

TESTIMONY ON HB 1007
HOUSE HUMAN RESOURCES COMMITTEE
TUESDAY, JANUARY 24, 2023

Chairman Nelson and members of the Human Resource Committee, I am Mark Johnson, Administrator of the North Dakota Veterans Home. I am here today to discuss the Eide Bailey Report. I will be addressing the Veterans Home current status, challenges facing the Veterans Home and items from the Eide Bailey report that we would like your committee to consider.

Kristin Lunneborg, the Veterans Home CFO, touched on several items. One being the staffing crisis and how it has affected the Veterans Home and other Long Term Care facilities across the state. Kristin did an excellent job explaining the difficulties we have faced and what actions we have done to compete with the industry.

Other challenges that we are dealing with is the perceived decline in the veterans population and how to promote the Vets home. This issue is amongst one of the most difficult issue to solve, but through partnerships with other state agencies we have been able to save substantial dollars in promoting the home. For example, ND Cares has played a significant role in promoting the Veterans Home through TV and

radio advertisements. Through those advertisements we have seen an increase in admissions.

Changes in private sector and the federal VA have impacted us as well. In the last 20 years, North Dakota has seen the senior living market expand by over 5000 beds. On the federal level, the VA has cut their cost by passing numerous costs on to state homes. Cost such as pharmacy, clinic care, primary care, lab/ex-rays, and mental health visits are covered by state homes. Mandatory VA requirements such as 24-hour RN coverage is costly as well as the additional hours mandated for nursing and social services. Through their mandates it has driven our costs of care up and made the Veterans Home a high cost nursing home. To compete with the spiraling costs, we are proposing a change to the definition of a "veteran". The change is found in HB 1389. We are proposing to expand the definition of a veteran to allow veterans who have been discharged with a rating of other than dishonorable to be admitted to the Veterans Home. By the above changes we will be able to serve a larger base of veterans and generate more revenue.

Recommendations from Eide Bailey's report .

- 1) To support establishing a separate rate structure above the traditional nursing home payment model. That would allow us to negotiate a different

rate structure like gero-psychic facilities. We request this due to our patient mix and their complex medical needs.

- 2) Support the Veterans Home in paying off the VA federal grant.
- 3) With the VA grant repaid, new innovative programs could be explored and veteran specific programs started. (ex. Mental Health, Family Support, Parkinson programs and etc.)
- 4) Mergers could be explored with clinics, rehab agencies and other healthcare facilities to enhance the care that is given at the Veterans Home.

In closing, Chairman Nelson, and members of the committee, our report remains incomplete due to the timing of the report. The COVID lockdown went into effect at the Veterans Home on March of 2020 and we are still limiting access to the building for group events and meetings. We hope to have more information to share with you after more meetings are completed. That ends my testimony, if you have any questions feel free to ask them now.

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