



Maryland Department of Veterans Affairs

Office of the Secretary

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GOVERNOR

ARUNA MILLER
LT. GOVERNOR

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SECRETARY

Maryland Department of Veterans Affairs

FY 2025 Operating Budget

Response to Department of Legislative Services Analysis

SENATE BUDGET AND TAXATION COMMITTEE

PUBLIC SAFETY, TRANSPORTATION, AND ENVIRONMENT SUBCOMMITTEE

Senator Sarah Elfreth

February 22, 2024

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HOUSE APPROPRIATIONS COMMITTEE

PUBLIC SAFETY AND ADMINISTRATION SUBCOMMITTEE

Delegate Jazz Lewis

February 15, 2024

Introduction

The Maryland Department of Veterans Affairs (MDVA) thanks analyst Yashodhara Rai for her insightful analysis of our agency's FY 2025 budget request.

We welcome the opportunity to update the Committee on our activities over the past year. Our singular mission, the reason we were established as a State agency in 1999 and continue to exist today, is **to deliver services and programs to assist veterans, their families and survivors in obtaining Federal, State, and local benefits provided by law in recognition of their service to state and country.**

We also appreciate the opportunity to respond to the Department of Legislative Services' (DLS) analysis of the FY 2025 Governor's Allowance for MDVA.

This document contains the Department's response to recommendations or questions formally presented in DLS's analysis. It also contains the following information:

- A letter from Secretary Anthony (Tony) Woods
- A profile of the Maryland Department of Veterans Affairs.
- A summary of services provided by the Department.
- A brief history of the Department.
- Demographic trends among Maryland's veterans.

MDVA concurs with the Governor's Allowance for FY 2025.

Dear Senator Elfreth, Mr. Lewis, and members of the Subcommittees:

The past year has been marked by transformation within the Maryland Department of Veterans Affairs.

In October, Maryland lost a great veteran, veterans' advocate and State leader, Secretary George W. Owings III. Everywhere I look, I see Secretary Owings' legacy: from his co-creation of the Department in 1999 while serving in the Maryland General Assembly, to the effective programs he led so that veterans across the State could receive the benefits to which they are entitled through uniformed service, to the quality of the team he led for eight years at the Department, to the respect veterans all across our State felt for him.

This past year, it's been a privilege to lead this team in writing a new chapter and transforming the Department to be even more responsive to the needs of the military connected community.

We are supporting legislation introduced by Senator Gile and Delegate Pruski to change our name to the Maryland Department of Veterans and Military Families. This is a name that highlights a sometimes forgotten part of our mission—to those not only who serve, but to the families who sacrifice that they may do so. Our new initiative, Maryland Joins Forces, which was modeled on the Joining Forces initiative championed by First Lady Jill Biden, has resulted in a growing number of partnerships between the Department and other organizations, especially non-profits, who are experts in their respective fields of service to veterans and military families: employment and entrepreneurship, military families and caregivers, veteran health and wellness, and justice-involved veterans.

Charlotte Hall Veterans Home is undergoing its own transformation. After the highly publicized challenges of the past couple years, some of which resulted in a 1-star rating from the Centers for Medicare & Medicaid Services (CMS), a new partnership with PruittHealth Veteran Services—Maryland, Inc., is transforming the delivery of care to the veterans and spouses that call Charlotte Hall their home.

What has not changed is the dedication the Department's staff and leadership demonstrate every day, whether filing a claim on a veteran's behalf; interacting with grieving family members coming to see their loved one buried with dignity in one of our State veterans cemeteries; serving our residents at Charlotte Hall; maintaining our veterans memorials; communicating with thousands of veterans across the State; working to prevent veteran suicide; writing grants to keep veterans from eviction, repossession and other financial crises; serving from behind the scenes to ensure fiscal responsibility and care for our employees; and so much more. I am honored to lead this Department into the year that lies ahead.

I want to thank you, the members of the General Assembly, and Governor Moore for your support as we strive to make Maryland the best state in the nation to be a member of the veteran and military-connected community.

Respectfully,

Anthony (Tony) Woods
Secretary

Agency Profile

Purpose

The mission and purpose of the Maryland Department of Veterans Affairs is to assist veterans, active duty service members, and their families and dependents in securing benefits earned through military service. The agency fulfills this mission through **veterans benefits services**; a robust **veterans cemetery program**; maintenance of the **State's veteran memorials**; provision of **skilled nursing and assisted living care** for veterans and eligible spouses at the State's veterans home; **communications, outreach and advocacy**; and administration of the **Maryland Veterans Trust Fund**, all while exercising responsible management of available resources.

Core Functions

- Provide the most effective possible **statewide benefits services** to veterans, their dependents and survivors; assist in the preparation, development, and submission of claims for adjudication to the U.S. Department of Veterans Affairs.
- Honor the memory of Maryland veterans through providing interment in **State veterans cemeteries** that will come to be considered as national shrines.
- Maintain and protect the **State's veteran memorials**.
- Provide the finest assisted living and skilled nursing residential care to qualified Maryland veterans and eligible spouses at the **Charlotte Hall Veterans Home**.
- Ensure through effective **communication, outreach and advocacy** that veterans and their dependents, including Maryland's **women, minority, and underserved veteran populations**, are increasingly informed and educated about the various benefits and services to which they are entitled as a result of their service.
- Provide **non-emergency, temporary monetary assistance** to veterans facing financial hardship, through the Maryland Veterans Trust Fund.

FY 2023 At A Glance

Maryland Veteran Population (2023 projection): 348,000*

The Service Program *filed 4,423 claims on behalf of Maryland veterans (a 19% increase from FY 2022) and achieved a record \$37.8 million in veterans benefits awards (a 1.6% increase from FY 2022 and a 23% increase from FY 2021).*

The Cemetery Program performed a **3,389 interments: 2,079 veterans and 1,310 dependents**. The Memorials Program continued its **100% satisfactory record** with events held at the State's veterans memorials.

PruittHealth Veteran Services—Maryland, Inc. took over operations at Charlotte Hall Veterans Home and began the long process of improving quality of care, rebuilding census, and making Charlotte Hall a destination of choice for Maryland's veterans.

Among its many roles and initiatives, MDVA's small Communication, Outreach and Advocacy team *continued its vital participation in the Governor's Challenge to Prevent Suicide among Service Members, Veterans and Families (SMVF); set new records with 4.2 million client contacts and 2.45 million newsletters distributed; and recorded 859,000 social media views.*

MDVA continued *progress toward the longstanding goal of establishing a second State veterans home in Sykesville.*

*Source: United States Department of Veterans Affairs VETPOP2020

Summary of Services Provided

Our **Service Program** requires knowledge of relevant US Department of Veterans Affairs (USDVA) rules and operating policies and procedures. Employees must have the skills to apply the required knowledge within USDVA systems to successfully provide veterans and their families with all the services needed to obtain their benefits and entitlements. Each veterans benefits specialist must be certified as a veterans' services counselor by the United States Department of Veterans Affairs.

Our **Cemetery Program** requires knowledge of relevant U.S. Department of Veterans Affairs National Cemetery Administration policies and procedures regarding capital construction, land management, and building and equipment maintenance and procurement. These increasingly demanding standards provide direction for the Program's operations and the pursuit of national shrine status for Maryland's veterans' cemeteries.

Our **Memorials Program** requires the skills necessary to maintain such landmarks as reverent symbols of the sacrifices made by veterans.

Our **Veterans Home Program**, which provides assisted living and skilled nursing residential care program for veterans and eligible spouses, requires knowledge of relevant U.S. Department of Veterans Affairs and State of Maryland laws, operating policies and procedures, and facility management standards to ensure safe and proper health care to an aging, predominantly male, veteran resident population. The challenge of providing this care has increased exponentially during the COVID pandemic.

Our **Communications, Outreach and Advocacy (COA) Program** requires not only a constantly growing understanding of the needs of veterans but also the communication skills and tools to reach Maryland's estimated 365,000 veterans and to advocate for them. The COA Program plays a vital role in the Governor's Challenge to Prevent Suicide Among Service Members, Veterans and Families (SMVF).

The **Maryland Veterans Trust Fund** exists to help meet non-emergency, temporary financial needs of veterans in hardship situations, with the goal of helping veterans in need to achieve self-reliance.

The Maryland Department of Veterans Affairs strives daily to fulfill its mission to a veteran constituency comprising 7.2% of the total adult population of our State⁽¹⁾, as well as to the eligible dependents and survivors of those veterans. We are proud to honor Maryland's veterans by bringing our best to their service every day.

⁽¹⁾ Source: U.S. Department of Veterans Affairs VETPOP2020(veteran population); www.census.gov (accessed 2/2/2024) (Maryland population 18+ years old).

DLS Questions and Recommended Actions: FY 2025 Operating Budget

Page 2: *There was substantial uncertainty around the cost of a new contract during the 2023 session, and Supplemental Budget No. 2 to the fiscal 2024 budget included \$12.7 million in general funds for the procurement of a new contractor. Governor Wes Moore’s fiscal 2025 budget plan assumes a reversion of \$4.5 million due to the takeover of CHVH by a new contractor with new financial implications. MDVA should discuss the reason for the planned reversion, given the substantial increase in funds budgeted in fiscal 2025.*

Agency Response:

In FY 2024, the Department is using special and Federal funds (VA per diem, Medicare, Medicaid and private pay funds) up front and only backfilling with general funds as necessary. In FY 2025, MDVA will be front funding with the VA per diem and general funds only; but revenue from Medicare, Medicaid and private pay will be recorded in the General Fund.

Page 6: *As of December 31, 2023, MDVA had 16 vacant positions, which is 9.6 vacancies over the number needed to meet its budgeted turnover. Of the vacant positions, 12 (75%) are within the cemetery program, 7 of which are veterans’ cemetery caretaker positions. MDVA should comment on the high vacancy rate and its efforts to fill these vacancies.*

Agency Response:

The Department has in recent years commented regularly in budget testimony on the challenge of recruiting and/or retaining veterans cemetery caretakers (VCC). We have made tremendous progress on the retention side. In December 2019, our average VCC tenure was 1.9 years. In December 2023, that average had more than doubled to 4.0 years. This increase is certainly affected by numerous factors; we would emphasize the provision of an across-the-board 5-step pay increase authorized in the spring of 2022, a retention bonus program we proposed, negotiated with AFSCME and approved for VCC’s hired through December 31, 2020.

The recruitment side remains challenging. Three (3) of the eight (8) VCC vacancies are PINS which, as authorized years ago by the Board of Public Works, are “designated only for incarcerated veterans that successfully complete the Maryland Correctional Pre-Release program working in a veteran cemetery.” Since we have limited control over the availability of such candidates, there is a limited amount we can do to fill them.

At the beginning of 2015, VCC’s were paid, on average, \$29,953 annually. (Some of the grounds work fell to Building Services Workers paid, on average, \$25,877 annually.) We first reclassified all the Building Services Workers performing VCC work to VCC’s. We then worked with DBM to secure a 2-grade increase for all the VCC’s. We instituted a retention bonus program for calendar year 2020 and we standardized above-base offers, essentially

increasing the minimum step for VCC's. And in the summer of 2022, DBM provided funding for us to provide across-the-board 5-step raises to our VCC's.

Today, our Veterans Cemetery Caretakers earn an average annual salary of \$47,179.

We are finding that the recruitment challenge for VCC's requires a more holistic approach than the repeated compensation actions that the Department has taken over the past nine years. Compensation is certainly a part of the challenge, but we have come to believe that the classification itself needs to be redefined. The Department is currently engaged in conversation with the Classification and Salary Division at the Department of Budget and Management about how to redefine the VCC classification to reflect the reality that VCC's are more than landscapers: they are integral members of a team who bear the heavy responsibility of providing interment with dignity for Maryland's heroes—our veterans and their dependents—and doing so to standards imposed by the U.S. Department of Veterans Affairs (VA). We will look to the VA's own position descriptions for guidance as we move forward.

Further, our conversations with Classification and Salary have focused on building a non-competitive promotion series within the classification so that VCC's who perform well can be promoted. This series will solve a major employment issue: VCC's currently have very little opportunity for career advancement in the Department.

As to the other remaining vacant positions cited: one has been filled, one is the result of an internal promotion; and we are confident all will be filled. Our major recruitment challenges are limited almost entirely to the VCC's.

Page 7: MDVA should comment on how its outreach activities can help increase CHVH's occupancy rate and other actions that the agency is taking to improve the occupancy rate.

Agency Response:

The MDVA Communications, Outreach and Advocacy (COA) program provides briefings on MDVA programs to federal, state, and local partners. In addition, we provide briefings to nonprofit organizations. These briefings include an overview of Charlotte Hall Veterans Home. Now that the veterans home has re-opened to admissions, the COA program is advertising such and is referring individuals and organizations to the Charlotte Hall admissions director. The COA program also manages the MDVA website and publishes two electronic newsletters. These media provide additional opportunities to educate on the veterans home. Finally, we staff resource tables at a number of events each month. Now that the veterans home is once again open to admissions, we are working with the management contractor to receive updated marketing materials. Once received, we will have the materials available on resource tables.

Page 10: *As of November 30, 2023, CHVH received an overall rating of one star in the federal Centers for Medicare and Medicaid Services (CMS) report, with health inspections receiving one star, quality measures receiving two stars, and staffing receiving four stars. MDVA should comment on its strategies to improve its overall rating.*

Agency Response:

The star ratings in place are as of January 25, 2024. CHVH has not had an annual survey nor a complaint survey since contract management initiation on June 6, 2023. The Health Inspection score is the major contributing factor to CHVH's current CMS star rating. Health inspections affect the star rating for three survey cycles. CHVH is capped at a maximum of 2 stars until the most recent complaint survey, which occurred on February 17, 2023, falls out of the 3-survey cycle. CHVH is anticipating the next CMS survey within the next several months and has undertaken the following improvement Initiatives:

- Weekly onsite visits by Regional Senior Nurse Consultant
- Weekly Patient at-risk meetings
- Daily Clinical meetings
- Weekly survey readiness calls
- Ongoing education efforts as identified by Quality Assurance reporting.

The staffing star rating is currently at 4 stars. CHVH is running a greater than required PPD of 4.0, which results in a higher star rating. The staffing star rating consists of direct resident care staff, which includes RNs, LPNs, GNAs, and CMAs. Now that admissions have reopened, the PPD will be closely monitored to ensure excellent coverage as the census starts to grow again. The only driver to improve this star level is to replace LPNs with RNs in direct resident care roles.

The Quality Measure star rating is currently at a 2-star level. QMs consist of both long stay (over 100 days) and short stay measures (less than 100 days). Improvement initiatives include:

- Weekly QM drill-down calls with PruittHealth Corporate nursing leadership for patient-centered recommendations.
- Point Right AI-powered care management tool to provide predictive analytics for improvement.
- Quarterly use of Abaqis, a quality management system, to ensure the facility is survey-ready, target areas for corrective action, and pinpoint areas of non-compliance.
- CMS 5-star report review monthly to benchmark the facility's results against state and national averages.

Page 11: *The Department of Legislative Services (DLS) recommends adopting committee narrative requesting the continued submission of quarterly reports in collaboration with the CHVH contractor on the progress of CHVH's operations,*

including efforts to increase staffing and residency numbers; number of resident complaints; and report, rating, or fine from CMS.

Agency Response: The Department **concur**s with this recommendation.

Page 11: *The 2023 JCR report indicates that MDVA is exploring relaunch of Operation Hire Maryland, the 90-day veterans hiring challenge led in calendar 2014 by the department's outreach program director. **The agency should comment on the status of the relaunch of this initiative.***

Agency Response:

Over the course of calendar year 2023, MDVA engaged in internal discussions regarding a relaunch of Operation Hire. Discussion continued as the Department launched Maryland Joins Forces, an initiative designed to rally partners across sectors to address five pillars, one of which being employment. The Department has been successful in signing a number of MOUs to support employment of veterans and military spouses, which might serve as an alternative to an Operation Hire relaunch. Also, with a renewed focus on suicide prevention and the Governor's Executive Order reaffirming the state's commitment to the Governor's Challenge to Prevent Suicide Among Service Members, Veterans, and Families MDVA is focusing on this initiative. The Department will continue to engage in discussions related to best practices for hiring and retaining veterans and military spouses in the civilian employment sector. We will utilize lessons learned from Operation Hire in these efforts.

Page 13 (Operating Budget Recommended Actions):

Adopt the following narrative:

Quarterly Reports on Charlotte Hall Veterans Home (CHVH) Facility Operations, Staffing, and Federal Ratings: *The Maryland Department of Veterans Affairs (MDVA) oversees the operation of CHVH, the only assisted-living and skilled-nursing care for veterans and their spouses in the State. The committees are interested in how the new management contractor operates CHVH and its efforts on increasing staffing and residency numbers. Additionally, the committees are concerned with low ratings from the federal Centers for Medicare and Medicaid Services (CMS) surrounding nursing home facility performance. The committees request that MDVA submit quarterly reports in collaboration with the CHVH contractor on the progress of CHVH's operations, census numbers, staffing levels, efforts to increase census and staffing numbers, the number of resident complaints and resident complaints by type of complaint, as well as any report, rating, or fine from CMS. In each quarterly report, the report should note the period covered by the data and corresponding dates.*

Information Request

Request on status of CHVH operations, staffing, and federal ratings

Author

MDVA

Due Date

July 1, 2024

October 1, 2024

January 1, 2025

April 1, 2025

Agency Response: The Department **concurs** with this recommendation.

History

The Maryland Veterans Commission was created by the General Assembly in 1924. Initially it was charged with the responsibility of providing financial relief to indigent veterans and widows. The Commission's objective remained essentially the same until the beginning of World War II. At that time the Veterans Administration began to recognize the need for providing adequate counsel for veterans in claims before the Veterans Administration. To assist in providing this service, the Veterans Administration provided the Maryland Veterans Commission with free office space in their principal offices.

In 1946, the Veterans Administration eliminated all of their offices serving Maryland except for the regional offices located in Washington D.C. (which housed the claims files for Prince George' and Montgomery Counties) and the Baltimore Regional Office which serviced the veterans' claims for all other counties in Maryland. To fill the void created by the consolidation, increased service had to be provided by the Commission. Today Veterans Affairs maintains 12 service offices across the State.

In 1973, the Legislature authorized the beginning of the State Veterans Cemetery Program.

In 1999, the Legislature created the Maryland Department of Veterans Affairs as an executive agency with the mission of assisting veterans, active duty service members, their families and dependents, in securing benefits earned through military service.

In 2006, the Legislature authorized the beginning of the State Veterans Outreach and Advocacy program.

In 2021, Governor Hogan created the Women/Veterans Inclusion Program within MDVA. This initiative aims to raise awareness of the needs of Maryland's women, minority, and underserved veteran populations. Also, in 2021, MDVA identified the site of the State's second veterans home and developed facility plans for this vital capital addition, which will expand our ability to serve those who served.

How We Serve Veterans

Service Program

The MDVA Service Program assists veterans and their eligible dependents in acquiring benefits rightfully earned through military service to their country. The Service Program provides general information to veterans seeking assistance, regardless of representation, in all matters pertaining to veterans' disability benefits and rights. Veterans Affairs is the designated agency of the State of Maryland to represent the State and its veterans before the U.S. Department of Veterans Affairs (USDVA). The agency represents veterans in filing USDVA disability claims and during USDVA appeals processes, and assists dependents with survivor benefits.

MDVA employs Veterans Benefits Specialists accredited by the USDVA to represent veterans with disability claims and appeals and enjoys relationships with a handful of other accredited individuals outside the agency, who submit claims to the USDVA through MDVA. The agency's Veterans Benefits Specialists also help veterans and their families with questions regarding benefits, survivor and dependent needs, USDVA paperwork, and medical issues.

Veterans Benefits Specialists are located throughout Maryland: Baltimore City, Bel Air, Camp Springs, Charlotte Hall, Cumberland, Easton, Frederick, Gaithersburg, Glen Burnie, Hagerstown, Laurel and Salisbury. Most of these offices have just a single benefits specialist; a few have an office secretary to assist with administration. This small team does a remarkable job with incredible discipline and efficiency. **In FY 2023, Maryland veterans and their families were awarded nearly \$38 million in benefits. Initial benefits claims were accepted at a rate of 92% and appeals at 66%. With a budget of just over \$2 million (FY 2023), the MDVA Service Program is arguably one of the State's best investments.**

MDVA maintains a strategic partnership with the Motor Vehicle Administration (MVA) that started with placing the new Anne Arundel County service officer at the MVA facility in Glen Burnie and has now expanded to a total of six (6) Service offices co-located at MVA centers (Bel Air, Cumberland, Gaithersburg, Glen Burnie, Hagerstown and Salisbury). MDVA greatly appreciates the support of MVA in this collaboration, which provides veterans with easy access to benefits services while they are already at the MVA to take care of other business.

Cemetery Program

The State of Maryland, through the Cemetery Program of the Maryland Department of Veterans Affairs, offers Maryland veterans and their eligible dependents a final resting place at one of five state veterans cemeteries located throughout Maryland. The program, one of the largest of its kind in the nation, bases its standard of excellence on striving to ensure that our state cemeteries are maintained as national shrines to those who have gone before.

A Pre-Interment Program is available, through which veterans may indicate their desire to be buried in one of the state's cemeteries and verify their eligibility for such burial on a pre-need basis. Veterans Affairs' cemeteries provide interment services Monday through Friday year round and are open to the public 365 days each year.

There are five State Veterans Cemeteries located across our State:

Cheltenham State Veterans Cemetery is located on U.S. Route 301, approximately 8 miles south of Upper Marlboro, Maryland. The site was formerly used for agricultural purposes. **In FY 2023, the Cheltenham Veterans Cemetery laid 1,002 veterans, eligible dependents, reservists and members of the National Guard to rest**, bringing its total through FY 2023 to 31,626 since opening in July 1978. The Chapel at the cemetery was dedicated to the memory of Senator Edward T. Conroy, who was instrumental in the passage of legislation enabling the development of Maryland's State Veterans Cemeteries.

Crownsville State Veterans Cemetery at Crownsville is located off State Route 178 on Sunrise Beach Road. The site, originally used for farming, is surrounded by a peaceful Severn River residential community. Near the center of the state cemetery is a one-acre old family cemetery dating back to 1875, retained by the heirs and assigns of the Carter family in perpetuity. The Crownsville Veterans Cemetery, which opened in 1980, provides a final resting place for 27,978 Maryland veterans and eligible dependents, and now reservists and members of the National Guard, through FY 2023. **In FY 2023, the Crownsville Veterans Cemetery laid 843 veterans, eligible dependents, reservists and members of the National Guard to rest.**

Eastern Shore Veterans Cemetery in Hurlock, Maryland, is located two miles south of Preston and about five miles northwest of Hurlock on State Route 331. Eastern Shore Veterans Cemetery, which opened for operation in December 1976, is the final resting place for 8,517 veterans, eligible dependents, and now reservists and members of the National Guard, through FY 2023. **In FY 2023, the Eastern Shore Veterans Cemetery laid 229 veterans, eligible dependents, reservists and members of the National Guard to rest.** Donated by the citizens of Dorchester County, the site was formerly a 35-acre wheat field and has since expanded. The design of this cemetery is unique. The layout of the burial sites is based on a system of radials and concentric circles centered on the American flag in the plaza area at the Chapel.

Garrison Forest Veterans Cemetery was again the most active of Maryland's five Veterans Cemeteries in FY 2023, laying 1,099 veterans, eligible dependents,

reservists and members of the National Guard to rest, bringing its cumulative total through FY 2023 to 46,751 since its opening in December 1983. The Garrison Forest Veterans Cemetery is located on Garrison Forest Road, near the former Rosewood State Hospital, in Owings Mills, Maryland. Formerly used for agricultural purposes, the site is bounded by woodlands.

Rocky Gap Veterans Cemetery is located within the Rocky Gap State Park, just off State Route 68 in Allegany County. The Rocky Gap Veterans Cemetery is approximately 10 miles east of Cumberland and is arguably the most beautiful of the five State Veterans' Cemeteries. Approaching the cemetery, visitors are treated to views of the park's lake and mountainous backdrop. **In FY 2023, the Rocky Gap Veterans Cemetery laid 216 veterans, eligible dependents, reservists and members of the National Guard to rest.** Through FY 2023, a total of 5,799 have been laid to rest at the cemetery.

The National Cemetery Administration (NCA) of the U.S. Department of Veterans Affairs publishes a formula for recommended staffing of veterans cemeteries. This formula considers number of interments performed, number of maintained gravesites, and cemetery acreage.

As recently as FY 2018, the Cemetery Program's grounds maintenance team was staffed at just 42% of the National Cemetery Administration (NCA)-recommended level. Thanks to the efforts of our agency leadership, the Department of Budget and Management, the Legislature and the Governor's Office, the grounds team has grown to roughly 80% of recommendation but is still short of the ultimate goal of 100%.

Memorials Program

The Maryland Department of Veterans Affairs manages three veteran memorials and the Gold Star Family Monument. The Maryland World War II Memorial is in Annapolis, and the Vietnam War and Korean War Memorials are in Baltimore. The Gold Star Family Monument is in Annapolis, adjacent to the Maryland World War II Memorial. Additionally, the Department shares joint responsibility with the City of Baltimore for the War Memorial Building in Baltimore. The memorials recognize the contributions of the men and women who fought for the principles of freedom, both abroad and at home. They also serve to educate present and future generations about the sacrifices made by members of the Uniformed Services of the United States.

Veterans Home Program

The Charlotte Hall Veterans Home (CHVH) provides assisted living and skilled nursing residential care for honorably discharged veterans and eligible spouses of veterans.

The Home is situated on 126 beautiful acres in St. Mary's County and offers a continuum of care from assisted living to skilled nursing. Charlotte Hall Veterans Home also offers memory care in secure units. The Home is Medicare/Medicaid certified, and all veterans receive a per diem subsidy from the U.S. Department of Veterans Affairs that reduces their cost of care. The Home is inspected annually, as required by the Office of Health Care Quality of the Maryland Department of Health, and by the U.S. Department of Veterans Affairs.

The State of Maryland, through Veterans Affairs, contracts with a private healthcare management contractor to operate the Home. Veterans Affairs works closely with the management contractor's staff to ensure our veterans receive the best possible care in a clean, caring environment. The staff understands and respects the sacrifices veterans have made and the privilege of living out the Home's motto: "Serving Those Who Served."

The challenges CHVH faced during and after the pandemic are well-known, having been widely reported and acknowledged, including to the General Assembly. CHVH was forced to temporarily halt new admissions on March 27, 2020, due to the COVID-19 pandemic and saw its resident census fall approximately 25% to below 300 by August 2020, the month that admissions were reauthorized by the St. Mary's County Health Department. A rebound in the census proved difficult to achieve due to the ongoing effects of the pandemic: not only the initial halting of admissions noted above, but also admissions hesitancy on the part of veterans and their families; the loss of visitation privileges, and COVID-related deaths. Even absent those factors, COVID created a challenging environment for the contractor, HMR of Maryland, LLC (HMR), to recruit and retain staff due to the ongoing stress of the job. CHVH had to consolidate residents in specific units of the facility and close others because of staff shortages. In addition, CHVH fell to a 1-star rating in the Center for Medicare & Medicaid Services (CMS) survey; and the Department identified multiple points of failure in performance, which led to the Department's partnership with the Department of Health for consultation in the summer of 2022. These ongoing failures resulted in assessments of liquidated damages to HMR and ultimately in a decision by the Moore-Miller Administration to terminate HMR's management contract.

After a challenging emergency procurement over several months, PruittHealth Veteran Services—Maryland, Inc. (Pruitt) was awarded a four-year contract to operate CHVH. Pruitt's contract took effect June 6, 2023; they very quickly transitioned to full operational responsibility. While improvement of survey results is a long process, and improvement of quality of care presents many daily challenges, Pruitt has moved to retain and hire quality staff; to start weaning CHVH from the use of temp agency nursing staff; and to enhance living conditions for CHVH residents through assuming direct staffing of dietary, housekeeping and laundry responsibilities. Pruitt also immediately implemented the

MatrixCare medical records system, which provides access both to its own facility leadership as well as the Department's medical oversight personnel, to identify and prevent medical errors. The need for Pruitt to get established in this complex environment and to reduce temp agency nursing staff resulted in some further reduction in census. Within the past few weeks, Pruitt has started admitting new residents again, and the Department has every reason to believe that CHVH is turning the corner on census levels.

The financial provisions of the Pruitt contract were significantly altered from those of the previous contract with HMR. Instead of the contractor receiving all Medicare, Medicaid, VA and private pay funding, along with a preset unrestricted grant/contribution from the Department and a bed lease payment due back to the Department, all revenues now come to the Department. In turn, the Department directly reimburses Pruitt for all operating and approved capital expenditures, plus a set management fee of \$36 per filled bed, per day. Not surprisingly, the first few months of the new contract resulted in financial losses subsidized by general funds. We believe, now that we are directly reviewing the contractor's own budgets and much more involved in the review and approval of direct expenditures, that Pruitt is turning the corner on this aspect of CHVH's performance as well. Specifically, on the skilled nursing side, we believe that losses will become less severe month over month as Pruitt rebuilds the census, eliminates temp agency staffing, and brings some formerly subcontracted services in-house. On the smaller assisted living side of the operation, the fee structure and limited VA per diem funding result in a very high Department subsidy each month for the care of these residents. The Department is actively considering the causes for this ongoing subsidy—which is a nationwide issue, not a Maryland-specific issue—and considering potential options to address the losses while still “leaving no one behind.”

The Department fully anticipates continued improvement in quality of care at CHVH. The improvements in quality of care will ultimately be reflected in improved ratings from CMS.

Communications, Outreach & Advocacy Program

The Communications, Outreach & Advocacy (COA) Program's mission is to develop innovative ways to seek out Maryland's veterans; to educate them regarding benefits and services that are available from federal, state, and local organizations; and to solicit feedback from veterans regarding their needs for additional services.

The Program is also responsible for:

- The Department's Public Information Officer (PIO) function and point of contact for all public information requests
- The Department's electronic newsletter, a bi-weekly publication comprised of notable veteran and military related events across Maryland
- The Department's website, veterans.maryland.gov
- Welcome Home Maryland Veterans mailings sent to all veterans returning to Maryland
- The Department's social media presence
- Communications and public relations
- Participation in Commissions and Councils, including
 - Maryland Veterans Commission
 - Maryland College Collaboration for Student Veterans Commission
 - Governor's Commission on Suicide Prevention
 - Interagency Council on Homelessness (ICH)
- Leading and/or participation, including drafting regulations, in other initiatives and mandated programs, including
 - Governor's Challenge to prevent service member, veteran and families suicide/PREVENTS
 - Comprehensive Statewide Veterans Suicide Prevention Plan
 - Governor's Customer Service Initiative
 - Maryland Veterans Service Animal Program
 - Veterans Services Specialist Program
 - Joint County Veterans Commission meetings

The COA team is often asked to implement new, including unfunded, legislative mandates for programs and other services that naturally fit nowhere in the agency's existing programs.

Maryland Veterans Trust

The Maryland Veterans Trust (the Trust) has been designated as an organization exempt from Federal income tax under section 501 (c) (3) of the Internal Revenue Code. The Trust provides non-emergency, temporary financial assistance program to veterans facing short-term financial crises such as rent assistance following the loss of a job. The program aims to assist those that will be self-reliant after receiving the assistance and cannot address chronic issues. A Board of Trustees governs the organization, and the Secretary of MDVA serves as chair of the Board. One staff member, the Grant Administrator, manages the Trust and the associated Maryland Veterans Trust Fund (the Trust Fund).

The Trust is funded by private donations but now also has more permanent funding sources through donations collected at Maryland casinos and slot revenue received from Veteran Service Organizations under the State Lottery.

The Trust Fund is mostly used for assistance with rent/mortgage and utilities. The Trust does not assist with taxes, child support, speeding tickets, legal fees, payday and interpersonal loans, credit card debt, home repairs, food, appliances, and vehicle purchases. Further, the Trust does not find housing for veterans.

All applicants must be Maryland residents for at least 24 months at the time of application. Applicants must be eligible for burial in a Maryland State Veterans Cemetery and must have an honorable discharge or general discharge under honorable conditions. Applicant income may not exceed 250% of the federal poverty guidelines. (Prior to the COVID-19 pandemic, this threshold had been 200%, but the Board increased it temporarily to 250% during the pandemic and has since voted to make the new threshold permanent.) Benefits from the U.S. Department of Veterans Affairs, Social Security, and Social Security Disability count as income.

Widows and widowers may apply if they have both the discharge papers and a certificate of death from the deceased veteran.

All awarded grant money goes to the vendors in payment of the veteran's liabilities, and none goes directly to the veteran.

Demographic Trends

A projected 348,000 veterans live in Maryland as of 2023, according to the U.S. Department of Veterans Affairs (USDVA). According to the USDVA, two segments of the veteran population are growing at annual rates of 3-5%:

1. Veterans over age 75 (accounting for the aging Korea and Vietnam Era Veterans, as well as those of the World War II Era); and
2. Returning veterans

Veterans over age 75

Several unique characteristics affect service needs for these veterans:

- Increase in number of veterans needing long-term assisted living care;
- Presence of wartime disabilities, both physical and mental; and
- Increase in veterans considered medically indigent.

Returning Veterans

Veterans returning from the recent conflicts in Iraq and Afghanistan have unique needs and characteristics. Maryland has experienced one of the largest mobilizations of "citizen soldiers", those individuals serving in our State National Guard or Armed Forces Reserve Units, in our nation's history. Along with some of Maryland's returning citizen soldiers, a number of veterans of the active duty component will face challenges, including the following:

- Combat wounds;
- Head injuries / Traumatic Brain Injury;
- Post Traumatic Stress Disorder (PTSD);
- Reintegration and transition;
- Employment or re-employment challenges;
- Risk of becoming homeless;
- Significant family readjustment issues following active duty; or
- Long-term care needs.

As service members transition following overseas deployments, many will need assistance with ongoing medical, mental health or reintegration issues. Some may require assistance with re-employment, education or emergency help to overcome a financial crisis. Along with other State agencies committed to veterans' assistance programs, the Maryland Department of Veterans Affairs is helping veterans to meet these challenges.