

Ohio Veterans Home Agency

- OVH's funding totals \$57.5 million in FY 2008 and \$59.5 million in FY 2009
- OVH's total GRF appropriations are \$31.0 million in FY 2008 and \$33.0 million in FY 2009

Wendy Risner, Senior Budget Analyst

OVERVIEW

Duties and Responsibilities

One of the state's first human services programs, the Ohio Veterans Home Agency (OVH) is a nineteenth century creation that continues to meet a need in the twenty-first century. In 1886, the General Assembly, faced with a burgeoning population of aging Civil War veterans and inadequate local infrastructure to care for them, established the Ohio Soldiers' and Sailors' Home, located on a 94-acre campus in Sandusky. The need for an additional state veterans' home was identified in Am. Sub. H.B. 770 of the 122nd General Assembly. This second location is located in Georgetown and has been opened since November 2003.

Currently, about 132 similar veterans' homes operate in 49 other states and one in Puerto Rico. The Veterans Home in Sandusky has the fifth largest resident population in the nation. The Ohio Veterans Home Agency is dedicated to "serving those who served" by providing a safe, healthful, and home-like living environment for elderly, chronically ill, and disabled veterans. Since its opening in 1888, tens of thousands of veterans have received needed care. Currently, the OVH offers its services to over 730 residents in both locations. To be eligible for admission, a veteran must have served during armed conflict, been honorably discharged, been a resident of Ohio for five consecutive years prior to admission, and incapable of earning a living.

The Ohio Veterans Home Agency is funded through a mix of federal and state dollars, as well as resident fees. Each resident is assessed a monthly fee for living at the Home. The fee is based on the level of care provided and the resident's ability to pay. Eighty percent of revenues from these assessments are placed in State Special Revenue (SSR) Fund 4E2 to be used for operating costs and 20% of revenues from these assessments are placed in SSR Fund 604 to be used for equipment and capital projects. Ohio Veterans Home Agency also receives funds from the state General Revenue Fund (GRF) and a per diem grant from the Department of Veterans Affairs (VA) for residents meeting VA income eligibility requirements.

The 94-acre campus in Sandusky has the 293-bed Veterans Hall Domiciliary, which provides independence and freedom comparable to community living for residents able to care for themselves. A second level of care, currently referred to as "DOM Plus," offers an intermediate level of care for 42 of the Domiciliary residents. These "DOM Plus" residents are located within Veterans Hall. There is also the Secrest-Giffin Nursing Home, which has 427 beds and provides standard nursing care and Alzheimer's/dementia care for residents. The Sandusky facility also offers skilled care and hospice care for residents in need of those services.

The Georgetown facility is a 35-acre campus with 168 nursing home beds. Eighty-four beds at Georgetown are dedicated to providing standard nursing care and 42 specialize in Alzheimer’s/dementia care. The remaining 42 beds are not filled.

Agency in Brief

| Agency In Brief | | | | | |
|----------------------|--------------------------------|-----------------|--------------------|-----------------|-----------------------|
| Number of Employees* | Total Appropriations-All Funds | | GRF Appropriations | | Appropriation Bill(s) |
| | 2008 | 2009 | 2008 | 2009 | |
| 880 | \$57.50 million | \$59.52 million | \$31.05 million | \$33.00 million | Am. Sub. H.B. 119 |

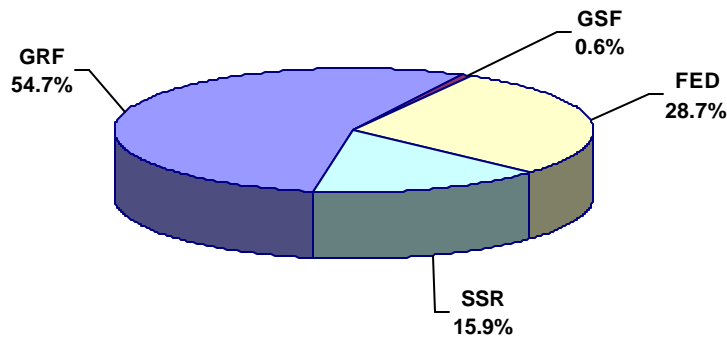
*Employee count obtained from the Department of Administrative Services (DAS) payroll reports as of June 2007.

Budget Highlights

Total Appropriations

The Ohio Veterans Home Agency received total funding of \$57,459,708 in FY 2008, which is a 4.1% increase over FY 2007 appropriations. OVH received funding of \$59,521,570 in FY 2009, which is 3.6% above FY 2008 appropriations. GRF appropriations are \$31,045,805 in FY 2008, an increase of 6.8% over FY 2007 appropriations. GRF appropriations are \$32,987,516 in FY 2009, an increase of 6.3% over FY 2008 recommended appropriations. Chart 1 below shows the percentage each fund group represents of the total Ohio Veterans Home Agency’s budget.

Chart 1: Total Budget by Fund Group, FYs 2008-2009



Cornerstone of Hope Earmark

The budget earmarks \$100,000 in each fiscal year in appropriation item 430-100, Personal Services, for the Cornerstone of Hope. The Cornerstone of Hope is to use the funds to provide professional counseling services for individuals who have recently lost family members who were service men and service women in the United States Armed Forces. (Please note that this \$100,000 is not included in the program series tables or the program amounts, as this does not fit within any program for OVH.)

Medicare Services Fund Creation

The budget created the Medicare Services Fund (Fund 3BX), which receives federal reimbursement revenue for Medicare services provided at veterans' homes. Money in the fund is to be used to support state veterans' homes operations. The budget also removed Medicare reimbursements from the Ohio Veterans Homes Rental, Service, and Medicare Reimbursement Fund (Fund 484).

ANALYSIS OF THE BUDGET

Program Series

1: Resident Services

Purpose: To provide care for the elderly, chronically ill, and disabled veterans in the appropriate living arrangement to help them achieve their highest level of functional ability.

The following table shows the line items that are used to fund the Resident Services program series, as well as the funding for the FY 2008 - 2009 biennium by fiscal year.

| Fund | ALI | Title | FY 2008 | FY 2009 |
|--|---------|----------------------------|---------------------|---------------------|
| General Revenue Fund | | | | |
| *GRF | 430-100 | Personal Services | \$22,934,272 | \$24,252,914 |
| *GRF | 430-200 | Maintenance | \$7,737,504 | \$8,360,573 |
| General Revenue Fund Subtotal | | | \$30,671,776 | \$32,613,487 |
| State Special Revenue Fund | | | | |
| 4E2 | 430-602 | Veterans Home Operating | \$8,530,800 | \$8,530,800 |
| 604 | 430-604 | Veterans Home Improvement | \$770,096 | \$770,096 |
| State Special Revenue Fund Subtotal | | | \$9,300,896 | \$9,300,896 |
| General Services Fund | | | | |
| 484 | 430-603 | Rental and Service Revenue | \$375,880 | \$375,880 |
| General Services Fund Subtotal | | | \$375,880 | \$375,880 |
| Federal Special Revenue Fund | | | | |
| 3BX | 430-609 | Medicare Services | \$1,446,807 | \$1,446,807 |
| 3L2 | 430-601 | Federal VA Per Diem Grant | \$15,290,320 | \$15,410,471 |
| Federal Special Revenue Fund Subtotal | | | \$16,737,127 | \$16,857,278 |
| Total Funding: Resident Services | | | \$57,085,679 | \$59,147,541 |

*Amount does not reflect total appropriation because the line item funds other program series.

This analysis focuses on the following specific programs within the program series:

- **Program 1.01: Nursing Homes**
- **Program 1.02: Domiciliary**

Program 1.01: Nursing Homes

Program Description: The Ohio Veterans Home Agency (OVH) provides long-term care for elderly, chronically ill, and disabled veterans in a homelike environment that will allow them to achieve their highest level of functional ability. In fact, OVH is the only agency in Ohio dedicated to providing

long-term care solely to wartime veterans. Grants from the federal Veterans Administration (VA) assist in the costs of long-term care for veterans and are limited to state Veterans Home facilities. Since its founding in 1888, OVH has cared for tens of thousands of honorably discharged veterans from the Civil War, Spanish American War, World War I, World War II, Korean War, the Vietnam Conflict, and the Gulf War. The campus in Sandusky provides 427 beds and the Georgetown campus provides 168 beds to long-term care.

OVH must comply with Ohio Department of Health regulations and guidelines, and the United States Department of Veterans Affairs Standards for State Veterans Homes. OVH nursing homes are inspected by both the Ohio Department of Health and Veterans Affairs on an annual basis.

Currently, the Sandusky facility offers standard nursing home care, Alzheimer/dementia care, skilled nursing care, and hospice care. The Georgetown facility offers standard nursing care and Alzheimer's/dementia care, and has applied to become certified to offer skilled nursing care. The benefit in the certification as a Skilled Nursing Facility is that the facility can bill Medicare Parts A and B for skilled nursing services. Both facilities also offer social, dietary, laundry, and housekeeping services, as well as activity therapy for its residents.

Implication of the Budget: OVH received funding of \$50,415,968 in FY 2008 and \$52,263,505 in FY 2009. According to OVH, this funding will support the operation of a 427-bed nursing home facility in Sandusky (140 of these beds are dedicated to Alzheimer's/dementia care) and also support the operation of 126 beds in Georgetown (42 of those beds are dedicated to Alzheimer's/dementia care). The funding will also support the delivery of skilled care and hospice care in Sandusky.

Program 1.02: Domiciliary

Program Description: The Domiciliary program provides two levels of service to residents at the Sandusky Veterans Hall Domiciliary: Domiciliary (DOM) and Domiciliary Plus (DOM Plus). Domiciliary provides shelter, food, and necessary medical care on an ambulatory self-care basis to assist eligible veterans who are suffering from a disability, disease, or defect of such a degree that incapacitates the veteran from earning a living. The veterans are not in need of hospitalization or nursing care services. The DOM level program provides room, meals, linens, housekeeping of common areas, limited medical care on an ambulatory self-care basis, social workers, and activities for the residents. The DOM Plus level provides additional assistance with activities of daily living on an ambulatory self-care basis. DOM Plus level also provides social workers and activities for the residents. The Sandusky facility has the 293-bed Veterans Hall Domiciliary complex. Within Veterans Hall, there is a 42-bed DOM Plus wing, which provides a higher level of care. As of September 30, 2006, there were a total of 194 residents in the DOM and DOM Plus. These are veterans from World War II, Korea, Vietnam, the Gulf War, and the War on Terror. The oldest DOM resident is 94 and the youngest is 24. There are seven women veterans in residence. The Georgetown facility does not provide domiciliary services.

The Domiciliary program must comply with the Ohio Department of Health regulations and guidelines and with the United States Department of Veterans Affairs Standards for State Veterans Homes.

Implication of the Budget: OVH received funding of \$6,669,711 in FY 2008 and \$6,884,036 in FY 2009 for the Domiciliary program. This level of funding will support the operation of a domiciliary that provides both independent and assisted living services to 200 veterans.

Program Series**2: Veterans Services**

Purpose: To provide ancillary services for several programs that support veterans or support the maintenance of OVH grounds and buildings

The following table shows the line items that are used to fund the Veterans Services program series, as well as OVH's funding for the FY 2008 - 2009 biennium by fiscal year.

| Fund | ALI | Title | FY 2008 | FY 2009 |
|---|---------|-------------------|------------------|------------------|
| General Revenue Fund | | | | |
| *GRF | 430-100 | Personal Services | \$50,989 | \$50,989 |
| *GRF | 430-200 | Maintenance | \$98,040 | \$98,040 |
| GRF | 430-402 | Hall of Fame | \$125,000 | \$125,000 |
| General Revenue Fund Subtotal | | | \$274,029 | \$274,029 |
| Total Funding: Veterans Services | | | \$274,029 | \$274,029 |

*Amount does not reflect total appropriation because the line item funds other program series.

This analysis focuses on the following specific programs within the program series:

- **Program 2.01: Veterans Hall of Fame**
- **Program 2.02: Museum Operation**
- **Program 2.03: Cemetery Operation**
- **Program 2.04: Historic Building Maintenance**

Veterans Hall of Fame

Program Description: The Veterans Hall of Fame was established in 1992. The program recognizes significant contributions veterans have made to their communities, state, and nation after serving in the military honorably. There is a Hall of Fame ceremony held annually in November. Prior to 2003, a ceremony was also held in May. The May ceremony was eliminated as a cost-cutting measure, saving \$4,500 annually.

Implication of the Budget: OVH received funding of \$125,000 in each fiscal year. According to OVH, this will maintain current service levels.

Museum Operation

Program Description: The Museum at the Ohio Veterans Home Sandusky Facility is housed in the I.F. Mack building. The museum's purpose is to preserve and document the historic significance of the military collectibles on display. The military collectibles consist of donated military artifacts, uniforms, decorations, etc. Veterans Hall of Fame plaques are also on display. Residents of the home maintain the displays. A resident of the home also functions as the curator.

Implication of the Budget: OVH received funding of \$22,243 in each fiscal year. This funding will support utilities costs for the museum.

Cemetery Operation

Program Description: The cemetery at the Ohio Veterans Home Sandusky facility has been on the grounds since 1888. Veterans residing in the Sandusky facility can request burial in the cemetery. Approximately 24 veterans are buried in the cemetery each year. The U.S. Department of Veterans Affairs provides the markers for the cemetery. Services provided by the Ohio Veterans Home are the opening and closing of the grave, setting the marker, and maintaining the grounds of the 13.3 acre cemetery.

Implication of the Budget: OVH received funding of \$36,531 in each fiscal year. This will support grounds maintenance and setting of markers at the cemetery. The funding will also support the opening and closing of graves for former residents who choose to be buried in the cemetery.

Historic Building Maintenance

Program Description: There are a number of historic buildings on the grounds of the Ohio Veterans Home in Sandusky. This includes a number of cottages, which housed residents and staff from 1888 to the 1990s. Most of the buildings are currently vacant.

Implication of the Budget: OVH received funding of \$90,255 in each fiscal year. This will support basic and emergency maintenance as needed to preserve the historic buildings located in Sandusky from deterioration.

FY 2008 - 2009 Final Appropriation Amounts

All Fund Groups

| <i>Line Item Detail by Agency</i> | | | <i>FY 2005:</i> | <i>FY 2006:</i> | <i>Adj. Appropriations:</i> | <i>FY 2008 Appropriations:</i> | <i>% Change 2007 to 2008:</i> | <i>FY 2009 Appropriations:</i> | <i>% Change 2008 to 2009:</i> |
|---|---------|----------------------------------|-------------------------|----------------------|-----------------------------|--------------------------------|-------------------------------|--------------------------------|-------------------------------|
| Report For: Main Operating Appropriations Bill | | | Version: Enacted | | | | | | |
| OVH Ohio Veterans' Home Agency | | | | | | | | | |
| GRF | 430-100 | Personal Services | \$ 19,182,337 | \$ 21,399,054 | \$ 21,830,031 | \$ 23,085,261 | 5.75% | \$ 24,403,903 | 5.71% |
| GRF | 430-200 | Maintenance | \$ 6,701,361 | \$ 7,209,107 | \$ 7,246,200 | \$ 7,835,544 | 8.13% | \$ 8,458,613 | 7.95% |
| GRF | 430-402 | Hall of Fame | ---- | ---- | ---- | \$ 125,000 | N/A | \$ 125,000 | 0.00% |
| General Revenue Fund Total | | | \$ 25,883,699 | \$ 28,608,162 | \$ 29,076,231 | \$ 31,045,805 | 6.77% | \$ 32,987,516 | 6.25% |
| 484 | 430-603 | Veterans Home Services | \$ 883,887 | \$ 670,378 | \$ 882,737 | \$ 375,880 | -57.42% | \$ 375,880 | 0.00% |
| General Services Fund Group Total | | | \$ 883,887 | \$ 670,378 | \$ 882,737 | \$ 375,880 | -57.42% | \$ 375,880 | 0.00% |
| 3BX | 430-609 | Medicare Services | ---- | ---- | \$ 654,810 | \$ 1,446,807 | 120.95% | \$ 1,446,807 | 0.00% |
| 3L2 | 430-601 | Veterans Home Operations-Federal | \$ 13,931,740 | \$ 13,336,970 | \$ 15,290,320 | \$ 15,290,320 | 0.00% | \$ 15,410,471 | 0.79% |
| Federal Special Revenue Fund Group Total | | | \$ 13,931,740 | \$ 13,336,970 | \$ 15,945,130 | \$ 16,737,127 | 4.97% | \$ 16,857,278 | 0.72% |
| 4E2 | 430-602 | Veterans Home Operating | \$ 7,982,225 | \$ 8,520,652 | \$ 8,530,800 | \$ 8,530,800 | 0.00% | \$ 8,530,800 | 0.00% |
| 604 | 430-604 | Veterans Home Improvement | \$ 810,701 | \$ 700,018 | \$ 770,096 | \$ 770,096 | 0.00% | \$ 770,096 | 0.00% |
| State Special Revenue Fund Group Total | | | \$ 8,792,927 | \$ 9,220,670 | \$ 9,300,896 | \$ 9,300,896 | 0.00% | \$ 9,300,896 | 0.00% |
| Ohio Veterans' Home Agency Total | | | \$ 49,492,252 | \$ 51,836,179 | \$ 55,204,994 | \$ 57,459,708 | 4.08% | \$ 59,521,570 | 3.59% |