

**Veterans Home
Budget 313
House Bill No. 1007**

	FTE Positions	General Fund	Other Funds	Total
2003-05 legislative appropriation	89.41	\$3,046,072	\$7,971,123	\$11,017,195
2001-03 legislative appropriation	<u>87.01</u>	<u>3,379,368</u>	<u>6,099,935</u>	<u>9,479,303</u>
2003-05 appropriation increase (decrease) to 2001-03 appropriation	2.40	(\$333,296)	\$1,871,188	\$1,537,892

Item Description

Skilled care beds addition - Section 7 of House Bill No. 1007 provides for the Department of Human Services to purchase eight skilled nursing care beds available after April 14, 2003, from funding available from the bed reduction incentive program and to transfer the purchased beds to the Veterans Home.

Strategic plan - Senate Bill No. 2299 directs the chairman and secretary of the Administrative Committee on Veterans Affairs to jointly appoint a seven-member governing board for administration of the Veterans Home, from within or outside the committee, and to establish term lengths for service on the governing board. The governing board is responsible for establishing the qualifications for and selection of an administrator of the Veterans Home. The governing board is also to create and implement a strategic plan for the Veterans Home.

Status/Result

The Veterans Home will not be converting basic care beds to skilled care due to several factors, including a requirement by the federal Veterans Administration which precludes basic and skilled care residents from being commingled. The only available space for placement of the beds is on the second floor, which would require major renovations to meet health code regulations. The Veterans Home determined it was not cost-effective at this time to convert the beds.

Because the Veterans Home is not adding the eight skilled care beds, budget forecasts will not be met. Expenses will decrease by \$650,614, but revenues will decrease \$900,868, resulting in a budget deficit of \$250,254. The Veterans Home may request a deficiency appropriation to provide for this shortfall.

The seven-member governing board to oversee the Veterans Home has been appointed. A strategic plan has been completed and an operational plan has been established, with the management of the Veterans Home meeting weekly to work on the specific strategies, outcomes, and goals from the plan. The cost to develop the strategic plan for the Veterans Home was approximately \$30,000.