



OPTIMIZING HEALTH CARE RESOURCES

# TEAM VETERAN

*How Michigan can help veterans with skilled nursing  
and long-term health care needs*



# MICHIGAN CAN SHINE IN VETERAN HEALTH CARE

*The challenge: Our two state veteran homes face an uncertain future.*

Michigan's veterans homes are in Grand Rapids and Marquette. The Grand Rapids home is outdated, and working to come back from longtime systemic problems and poor community perception. The Marquette home is beloved by the community, but like Grand Rapids, its financial model is not sustainable as more veterans with fewer assets enter the system.

The Michigan Veterans Affairs Agency formed a workgroup to study how the state can move the homes toward sustainability and improve long-term care for veterans. This report explains the workgroup's recommendations.

# THE WORKGROUP

*A mix of veterans, advocates, lawmakers and long-term care experts*

## MEMBERS

**Carrie Anderson** United States Army | Director, Kent County Department of Veteran Services

**David Hildenbrand** State Senator, Senate District 29 (R-Lowell Township)

**Bob Johnson** United States Coast Guard | Board of Managers Chair | Workgroup Co-Chair | Analyst, Consumers Energy

**David Knezek** United States Marine Corps | State Senator, Senate District 5 (D-Dearborn Heights)

**Kate Kohn-Parrott** President and CEO, Greater Detroit Area Health Council

**Ed McBroom** State Representative, House District 108 (R-Vulcan)

**Paul Mead** U.S. Army/Michigan National Guard | Member, Board of Managers | VP of Project Management, Hagerty Insurance

**James Robert Redford** United States Navy | Director, Michigan Veterans Affairs Agency | Workgroup Co-chair

**John Roberts** Director, State Budget Office | Workgroup Co-Chair

**David Rutledge** United States Air Force | State Representative, House District 54 (D-Ypsilanti)

**John Thorhauer** United States Army Reserve | Board of Managers | President and CEO, United Methodist Retirement Communities

**Kwan Tillman** United States Marine Corps | Director, Michigan Disabled Veterans of America, Veteran Services, Wayne County

**Bill Vajda** Son of a DJ Jacobetti Home for Veterans member | President, Balizarde LLC

**Kathy Wilbur** Vice President for Government and External Relations, Central Michigan University

**Larry Yacheik** United States Army | President and CEO, Porter Hills Retirement Communities & Services

## ADVISERS

**Dr. Marcos Montagnini** Director, Palliative Care Program, VA Ann Arbor Healthcare System

**Ed Harries** Executive Director, Tennessee State Veterans Home

**John Larouche** Legal Advisor, National Association of State Veterans Homes

## MICHIGAN VETERANS WORKGROUP

# OUR VISION

*"By 2022, through an established Authority, the Michigan Veteran Health System will provide sustainable Centers of Service in collaboration with a network of partnerships for Veterans and their families."*

# OVERVIEW

## OUR RECOMMENDATIONS

### *Governance*

Create an authority that transitions the two state homes into a system that is responsive to veterans' long-term care and aging needs. Ensure that board members have relevant skill sets.

### *Oversight*

Continue to implement new processes and safeguards in our current homes to ensure veterans are receiving the best possible care. New audit and reporting requirements will be important as we move toward a new system of governance at the homes. Involvement and oversight from Legislators and veterans advocates will also assist in the continued improvement of our existing homes and in the transition to the new system. Obtaining CMS certification, coupled with VA and state oversight, will ensure the homes are operated in a compassionate and financially sound manner.

### *Facilities*

Build facilities in locations based on the greatest need. Pursue VA construction grant funding. The first two homes would enable the authority to finance future homes.

- First phase: Metro Detroit and Grand Rapids (replace the current aging home, but stay on the same grounds to take advantage of existing infrastructure)
- Second phase: Flint/Saginaw/Bay City
- Third phase: Jackson/Battle Creek
- Fourth phase: Replace the aging facility in Marquette
- Fifth phase: Northern Lower Peninsula
- Sixth phase: Southeast Michigan

### *Housing*

Coordinate efforts to provide affordable and transitional housing for veterans in need. We've identified a critical need for affordable housing for veterans, an essential tool to help them lead stable lives and age in their own homes, if they choose.

Leverage partnerships to develop transitional group housing for veterans in crisis and permanent housing for low-income veterans. Ideally, the latter would be near one of our campuses to enhance continuum of care.

# OVERVIEW, PART 2

## OUR RECOMMENDATIONS

### *Services*

Build a community around state veteran homes. Provide home-like, family-friendly settings on campuses that connect non-resident veterans to services that address their unique and changing needs. These could include mental health counseling, job training, support groups and more.

Help veterans who want to age in their own homes by partnering with providers of supportive services. The

authority may or may not provide these wrap-around services, but at the very least, it should help coordinate access to them.

Certify beds for Medicare as well as Medicaid to enable the homes to provide rehabilitative services in addition to skilled care.

Participate in the VA's adult daycare program.

## THREE KEY QUESTIONS

# SERVICES

What services should the health system offer and which ones could be provided through partnerships?

# FACILITIES

What are the priorities for new facilities and our two current homes?

# GOVERNANCE

What is the most effective way to provide the highest level of care for veterans?

# SERVICES

## *What's important:*

- We want to ensure every veteran gets the right care – skilled nursing, rehabilitative, long-term and end-of-life – at the right time, in the most appropriate setting of their choice.
- We want to partner with health care and housing providers.
- We want to establish the best health care practices in the nation.



# AGING IN PLACE

## TREND

Seniors want to stay in their own homes for as long as possible. When a veteran needs rehabilitative or long-term residential care, our homes will be there for them.

### *Recommendations:*

Partner with programs that provide supportive services to keep veterans in their own homes.

Encourage the development of supportive housing projects and other prevention programs, which are crucial tools to help low-income veterans live independently.

Provide adult day (and possibly night) care programs, partially funded by the VA, to provide respite for caretakers.

Get dual certification (Medicaid/Medicare) to provide not just skilled nursing, but also rehabilitative services for veterans.

# TREND

Today's veterans include more women. Soldiers are surviving wounds, like traumatic brain injury, that would have been deadly in earlier conflicts. And this generation won't choose institutional settings to grow old.

# BUILDING COMMUNITY

## *Recommendations:*

Provide care in a home-like setting that is veteran and family-centered.

Ideally, make each home part of a campus of community providers who help veterans of all ages with services such as financial and mental health counseling, job training, benefit referrals and meeting spaces.

Offer guest accommodations to visiting family members of veterans.

Provide veteran-centric treatment and outreach to meet their unique and changing needs.

# TREND

Best practices now show that homeless veterans are stabilized more quickly when they get permanent housing first, and then services to help with job, health, addiction and financial issues.

# CRISIS HOUSING

## *Recommendations:*

Modernize domiciliary operations to align with VA standards, and create ways to help veterans live independently.

Build group housing or partner with others to provide transitional housing to help at-risk veterans live independently.

# TREND

Affordable housing is a critical need. Ensuring low-income veterans have access to housing is essential for their well-being and for their ability to age in place if they choose..

# AFFORDABLE HOUSING

## *Recommendations:*

Form a coalition of partners who have expertise in financing and building affordable independent and assisted living housing to develop an array of options for veterans.

Educate the community on the need for such housing and recruit support for its funding.

When possible, locate permanent housing projects near our skilled nursing facilities, for continuum of care.

“ Enhancing quality and services to Michigan veterans in need of long term care service is the right thing to do and now is the right time to do it right. ”



**JOHN THORHAUER, PRESIDENT AND CEO  
UNITED METHODIST RETIREMENT COMMUNITIES  
U.S. ARMY RESERVE VETERAN**

# FACILITIES

## *What's important:*

- We want homes that align with best practices.
- We want family-friendly homes located throughout the state that are easily accessible.
- We want to obtain dual CMS certification at all our homes.
- We want to follow the VA's direction for smaller facilities that offer a home-like setting for veterans.
- We want the homes on campuses that are a destination for all veterans.
- We want to maximize the federal dollars available.



**640,181**

**NUMBER OF VETERANS IN MICHIGAN**

**210,283**

**NUMBER OF VETERANS IN  
WAYNE, OAKLAND AND MACOMB COUNTIES.**

**98,289**

**NUMBER OF VETERANS IN WEST MICHIGAN**

**119,893**

**NUMBER OF VETERANS ALONG THE I-94 CORRIDOR**

**106,537**

**NUMBER OF VETERANS IN FLINT, SAGINAW & THUMB REGION**

**48,407**

**NUMBER OF VETERANS IN NORTHERN LOWER MICHIGAN**

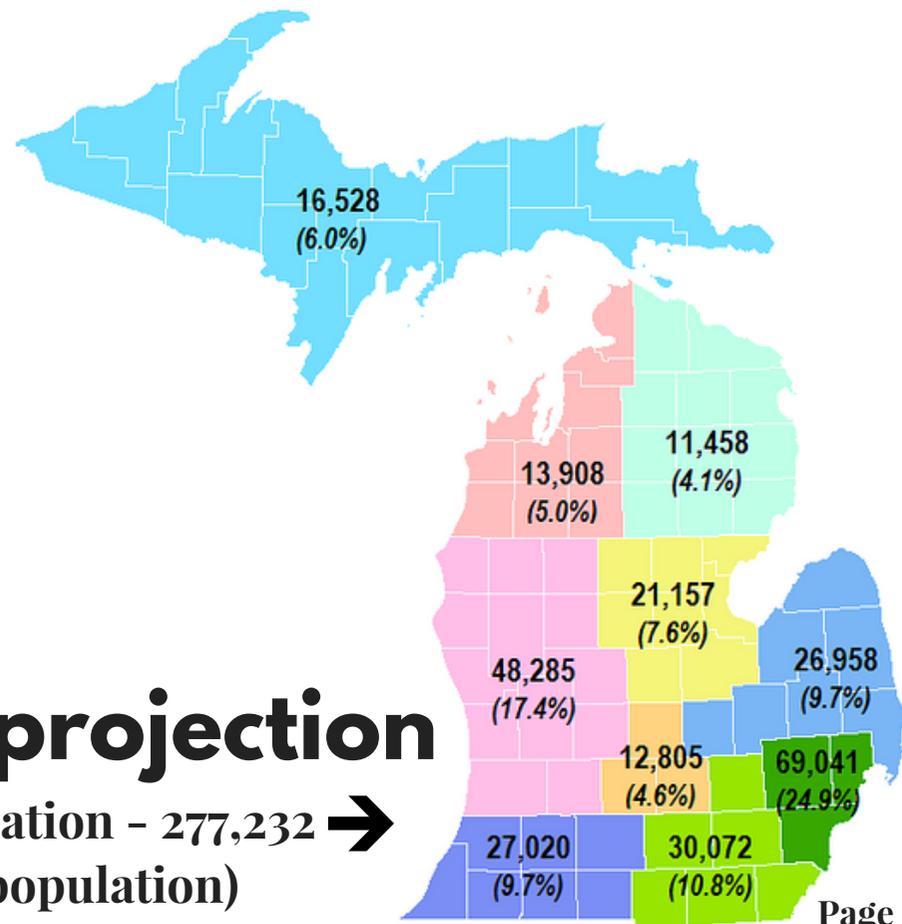
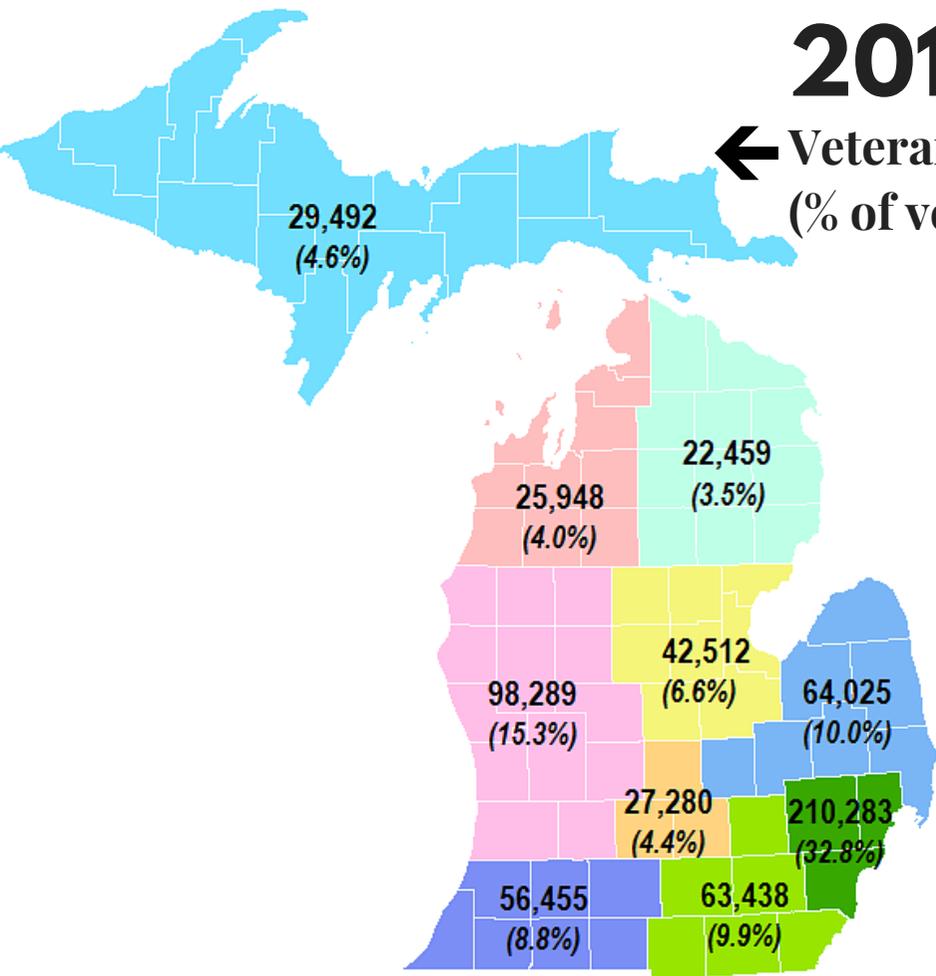
**29,492**

**NUMBER OF VETERANS IN THE UPPER PENINSULA**

# PROJECTIONS

## 2016

← Veteran population - 640,181  
(% of veteran population)



## 2043 projection

→ Veteran population - 277,232  
(% of veteran population)

## **RECOMMENDATION: NEW CONSTRUCTION**

Geographically diverse. Conveniently located.

### **PHASE 1: TWO HOMES IN THE FIRST YEAR**

The state would arrange the financing for the first two homes.

Revenues from those homes would enable the authority to finance future homes.

## **METRO DETROIT**

*Prosperity Region 10:*

Where the most veterans are.

A highly underserved area.

## **GRAND RAPIDS**

*Prosperity Region 4:*

This home is aging and needs replacing soon. New construction on the same site will utilize some of the existing infrastructure.

## PHASE 2

# FLINT/SAGINAW/BAY CITY

*Prosperity Regions 5/6*

This area has a high concentration of older veterans. A home in this region would also serve the Thumb area.

## PHASE 3

# JACKSON/BATTLE CREEK

*Prosperity Regions 8/9*

Serving the I-94 corridor, which has a hefty population of veterans.

## PHASE 4

# MARQUETTE

### *Prosperity Region 1:*

For now, getting CMS certification will sustain what is already a top-notch operation, but the aging building will eventually need replacement.

## PHASE 5

# NORTHERN LOWER PENINSULA

### *Prosperity Regions 2/3:*

A central location near a freeway exit would be ideal.

## PHASE 6

# SOUTHEAST MICHIGAN

### *Prosperity Region 10:*

Even with the shrinking veteran population, this region can support another 120 beds. Strategic placement of two homes is essential.

“It is essential to create a flexible and sustainable system wherein decisions can be made in a timely manner to ensure that current and emerging needs of our veterans are being met with excellence.”

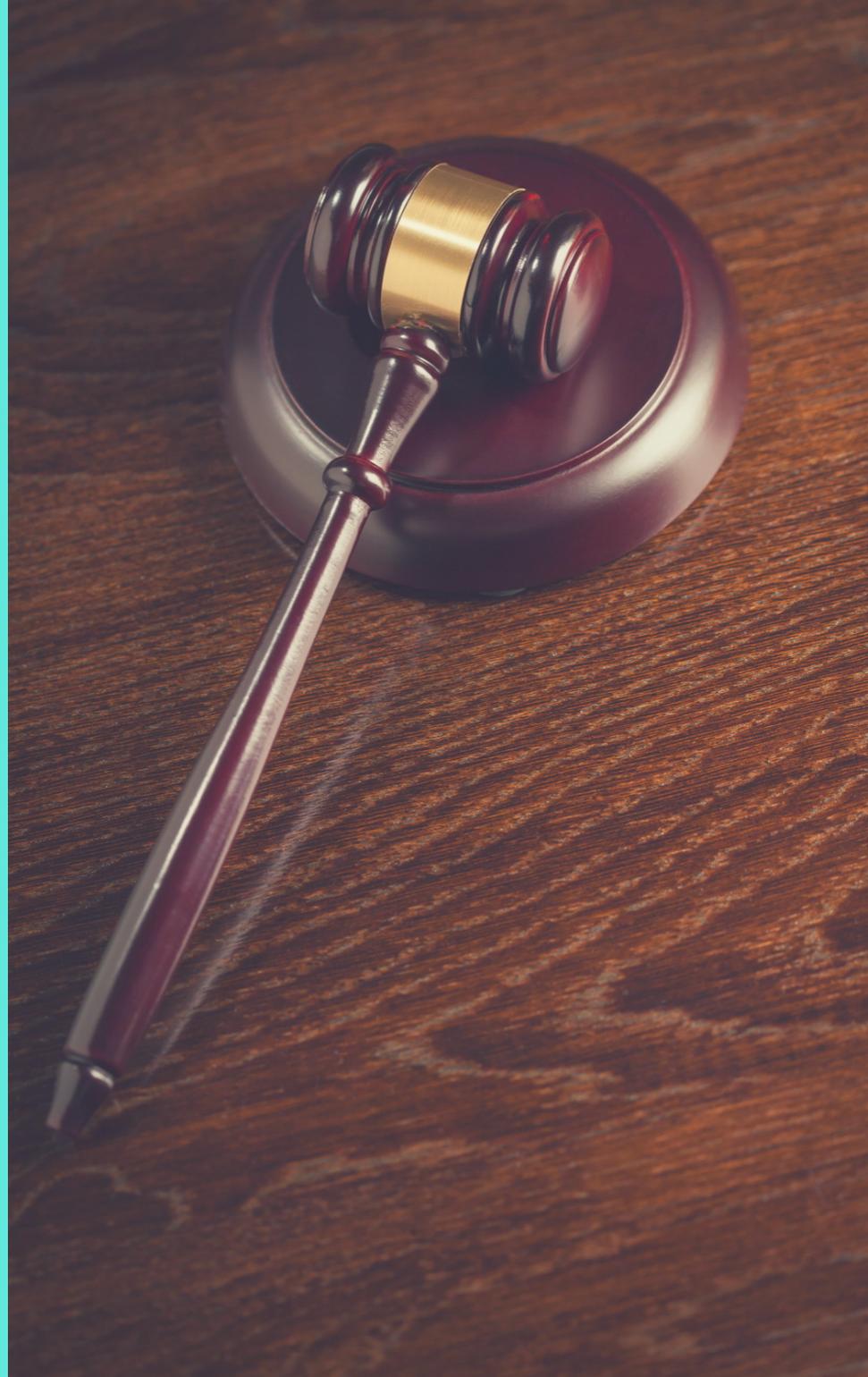


**CARRIE ANDERSON, DIRECTOR  
KENT COUNTY DEPT. OF VETERAN SERVICES  
U.S. ARMY VETERAN**

# GOVERNANCE

## *What's important:*

- We want a form of governance that has the ability to attract the best caregivers for our veterans.
- We want a system that is nimble in its response to changing populations, regulations and trends.
- We welcome federal and state oversight of the system to ensure that it is living up to expectations.



## RECOMMENDATION: CREATE AN AUTHORITY

# WHY AN AUTHORITY MODEL WORKS

*The health system must have flexibility.*

It must be able to move quickly to buy land, negotiate contracts and procure equipment and IT solutions.

An authority also would allow the health system to:

- recruit and retain the most qualified employees to care for our veterans,
- eventually issue bonds to finance homes,
- accept major donations,
- directly enhance finance, contract and workforce relationships, and
- take advantage of opportunities in the marketplace.

# TREND

Shortages of nurses and certified nursing assistants plague the long-term care industry, and they're projected to get worse. We're facing a caregiver crisis.

# GROWING EMPLOYEES

## *Recommendations:*

Offer state-of-the-art professional development and educational opportunities for students in nursing, social work, physical/occupational therapy and other health programs.

Consider locating on an educational institution's grounds.

Incentivize students by offering rent subsidies, scholarships and student loan-payoffs in return for a commitment to work at our homes. Similarly, provide assistance and career counseling to CNAs who aspire to become nurses.

Stem turnover rates by offering attractive salary/benefit packages and creating work settings in which caregivers build gratifying relationships with their patients.



# AUTHORITY BOARD MEMBERSHIP

## *Recommendations:*

Create a board roster that shall include people from diverse and relevant backgrounds, including qualified veterans. Skill sets from the medical, long-term care, financial, legislative and other pertinent arenas will be crucial to the smooth operation of the homes.

“In order to function at maximum efficiency, a new model will need to be freed from the bureaucratic maze of state government, have the ability to administer its own budget, locate care facilities in close proximity to large veteran population centers, be able to partner with other community-based agencies, and employ its own trained and career-minded staff. We owe our veterans no less than this level of responsiveness.”



**DAVID E. RUTLEDGE, STATE REPRESENTATIVE  
U.S. AIR FORCE VETERAN**

# OVERSIGHT

## *Ensuring success*

Under this plan, the oversight of our veterans homes will align with, if not exceed, that for private sector nursing homes. In addition to the stringent requirements and inspections required with the advent of CMS certification, the homes will continue to be scrutinized by the federal VA, the state Legislature and the state Auditor General.

We recommend that the statute establishing the authority allows for legislative oversight, such as regular reporting of financial status and medical incidents. The statute should also require that board members have pertinent skill sets and be seated at the advice and consent of the Senate.

Additionally, a long-term care ombudsman and veteran ombudsman will be available to home residents.

## *Providing the best care*

Our two existing homes must adhere to the care standards and audits established by the federal VA. While this standard of care is acceptable to meet federal requirements, we believe we can strengthen our standard of care with CMS certification. The workgroup recommends getting all new homes and DJ Jacobetti certified to meet CMS care standards and capture Medicaid and Medicare dollars.

Under CMS, the homes will be subject to unannounced, stringent inspections to ensure they comply with Medicaid/Medicare standards. The inspections rank the severity and urgency of any complaints, and the facility must respond with a plan of correction that puts patient health and safety first.

Deficient facilities suffer stiff penalties that can range from state monitoring and patient transfers to fines and temporary management.

**TIME IS OF THE ESSENCE**

**APRIL 15, 2017**

That's the date to submit our application - with site choices and schematics - for the VA's construction grant that pays for 65 percent of construction costs.

We can do this. But we must move with urgency.

“Healthcare is full of many unknowns, but one thing is clear: When duty called, our veterans answered. Now we must honor their call, and ensure they receive the best care possible.”



**BILL VAJDA, PRESIDENT  
BALIZARDE LLC, AND SON OF A VETERAN  
AT DJ JACOBETTI HOME FOR VETERANS**

*This workgroup was facilitated by the staff at MVAA*



[www.MichiganVeterans.com](http://www.MichiganVeterans.com)

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