



Maine Veterans' Homes
Maine Department of Health and Human Services

Report on Comparative Data for State Veterans' Homes

Scope of Work

Comparative State Veteran Home Analysis

- ▲ Perform a comparative study of 10 State Veterans' Homes (SVHs) in states with similar demographics, geography, and veteran populations
- ▲ Examine and report to stakeholder group on the following:
 - Ownership structure
 - Payors accepted
 - Alternative reimbursement methodologies for SVHs
 - Payments for capital expenditures

Background

VA Long-Term Care Services, Locations and Admission Requirements

Facility Type	Ownership & Management	Services	Number of Facilities, 2022	Locations, Population Served
Community Living Centers (CLC)	VA	Short and long stay services for eligible Veterans regardless of age, post discharge from the hospital and in preparation for home and community-based care.	134 (1 in Maine)	Locations: on or near VA Medical Center campuses Population served: veterans
State Veterans Homes (SVHs)	State-owned and operated facilities (except MVH operating as an independent non-profit). VA does not manage SVHs.	Skilled nursing and rehabilitation services, long-term care, memory care, and respite services. Some facilities host Adult Day Health Care programs.	151 (6 in Maine)	Locations: 50 states and Puerto Rico Population served: min. 75% veterans; family members
Community Nursing Homes (CNH)	VA contracts with privately-owned and operated Skilled Nursing facilities (SNFs).		2,620 (11 in Maine)	Locations: 50 states and Puerto Rico Population served: no military service requirement



Demographics of Comparative States – Rationale for Selection of Comparison States

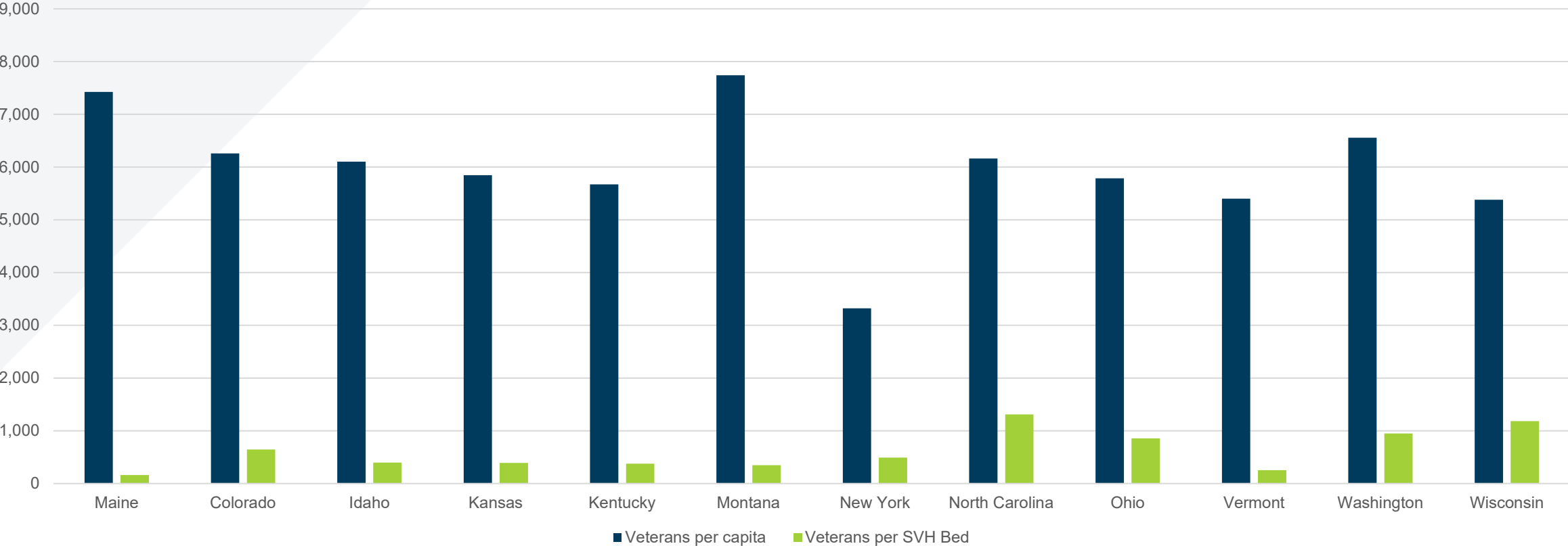
Summary of SVH Long-Term Care Beds and Veterans Served

State	Number of Locations	Nursing Care Beds	Domiciliary (Assisted Living) Beds	Number of Veterans	Veterans per Capita	Veterans per SVH Bed	Maximum Authorized SVH Beds
Maine	6	450	178	101,652	7,424	162	362
Colorado	5	554	20	370,677	6,259	646	1,114
Idaho	3	254	36	115,549	6,103	398	394
Kansas	2	228	213	172,750	5,846	392	518
Kentucky	4	681	none	257,452	5,672	378	818
Montana	3	245	none	85,401	7,741	348	281
New York	5	1,372	none	676,295	3,321	493	2,209
North Carolina	4	499	none	654,365	6,162	1,311	1,900
Ohio	2	595	205	689,905	5,787	857	2,143
Vermont	1	130	8	34,915	5,400	253	142
Washington	4	517	28	517,912	6,555	950	1,687
Wisconsin	2	230	40	319,280	5,380	1,182	1,062



Demographics of Comparative States

Veterans per Capita and per SVH bed, 2022



Comparative State Reimbursement Methodologies

State	Average Overall CMS 5-Star Rating Score, May 2022	Ownership Structure	Payors Accepted				*SVH – Medicaid Reimbursement	State Appropriations for Operations	State Appropriations for Capital	Non – COVID Add-Ons or Special Arrangements
			Medicaid	Medicare	VA	Private				
Maine	5.00	Not-for-Profit	•	•	•	•	Cost Based – with caps	Y**	N	Y**
Colorado	4.40	State Owned – under CDHS	•	•	•	•	Prospective Payment System	N	N	N
Idaho	4.00	State Owned	•	•	•	•	Cost Based – 100% of allowable cost	Y	Y	Y
Kansas	3.00	State Owned	•	•	•	•	Prospective Payment System	Y	Y	N
Kentucky	5.00	State Owned	•	•	•	•	Prospective Payment System – with add-ons	N	Y	Y
Montana	4.50	State Owned – three contracted facility	(1 facility CMS certified in 2022)				Prospective Payment System	Y	Y	Y
New York	3.67	State Owned	•	•	•	•	Prospective Payment System	Y	Y	Y
North Carolina	2.75	State Owned under NCDMVA	•	•	•	•	Cost Based – 100% of allowable cost	N	N	Y
Ohio	4.00	State Owned	•	•	•	•	Prospective Payment System	Y	Y	N
Vermont	3.00	State Owned	•	•	•	•	Cost Based – 100% of allowable cost	Y	Y	N
Washington	3.25	State Owned	•	•	•	•	Prospective Payment System	Y	Y	N
Wisconsin	4.00	State Owned	•	•	•	•	Prospective Payment System	N	N	N



* State Veterans Homes only
 **LD 2001 - \$3.5M FY 2021-2023

Alternative Reimbursement Methodologies for State Veterans' Homes

- ▲ State Veterans' Homes reimbursed differently than other nursing facilities in the state, examples:
 - SVH's reimbursed 100% of cost while non-governmental facilities are reimbursed on a prospective payment system
 - Supplemental funding to SVH's for operations from the states general or special revenue funds
 - State provides funding for capital (not covered by VA grants)
 - Add-on payments to SVH's for pension and payroll costs
 - Managed homes where management company is responsible for the financial results of the operations



Alternative Reimbursement Methodologies for Medicaid Programs

Managed Care

- New York – Managed Long-Term Care (MLTC)

Medicare/Medicaid Coordinated Plans

- Idaho - Medicare/Medicaid Coordinated Plan (MMCP)

Quality Incentive Add-On Payments

- Kentucky



COVID -19 Funding

▲ Federal Funding

- Provider Relief Funding
- American Rescue Plan
- Consolidated Appropriations Act of 2021

▲ State Funding

- Increases in Medicaid rate either as a percentage of rate or flat per day rate
- One-time supplemental payments
- Funds to support direct care workers

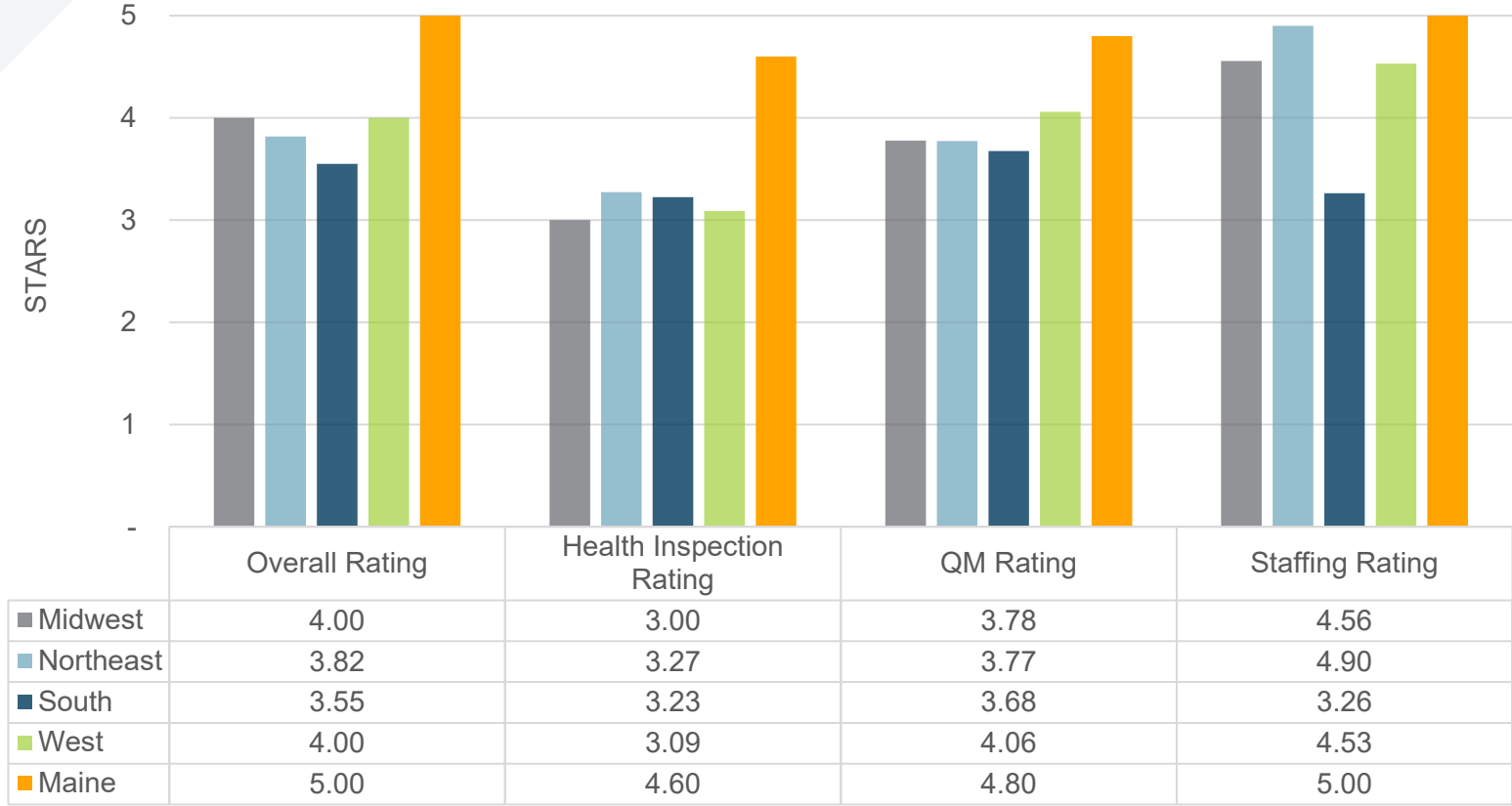


State Veterans' Homes SNF/NF Unit Average Payer Mix

State	Medicare		Medicaid		All Other Payers	
	2020	2021	2020	2021	2020	2021
Maine	4.6%	2.6%	55.9%	62.0%	39.5%	35.3%
Comparison Group						
Colorado	2.4%	2.0%	53.5%	45.0%	44.1%	52.9%
Idaho	2.5%	3.5%	46.2%	42.6%	51.3%	53.9%
Kansas	2.5%	3.7%	34.8%	31.7%	62.7%	64.5%
Kentucky	1.0%	1.1%	36.0%	40.3%	63.0%	58.7%
New York	2.5%	1.8%	36.5%	51.1%	61.1%	47.1%
North Carolina	13.4%	13.5%	39.1%	40.4%	47.5%	46.0%
Ohio	0.5%	0.9%	0.0%	0.0%	99.5%	99.1%
Vermont	0.3%	0.9%	47.0%	51.7%	52.6%	47.4%
Washington	2.4%	2.8%	37.7%	38.9%	59.9%	58.3%
Wisconsin	1.9%	1.7%	60.2%	58.4%	37.9%	39.9%
Comparison Group Average	3.6%	4.1%	38.6%	39.4%	57.8%	56.6%



State Veterans' Homes Average Star Ratings, May 2022



Summary of Significant Findings

- ▲ Maine has 2nd highest number of veterans per capita among the comparison states, and, has the lowest number of veterans per bed.
- ▲ Maine is unique to the comparison states in that the state veterans' homes are an independent nonprofit rather than a component unit of the state.
- ▲ Most other SVH's that are units of a state government were reimbursed differently than non-governmental nursing facilities in the state.
- ▲ Occupancy levels have not recovered to pre-pandemic levels for several reasons; however, the most frequently reported reasons were due staffing constraints.



Definitions

<i>CMS Five-Star Quality Rating System</i>	Centers for Medicare & Medicaid Services (CMS) Five-Star Quality Rating System is designed to help consumers compare nursing homes. The Nursing Home Care Compare web site features a quality rating system that gives each nursing home a rating of between 1 and 5 stars. Nursing homes with 5 stars are considered to have much above average quality and nursing homes with 1 star are considered to have quality much below average. There is one Overall 5-star rating for each nursing home, and separate ratings for health inspections, staffing and quality measures.
<i>Cost-based reimbursement</i>	A reimbursement methodology providing payments to health care organizations based on their reported allowable costs. Allowability of costs is determined by the regulating agency's rules (such as Medicaid reimbursement manuals). A cost-reporting form is required for submission, and allowable costs are calculated on a per patient day/per diem basis.
<i>Domiciliary care</i>	Facility providing a home to a veteran, including the furnishing of shelter, food, and other comforts of home, and necessary medical services, that state homes are required to provide.
<i>Eligible veteran</i>	A veteran whose care in a state home may serve as a basis for per diem payments to the State. The requirements that an eligible veteran must meet are set forth in 38 CFR Part 51 §§ 51.50 (nursing home care), 51.51 (domiciliary care), and 51.52 (adult day health care).
<i>Nursing home care</i>	the accommodation of convalescents or other persons who require nursing care and related medical services, if prescribed by, or are performed under the general direction of, persons duly licensed to provide such care. The term includes services furnished in skilled nursing care facilities, in intermediate care facilities, and in combined facilities. It does not include domiciliary care.
<i>Prospective Payment System</i>	a method of reimbursement in which insurance (such as Medicare) payment is made based on a predetermined, fixed amount, that is based on the classification system of that service.
<i>Resident</i>	an individual receiving nursing home or domiciliary care.
<i>State Home</i>	a home recognized and, to the extent required by 38 CFR Part 51, certified that a State established primarily for veterans disabled by age, disease, or otherwise, who by reason of such disability are incapable of earning a living. A State Home must provide at least one program of care (<i>i.e.</i> , domiciliary care, nursing home care, or adult day health care).
<i>VA</i>	the U.S. Department of Veterans Affairs.
<i>Veteran</i>	a person meeting requirements as a veteran under 38 U.S.C. 101.



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This report/communication is intended solely for the information and use of Maine Department of Health and Human Services, Maine Veterans' Homes, and the Stakeholder Group established pursuant to Maine Revised Statutes 37-B, Section 612 and is not intended to be, and should not be, used by anyone other than these specified parties.

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