



NATIONAL ASSOCIATION OF STATE VETERANS HOMES

"Caring for America's Heroes"

TESTIMONY OF
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BEFORE THE
SENATE COMMITTEE ON VETERANS' AFFAIRS

IN SUPPORT OF
S. 324 – STATE VETERANS HOME ADULT DAY HEALTH
CARE IMPROVEMENT ACT OF 2017

MAY 17, 2017

Mr. Chairman and Members of the Committee, on behalf of the National Association of State Veterans Homes (NASVH), I am pleased to submit this testimony in strong support of S. 324, the State Veterans Home Adult Day Health Care Improvement Act of 2017, legislation introduced by Senators Orrin Hatch (R-UT) and Mazie Hirono (D-HI) to provide severely disabled veterans with an enhanced option to receive adult day health care services from State Veterans Homes. Similar legislation was introduced late in the Senate during the 114th Congress (S. 3198), however no further action was taken prior to adjournment last year. A companion House bill (H.R. 2460) did pass the full House last year without opposition and has been reintroduced (H.R. 1005) in the 115th Congress. Both the Senate and House bills were reviewed by the Congressional Budget Office (CBO) last year and neither received a score that needed to be offset; similar CBO scoring is anticipated for the reintroduced bills.

The State Veterans Home program was established by a Congressional Act on August 27, 1888, and for more than 125 years State Homes have been in a partnership with the federal government to provide long term care services to honorably discharged veterans; in some states, widows and spouses as well as Gold Star Parents are also eligible for admission. There are currently 153 State Veterans Homes located in all 50 states and the Commonwealth of Puerto Rico. The National Association of State Veterans Homes (NASVH) was conceived at a New England organizational meeting in 1952 because of the mutual need of State Homes to promote strong federal policies and to share experience and knowledge among State Home administrators to address common problems. NASVH is committed to caring for our nation's heroes with the dignity and respect they deserve.

With over 30,000 beds, the State Veterans Home program is the largest provider of long term care for our nation's veterans. Current services provided by State Homes include skilled nursing care, domiciliary care and adult day health care. The Department of Veterans Affairs (VA) provides State Homes with construction grants to build, renovate and maintain the Homes, with States required to provide at least 35 percent of the cost for such projects in matching funds. State Veterans Homes also receive per diem payments for basic skilled nursing home care, domiciliary care and ADHC from the federal government which covers about one third of the daily cost of care.

Mr. Chairman, a decade ago NASVH led the effort on Capitol Hill to assist our most disabled veterans by allowing them to receive skilled nursing care in State Veterans Homes under a new program that would provide the "full cost of care" to the State Home and thereby expand the options available to these deserving veterans at no cost to them. In 2006, Congress passed and the President signed Public Law 109-461 which guaranteed "no cost" skilled nursing care to any honorably discharged veteran who has a 70% or higher service connected disabled rating, or requires nursing care due to a service connected disability. Unfortunately, the bill did not extend the same "no cost" program to alternatives to traditional institutional care, such as the medical supervision model Adult Day Health Care currently provided at three State Veterans Homes in Stony Brook, New York, Minneapolis, Minnesota and Hilo, Hawaii. S. 324 would fix that.

Adult Day Health Care is designed to promote wellness, health maintenance, socialization, stimulation and maximize the participant's independence while enhancing quality of life. A

medical supervision model Adult Day Health Care program provides comprehensive medical, nursing and personal care services combined with engaging social activities for physically or cognitively impaired adults. These programs are staffed by a caring and compassionate team of multi-disciplinary healthcare professionals who evaluate each participant and customize an individualized plan of care specific to their health and social needs.

As a licensed nursing home administrator, I would like to thank Senators Hatch, Hirono and the many bipartisan Senate cosponsors for recognizing the need to offer non-institutional alternatives to our veterans. Giving our veterans and families choices in how they can receive care is just the right thing to do. Making sure that there are no financial barriers to care is important to our most medically compromised veterans.

It would be especially important to veterans like Jim Saladino and to his wife Noreen. Fifty years ago, Jim answered the call of his country and served honorably in the United States Army during the Vietnam War. Today, he suffers from the ravages of Agent Orange exposure. Specifically, he suffers from chronic illnesses including diabetes and Parkinson's disease and he also recently suffered a stroke. Although the Saladino family could have decided to put Jim into our State Veterans Home because he is a 100% service connected veteran and so it would have been fully paid for by VA, but that is not their choice. They would like their loved one to continue enjoying the comforts of his own home – for as long as he can. By providing him the benefits of our medical supervision model Adult Day Health Care program, Jim is able to keep living at home.

Jim's wife, Noreen, serves as his primary caregiver. She has publicly stated that the medical model Adult Day Health Care Program has been a true blessing for her. Jim comes to the ADHC program three days a week and we work closely with his personal physician to provide services that will maintain his wellness and keep him out of the emergency room. During his six hour day with us, Jim receives a nutritious breakfast and lunch. He receives comprehensive nursing care. He also receives physical therapy, occupational therapy and speech therapy. He can get his eyes checked by an optometrist, his teeth cleaned and examined by our dentist, and his hearing checked by an audiologist. If required, he can get a blood test or an x-ray, have his vital signs monitored and receive bathing and grooming services while on site.

For Jim's wife, having him come to our program allows her the peace of mind knowing that he is in a safe and comfortable environment. She can then get a break as caregiver and tend to those issues that allow her to run her household. However, because of the way the law is currently structured, despite Jim's eligibility for "no cost" skilled nursing care, they are required to pay out-of-pocket for a portion of his Adult Day Health Care, a cost they cannot afford.

S. 324 will correct this disparity that prevents some of the most deserving and severely disabled veterans from taking advantage of this valuable program to keep living in their own homes. This legislation would authorize VA to enter into agreements with State Veterans Homes to provide medical supervision model Adult Day Health Care for veterans who are eligible for, but do not receive, skilled nursing home care under section 1745(a) of Title 38, the "full cost of care" program. Veterans who have a VA disability rating of 70 percent or greater or who require ADHC services due to a service-connected disability would be eligible for this program. The

payment to a State Home under this program would be at the rate of 65 percent of the amount that would be payable for skilled nursing home care under the same “full cost of care” program. This legislation would not only offer a lower cost alternative (ADHC) for severely disabled veterans who might otherwise require full time skilled nursing care, but it would also allow them to continue living in their own homes.

Mr. Chairman, NASVH is aware of VA’s argument that a veteran participating in the ADHC program is physically inside a State Home facility for only about one-third of each day they are in the program, therefore the per diem should be only about one-third of the skilled nursing care per diem. However, this significantly misrepresents the level of care and services provided to veterans in medical model ADHC programs. First, it completely ignores the cost of transportation, which alone accounts for a significant cost for transporting elderly, frail, disabled veterans to and from their homes to State Homes. Second, the overwhelming majority of services – particularly medical, therapeutic and rehabilitation – are provided during the day shift, not overnight when veterans residing in State Homes are sleeping. In fact, the 65% ratio is identical to the ratio that Medicaid pays for adult day health care in New York as compared to what Medicaid pays for skilled nursing care. Finally, it is critical to note that allowing veterans to use ADHC services two to three times a week is enormously less expensive than placing them full-time into a skilled nursing facility.

Moreover, VA has been stressing the need to provide essential long-term care services in non-institutional settings for our most frail, elderly disabled veterans. Medical supervision model Adult Day Health Care is a tremendous solution to this challenge faced by VA, one that can keep veterans living in their homes while allowing them to receive skilled nursing services and supports. There are a number of State Homes across the country interested in providing medical model ADHC services, however the current ADHC per diem is not nearly sufficient for most State Homes to cover the costs of this program. Enactment of S. 324 would provide a higher ADHC per diem rate for severely disabled veterans in medical supervision model ADHC programs and thereby allow additional State Homes across the country to offer this service to more needy and deserving veterans.

For the Saladino family, receiving “no cost” Adult Day Health Care for their loved one would relieve a huge financial burden that they currently incur. Even though Jim’s service ended 50 years ago, he is still paying a price for his valor related to his service in Vietnam. Passing S. 324 would send a strong message to all those who have worn the uniform to protect our freedoms that they will never be forgotten.

With 30 Senate cosponsors so far, S. 324 has strong bipartisan support, as does the House companion bill, and both are supported by major veterans service organizations, including The American Legion, the Veterans of Foreign Wars and Disabled American Veterans.

On behalf of the National Association of State Veterans Homes, I urge you to favorably consider and pass S. 324 for Jim and Noreen Saladino, and for thousands of others across the country just like them. Thank you for the opportunity to submit this testimony to the Committee.