veterans. National guard and reserve personnel ordered to active federal military service are awarded veterans status by federal action upon their release from active duty, which makes them subsequently eligible for state and federal benefits and services. Former members of the merchant marine have been granted veterans status by federal action. These new veterans have presented increased demands for state and federal benefits and services.
- Dependent population. A significant number of clients of the department are dependent upon various government programs at federal, state and county levels. This dependency is due to a number of factors, to include limited educational and vocational ability, poverty level income, mental health issues, chemical dependency and physical limitations. In all likelihood these individuals will never fully function as independent members of our society and will continue to be dependent upon governmental services to meet their basic needs of life.

AGENCY: Veterans Affairs, Department of  
 PROGRAM: 02-Services

**OBJECTIVE, MEASURE**

Objective 1: To personally visit 50% of all guardianship clients annually.

Measure (1): Percent of all Guardianship clients visited annually.

Actual Performance	<u>F.Y. 1992</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>	<u>F.Y. 1995</u>	<u>F.Y. 1996</u>	<u>F.Y. 1997</u>
	20%	20%	20%	--	--	--
<b>Target</b>	--	--	--	50%	50%	50%

**DEFINITION, RATIONALE, DATA SOURCE:**

Personal visits with clients means that financial guardianship advisors will meet individual clients in their home environment at least once per year. We feel that personal visits will allow staff to accurately assess the clients well being and the quality of their environment. If unacceptable conditions are noted, staff will take necessary measures to resolve these issues. Data source will be a personal well-being report maintained in the department's records system. Reductions in federal programs designed to maintain these individuals in their home environment have resulted in less personal contact with program clients in their home environment. Since the department can no longer rely upon other agencies' personnel to make an assessment of the clients living conditions, department staff must now take a more active role in assessing client well being. Department staff feel that early intervention can prevent the need for institutionalization, which carries a higher price tag.

**DISCUSSION OF PAST PERFORMANCE:**

The very nature of being under Court appointed Guardianship indicates that these individuals are vulnerable and at high risk for outside intervention, by social service agencies, law enforcement, emergency medical and long term care facility staff. The department staff typically visits individual clients in response to concerns and problems. The division staff feels that a more proactive visiting schedule will improve services to these clients and reduce those incidents requiring intervention.

**PLAN TO ACHIEVE TARGETS:**

The department will establish a schedule of personal visitations and will visit individual clients according to this objective, as time and travel budget allows. This may require that the division staffing levels be reviewed and adjusted accordingly, to meet this objective.

**OTHER FACTORS AFFECTING PERFORMANCE:**

Geographic factors. A number of clients are transients, which makes personal contact in the clients home environment impossible. Many clients live outside the Twin Cities metropolitan area which requires extended staff time to accomplish this objective. The ultimate choice about living conditions and personal lifestyle choices remains with the individual client. These personal choices sometimes make personal contact with clients difficult to achieve.

**AGENCY:** Veterans Affairs, Department of  
**PROGRAM:** 02-services

**OBJECTIVE, MEASURE**

Objective 2: To maintain the current ratio of all active powers of attorney held by the claims offices, as a percentage of the total state veterans population.

Measure (1): No. of powers of attorney held by claims offices
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<b>Actual Performance</b>	<b><u>F.Y. 1992</u></b>	<b><u>F.Y. 1993</u></b>	<b><u>F.Y. 1994</u></b>	<b><u>F.Y. 1995</u></b>	<b><u>F.Y. 1996</u></b>	<b><u>F.Y. 1997</u></b>
	103,000	103,000	103,000	--	--	--
<b>Target</b>	--	--	--	103,000	103,000	103,000

**DEFINITION, RATIONALE, DATA SOURCE:**

A power of attorney is a legal document executed by a veteran or dependent which allows the department's claims office to act on behalf of the claimant in all matters pertaining to claims for United States Department of Veterans Affairs benefits. This objective measurement will be utilized to determine effective staffing levels in this division activity. Data source is the departments' Veterans Information Management System.

**DISCUSSION OF PAST PERFORMANCE:**

In the past, the department has monitored the total amount of federal benefits dollars received by Minnesota veterans and their dependents. During the last federal fiscal year, Minnesota veterans and their dependents received in excess of \$600 million dollars in benefits and services. This dollar amount represents successful claims for federal benefits; the department claims offices accept and present all claims for benefits and services on behalf of Minnesota veterans and their dependents. A portion of these claims have little or no hope of success. An equal amount of time must be devoted to the preparation and presentation of claims that ultimately result in a denial of benefits and services.

**PLAN TO ACHIEVE TARGETS:**

The department will track all powers of attorney assigned to the departments' claims offices, using the Veterans Information Management System. The number of powers of attorney will be compared to the number of veterans in the State; the ratio of powers of attorney to state veteran population will be calculated and expressed as a percentage. The calculation will be performed when the United States Department of Veterans Affairs releases its' annual veterans population estimates.

**OTHER FACTORS AFFECTING PERFORMANCE:**

While new categories of veterans are created, such as those from Southwest Asia, (Gulf War), the number of veterans nation and in Minnesota has declined steadily since the end of the Vietnam War and also because of the downsizing of the active duty military. This decline is also affected by the advanced death rate among World War II veterans. As the average age of our veteran population increases, the departments' claims offices will face increased demands for benefits and services from older, sicker veterans who will require increased services.

Federal action. The United States Department of Veterans Affairs has restricted access to health care benefits and other services. Veterans now seeking access to health care must meet stringent eligibility requirements concerning income and assets. In an attempt to counter these requirements, veterans are attempting to now establish eligibility for service connected disabilities, often many years after the fact. This time lag between the actual incident in military service and filing a claim for benefits requires that more time be devoted to case development.

## SUMMARY

**AGENCY:** Veterans Affairs, Department of  
**PROGRAM:** 03 - Departmental Operations

## EXPENDITURES AND STAFFING (F.Y. 1994)

(\$ in Thousands)

<b>Total Expenditures:</b>	\$989	28% of departments budget
From State Funds	\$989	
From Federal Funds	\$0	
<b>Number of FTE Staff:</b>	8.0	25% of department's staff

**PROGRAM GOALS:**

- To develop, operate and maintain the state veterans cemetery. (M.S. 197.235, Laws of Minnesota 1994, Chap. 632, Art. 3, Sec. 13C)

**DESCRIPTION OF SERVICES:**

While this program is responsible for all personnel, purchasing activities, guardianship financial transactions and state wide accounting responsibilities, these are considered the normal operations of any state department and we need not discuss further.

However, this program assumed additional responsibilities when the State Veterans Cemetery was recently created by the 1994 Legislature. The department only recently completed the transfer of the site from the association which conceived and initiated this cemetery. Prior to the transfer the department was required to secure an environmental impact statement, archeological site survey, site appraisal and obtain approval of the transfer by the Morrison County Board of Commissioners. The department is now faced with the challenges of developing rules to govern the cemetery operation, selection of members of the State Cemetery Board of Directors, staffing the cemetery, applying for federal matching funds for cemetery development and securing additional state funds for equipment, staffing and operation.

While the department welcomes the challenges involved in operating a cemetery, at this point in time we have not established specific objectives for this program activity.

**BACKGROUND INFORMATION:****MEASURES OF ACTIVITIES (A), WORKLOAD (W), UNIT COSTS (UC), OTHER DATA (O)**

<u>Type</u>	<u>Measure</u>	<u>F.Y. 1993</u>	<u>F.Y. 1994</u>
A	No. of state wide accounting transactions	6,000	8,348
A	No. of guardianship checks processed	9,575	8,722

**PROGRAM DRIVERS:**

- The creation of a state veterans cemetery has placed new and unique demands upon existing staff to begin the start-up operations of the cemetery. This start up includes: obtaining an environmental impact statement, a historical site survey, completion of applications for federal grant funds, development of a master plan for cemetery operation, as well as the day to day operation of the cemetery, to include staffing and maintenance of the facilities.
- Increased activities of the other department programs has increased the work load of the financial management function of the departments operational programs. Outside of the department drivers included the new state wide systems project which places demands on the department in all areas of the state wide accounting operations. this will require that the financial management division undergo additional training in the areas of human resource management, processing of transactions and accounting procedures.

**APPENDIX**  
**Annual Performance Report Process**

When the Department of Veterans Affairs was first informed of the need to complete such a report, the management staff met to discuss the concept. All management staff attended training sessions in preparing annual performance reports in addition to reviewing all written material provided by the Department of Finance. We also contacted the State of Oregon, Department of Veterans Affairs who had recently completed a similar project.

Following further management staff discussion, all managers met with their respective staff to discuss the concepts behind the annual performance reports, its' objectives, goals and intended uses of this document. Staff involved represented the Commissioner's Plan, AFSCME, MAPE and the Confidential Plan bargaining units, as recognized by the Department of Employee Relations. All staff were involved in developing goals, objectives and measurements for their work areas, as well as for all activities of the department.

The concept of using customer surveys to gauge the satisfaction of individuals and organizations outside of department staff, with our department's performance was discussed at length. After much discussion, it was determined that while this is a worthwhile measure of agency performance, the timelines imposed for completion of the draft performance report would not allow the department sufficient time to develop, distribute, receive and compile reliable data from such a survey. The department fully intends to develop such a survey for all activities; the various "customers" of the department will be surveyed for their input into department performance.