

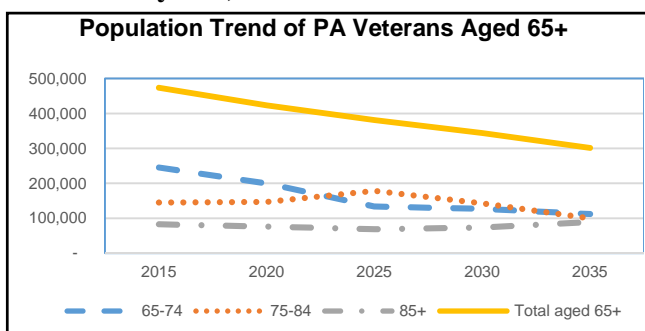
Report Highlights

Pennsylvania's Current and Future Need for Long-term Care Services for Veterans

Senate Resolution 2015-171 called on the Legislative Budget and Finance Committee (LB&FC) to conduct a study of the feasibility and cost effectiveness of utilizing privately owned veterans care facilities to augment the Commonwealth's six State Veterans' Homes (SVH). The resolution also directed the study to include information related to the current and future need for long-term care services for PA veterans.

Findings:

- **The PA Dept. of Military and Veterans Affairs (DMVA) has a waiting list of 99 veterans waiting for an SVH nursing home bed, with 163 vacant beds available.** The reason SVHs have both waiting lists and vacant beds is primarily due to location; most veterans on the waiting list live in the SE, NW, or SW corners of the state, whereas most vacant beds are at the SVH in Huntingdon County.
- **The number of veterans aged 65+ living in PA is projected to decrease by 36% over the next 20 years) as follows:**



- **Accordingly, we estimate the number of PA veterans aged 65+ needing a nursing home or personal care bed will drop over the next 20 years as follows:**

Estimated Number of Pennsylvania Veterans Aged 65+ Needing a Nursing Home or Personal Care Bed			
	2015	2025	2035
PA Vets Aged 65+ Needing Nursing Home Care.....	14,871	12,625	11,071
PA Vets Aged 65+ Needing Personal Home Care	7,371	6,291	5,331

- **We further estimate the current number of PA veterans aged 65+ with a net worth of less than \$80,000 (and therefore eligible for state assistance at an SVH) to be as follows:**

	2015
PA Vets Aged 65+ Needing Nursing Home Care with Net Worth Below \$80,000	2,633
PA Vets Aged 65+ Needing Personal Home Care with Net Worth Below \$80,000	1,305

- **The number of PA veterans aged 65+ currently in need of financial assistance for nursing or personal care home services exceeds the current capacity of the SVHs.**

SVHs have 1,246 skilled/dementia and 362 personal care/domiciliary beds. However, for many of these veterans, care is also available through the USDVA and Medicaid.

- **DMVA believes the demand for SVH beds has been limited due largely to a lack of marketing and the lack of an SVH in some regions of the Commonwealth.** The FY07-08 Capital Budget provides for a new SVH in southcentral PA at a cost of \$87 million (65% federal, 35% state), but no funds have yet been appropriated. DMVA has also requested \$22.9 million (to be matched with \$42.6 million in federal funds) to construct a new 200-bed facility to replace the Hollidaysburg home which was constructed in the early 1950s.
- **State General Fund expenditures for the SVHs totaled \$82.4 million in FY14-15.** In two years (FY16-17), state costs are projected to increase by 27%, to \$104.7 million.
- **The report lists several additional opportunities to improve care for veterans needing long-term care services.** These include adult day health care, converting personal care beds to skilled care beds, and privatizing some or all operations at the SVHs.

Recommendations

1. *The DMVA take the lead in contacting the USDVA regarding piloting an independent living program for older veterans.* Similar pilots have been done in several other states.
2. *The DMVA consider privatizing more of the functions performed at State Veterans' Homes.* DMVA has privatized some functions, but other states have gone much further.
3. *The DMVA consider creating a pilot program to assess the feasibility of providing services in private nursing homes.*
4. *If a decision is made to construct a new SVH, DMVA consider contracting out management of that home to a private entity.*
5. *The DMVA initiate a joint effort to identify veterans who are currently in or who may soon need nursing home services to ensure they are receiving all the federal veteran benefits to which they are entitled.*