

WISCONSIN STATE  
LEGISLATURE  
COMMITTEE HEARING  
RECORDS

1999-00

(session year)

Assembly

(Assembly, Senate or Joint)

Committee on  
Veterans and  
Military Affairs  
(AC-VMA)

Sample:

Record of Comm. Proceedings ... RCP

- 05hr\_AC-Ed\_RCP\_pt01a
- 05hr\_AC-Ed\_RCP\_pt01b
- 05hr\_AC-Ed\_RCP\_pt02

➤ Appointments ... Appt

➤ \*\*

➤ Clearinghouse Rules ... CRule

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➤ Committee Hearings ... CH

➤ \*\*

➤ Committee Reports ... CR

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➤ Executive Sessions ... ES

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➤ Hearing Records ... HR

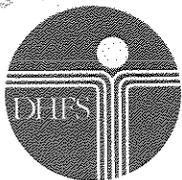
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➤ Miscellaneous ... Misc

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➤ Record of Comm. Proceedings ... RCP

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State of Wisconsin  
Department of Health and Family Services

Tommy G. Thompson, Governor  
Joe Lecaan, Secretary

January 7, 2000

The Honorable Terry Musser  
State Capitol, 11 West  
Madison, WI 53708-8952

Dear Representative Musser:

The Department of Health and Family Services proposes a simple change to the Chapter 150 provisions of 1999 Senate Bill 291.

SB 291 in part makes the nursing care facility at the southeastern facility exempt from the regulation of nursing homes under the resource allocation program to the same extent as the home at King. Our proposed amendment would extend this provision in subchapter II of Chapter 150 to "state-operated long-term care facilities" as already defined in the bill.

State-operated long-term care facilities (which means *only* the three existing state centers for the developmentally disabled and the state's veterans' homes) already fall under the review of DOA, the Building Commission and the Legislature. Wisconsin has a process to publicly scrutinize any budget changes or capital expenditures of a state-owned facility. Thus, the Chapter 150 resource allocation provisions are duplicative when applied to a state-owned facility. By making this modification now, we can avoid the need to return to the statutes and make further case-by-case exceptions for facilities that are already fully scrutinized by the Legislature.

The change we propose is to revise section 76 of the bill so that the statutes would read:

*150.46 (1) This subchapter does not apply to any state-operated long-term care facility as defined in s. 46.27(1)(df) (as affected by this bill).*

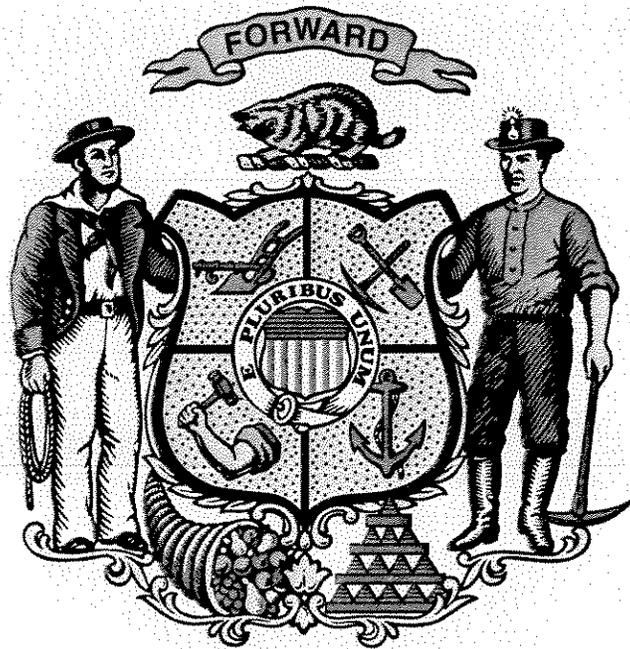
I understand that you may be drafting an Assembly companion to SB 291. DHFS would like to gain your support of this change as a friendly amendment either to the bill draft or in the process of your committee's review of the legislation. Please let me know if you have any concerns. I can be reached at 266-3262.

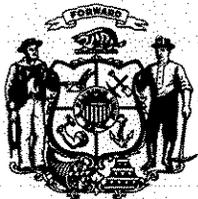
Sincerely,

Kevin Lewis  
Legislative Liaison

cc: Senator Rodney Moen  
John Scocos, Department of Veterans Affairs

1/20  
Terry  
Musser  
will  
find out  
Rod  
Supports  
are we? did Rod  
okay this change?  
Rod  
Exed - SB 291  
will not be in  
SB 291





# Bonnie L. Ladwig

Assembly Assistant Majority Leader

TO: All Legislators

FROM: State Representative Bonnie Ladwig

DATE: February 17, 2000

RE: Co-sponsorship of Veterans Affairs Legislation (LRB 4209/2)

*Terry on  
yes*

Per the request of the Wisconsin Department of Veterans Affairs, I am introducing legislation that makes the following changes:

- Adding proprietary schools to the list of schools for which veterans can receive reimbursement for training.
- Excluding the new veterans nursing care facility in southeastern Wisconsin and the state's three centers for the developmentally disabled from the state resource allocation program.
- Transfer the funding source for the current museum store manager position from PR to SEG.
- Transfer the costs associated with the Southern Wisconsin Veterans Cemetery staff, which is funded by spousal burial fees, to the federal plot allowances appropriation and the SEG.
- Provide funds for the planning required to establish a skilled nursing facility at Southern Center. This would be set up as a biennial appropriation with a sunset date of June 30, 2001.
- Provide program revenue to operate a Veterans Retirement Center at Southern Center.

All funds and appropriations in this bill are program revenue and SEG.

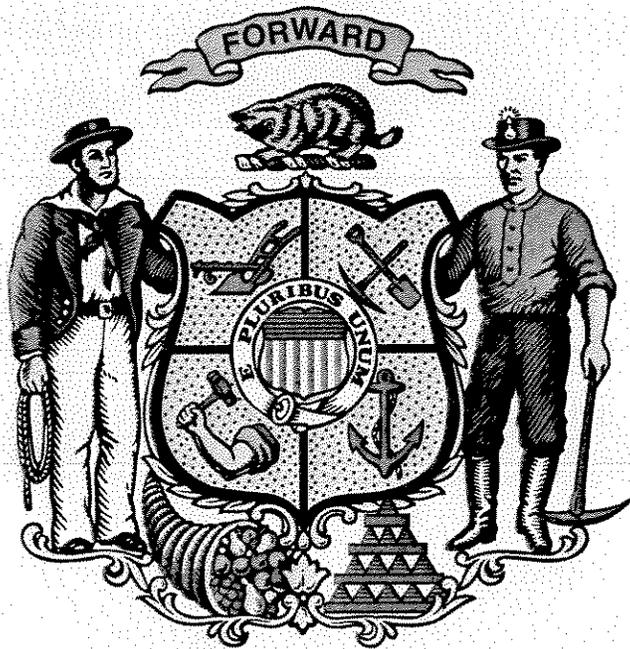
**If you would like to co-sponsor this bill, please contact my office at 266-9171 by Wednesday, February 23, 2000**

**Analysis by the Legislative Reference Bureau**

Under current law, a veteran may receive a grant of up to \$3,000 for retraining to enable the veteran to obtain employment. Currently, to receive a grant, the veteran must be enrolled in a training course at a technical college or in an on-the-job training program that meets program requirements promulgated by rule by the department of veterans affairs. This bill allows a veteran to also receive a retraining grant if the veteran is enrolled in a training course in a proprietary school that is approved by the education approval board.

Under current law, the construction of new nursing home beds, increase in nursing home bed capacity, certain large capitol expenditures and clinical equipment expenditures, and the conversion of a nursing home to a developmental disability facility are subject to the state resource allocation program. Under this program, none of these activities may be undertaken without the approval of the department of health and family services. Currently, this program does not apply to the Wisconsin Veterans Home at King. Under this bill, the program would also not apply to the new veterans nursing care facility in southeastern Wisconsin nor to the three state centers for the developmentally disabled.

This bill also provides funding for staff to operate the Southern Wisconsin Veterans Retirement Center, a residential facility for veterans located in southeastern Wisconsin that was authorized in 1999 Wisconsin Act 9, the 1999-2000 budget bill.



## DECISION ITEM REQUEST

### WISCONSIN DEPARTMENT OF VETERANS AFFAIRS FY 2000 BUDGET ADJUSTMENT BILL REQUEST

Decision Item Number: 6001  
Beck Hall Community-Based Residential Facility

Appropriation Number: 120 (PR)

#### NARRATIVE JUSTIFICATION

##### 1. Request/Objective

The Department requests \$1,103,000 in Program Revenue spending authority and authorization for 23 FTE positions in FY01 to staff a 36-bed Community-Based Residential Facility (CBRF) in Beck Hall at Southern Center. The purpose of this request is to provide services to Wisconsin's veterans.

##### 2. Benefit

The Department of Veterans Affairs currently operates a Skilled Nursing Home at King and is in the process of renovating Garner Hall at Southern Center to provide CBRF facilities for elderly veterans in the southern part of the state. The Beck Hall CBRF will provide additional capacity to provide services to the veterans in southern Wisconsin. The veterans that will be served by these CBRFs are individuals that need some assisted living services, but do not require skilled nursing services.

##### 3. Background

The Department is statutorily required by s. 45.35, Stats., to provide health, educational and economic assistance to veterans and their dependents that are residents of Wisconsin. The forms of assistance that currently are being provided include grant and loan programs; skilled nursing and CBRF facilities at King; cemeteries in southern, northern, and central Wisconsin; and services to unemployed and underemployed veterans that are provided at five different sites throughout the state. Providing CBRF facilities in the southern part of the state will address this statutory provision by providing needed services to a part of the state, which has a heavy concentration of the veteran population.

In February of 1999, the Building Commission approved the Department's request for planning funds to prepare a design report for the Garner and Beck Hall CBRF project that will cost an estimated \$2,440,000. Sixty-five percent of the cost of renovation will be obtained from a federal U. S. Department of Veterans Affairs grant, and 35% will be obtained using a combination of General Fund Supported Borrowing and Program Revenue Supported Borrowing.

#### 4. Analysis of Need

A private consulting company prepared a feasibility study relating to CBRF facilities at Southern Center. There are 15 counties within 80 miles of Southern Center. In the year 2000, these counties will have a combined population of 146,210 veterans that are age 55 and older, which includes 3,970 veterans that are age 85 and over. It is estimated the potential CBRF demand by veterans that are age 85 and over will be 1,096 in the year 2000. The annual potential demand for the period of 2005 to 2030 (estimates were developed every five years) varies from 1,200 to 1,500 individuals. It is estimated that traditional CBRFs will provide services to approximately 20 percent of the veterans that would utilize such facilities. Therefore, the demand for CBRF facilities will exceed the 120 beds that the Department of Veterans Affairs will eventually have available.

A benefit to veterans that reside at the Department's CBRFs is that the Federal Department of Veterans Affairs will pay ~~\$40~~<sup>\$21</sup> a day (per diem) toward the cost of their care. Veterans that live in private CBRFs are not eligible for the per diem. Veterans that receive aid and attendance pension also apply these funds to the cost of their care, whether it is the state facility or a private facility. It is estimated the revenues for the CBRFs will consist of 31 percent from per diem, 41 percent from VA pensions, and 28 percent from the individuals' private income.

The 23 staff in this request include 14 staff that duplicate the direct care, dietary, and custodial staff that were approved for Garner Hall. The number of these staff that are required was determined based on a staffing model prepared by Innovative Health Associates (IHA) in its January, 1999 feasibility study of renovating Garner and Beck Halls for use as CBRFs. The IHA model showed a need for 15 direct care, dietary, and housekeeping staff for a 36-bed CBRF. These staff include one Nurse Supervisor, six FTE Nursing Assistants, eight .50 FTE Nursing Assistants, one FTE Food Service Assistant, two .50 FTE Food Service Assistants, and one Custodian. The 15<sup>th</sup> staff person included in the direct care for Garner Hall was a FTE Therapy Assistant. This request includes one FTE Therapist, rather than a Therapy Assistant. With the operation of the Beck Hall CBRF, the volume of residents will double and there will be a need for a professional Therapist to direct and administer the activities for the residents.

This request includes an additional seven staff that will provide support to both the Garner and Beck CBRFs. The additional staff are required due to the increase in the total number of staff and residents that will be associated with the two CBRFs. These staff include: one FTE Admissions/Discharge Supervisor, one FTE Materials Management Director, one FTE Program Assistant (receptionist), one FTE Human Resources Specialist, one FTE Financial Specialist, one FTE Social Worker, and one FTE Dietitian.

#### 5. Alternatives

A. Do not develop, or delay the development of, the Beck Hall CBRF. This would result in the Department acting contrary to legislative intent. The Department is charged with providing services to veterans. Providing assisted living facilities is a key component of providing the services that are needed by aging veterans. The feasibility study shows that there is a significant demand for this type of facility for veterans.

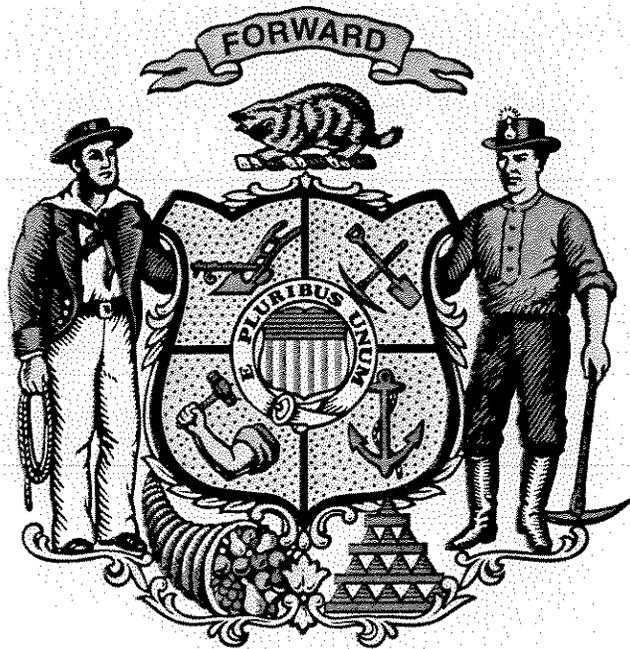
B. Contract with a private firm to own and operate the CBRF. This would result in the loss of the federal per diem revenues, which are a significant portion of the projected revenue stream for the CBRF. The use of per diem payments will allow the Department to assist veterans who financially cannot afford private assisted living facilities.

6. Statutory Language

No statutory language is required.

7. Internal and External Impact

The internal impact is that this initiative will enable the Department to continue to fulfill its mission to provide services to Wisconsin's veterans. The external impact is that the CBRF will provide older veterans with a viable living alternative that provides limited assistance and still enables them to remain more active and independent.



*The Veterans Home at King is excluded from this program.*

Southern WI Center near Union Grove

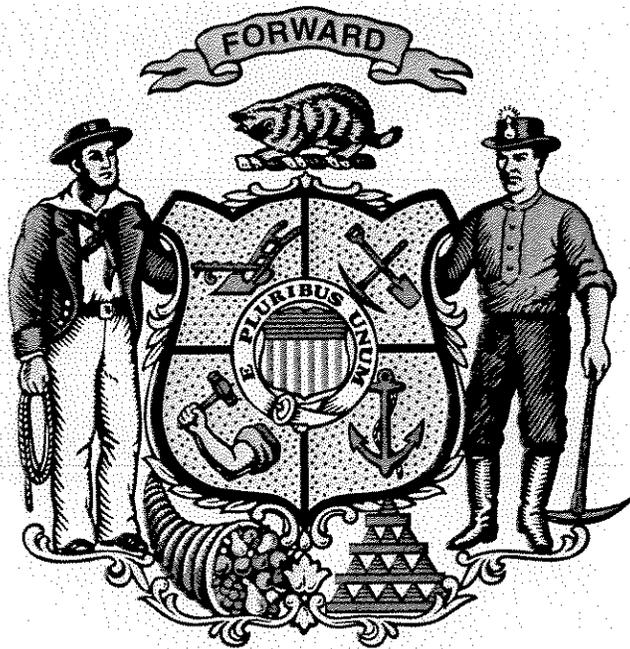
Retirement Center: For Veterans & Spouses

1. Skilled nursing care facility - 120 beds  
& 40 bed CBRF  
New construction....waiting for federal grant
2. Community Based Residential facility - 80 beds

Renovate two vacant bldgs - 1<sup>st</sup> building open fall of 2000

Southern Cemetery opened May '98

About 2000 Veterans buried there already



## FISCAL EFFECT OF SUBSTITUTE AMENDMENT

A fiscal estimate prepared by the DVA estimates that an additional 30 retraining grants will be applied for resulting in \$90,000 cost to the Veterans Trust Fund (SEG).  
Added 2-year proprietary schools

Transferring funding for the Museum Store Manager will cost the Veterans Trust Fund \$16,000 in FY00 and \$47,700 in FY01.

To plan the Southern Center skilled nursing facility will cost the Veterans Trust Fund \$725,000 in FY00. These funds are to be repaid when the funding becomes available for the complete project.

The 23.0 FTE positions and operating costs for the Retirement Center is \$1,134,800 PR for FY01.

The transfer of the 1.0 FTE positions from SEG to the cemetery's federal program revenue will be \$9,100 in FY00 and \$27,300 in FY01.

The fiscal impact of transferring 2.5 FTE position from PR to SEG is \$29,900 in FY00 and \$90,300 in FY01.

### **Substitute Eliminated**

AB 820 will allow the Southern Center skilled nursing home to be constructed and to operate as does the Veterans Home at King where the Legislature approves the expenditures.

Exempting the three state developmental disability facilities from the state resource allocation program, will eliminate duplication of the monitoring and control procedure of the state and legislature.

It is expected this will create administrative efficiency but the fiscal effect cannot be estimated.

*FYI.....the Department of Health and Family Services, through the state resource allocation program, must approve the construction of new nursing home beds, the increase in nursing home bed capacity, certain large capital and clinical equipment expenditures, and the conversion of a nursing home to a developmental disability facility, when the facility is not operated by the state.*