



MARYLAND DEPARTMENT OF VETERANS AFFAIRS
RESPONSE TO DEPARTMENT OF LEGISLATIVE SERVICES
ANALYSIS AND RECOMMENDATIONS

FY 2017 Capital Budget

HOUSE APPROPRIATIONS COMMITTEE
February 17, 2016

SUBCOMMITTEE ON CAPITAL BUDGET
Room 120, HOB

SENATE BUDGET AND TAXATION COMMITTEE
February 16, 2016

SUBCOMMITTEE ON CAPITAL BUDGET
3 West, Miller

Introduction

The Maryland Department of Veterans Affairs (MDVA) appreciates this opportunity to update the Committee on the activities of the Department over the past year to ensure that we fulfill our mission 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,” and to respond to the issues raised and recommendations contained in the analysis prepared by the Department of Legislative Services.

This document contains the following information:

- MDVA agency profile.
- The Department’s response to the comments requested by the Department of Legislative Services Policy Analyst. **Both DLS’s questions and the Secretary’s responses are noted in bold type.**

The Maryland Department of Veterans Affairs concurs with the Governor’s allowance for FY 2017.

Agency Profile

Purpose

The mission and purpose of the Maryland Department of Veterans Affairs (MDVA) is to serve the veterans of Maryland, their dependents and survivors, in securing all benefits and services provided by federal and state law. The agency fulfills this mission by providing leadership and direction to the veteran community, while exercising responsible management of available resources.

Key service strategies of the department are to:

- Provide assistance to all eligible veterans, their dependents, and survivors;
- Collaborate with service providers whose efforts are coordinated by the department; and
- Continually review, revise, and build upon proven business practices to ensure the most timely, cost effective delivery of benefits and services.

Core Functions

- Provide representation to clients pursuing claims for federal veterans benefits;
- Prudently manage all budgets, accounts and financial transactions, information technology, and human resources to meet department needs;
- Provide dignified and compassionate committal services at our five Maryland State Veterans Cemeteries; and
- Provide the highest possible assisted living/skilled nursing residential care for Veterans Home residents.

At A Glance

Maryland Veteran Population: 430,446*

- In FY 2015, MDVA Service Program processed 5,287 claims (a 4th consecutive annual increase).
- In FY 2015, Marylanders received in excess of \$26 million in Federal veterans' benefits as a direct result of the efforts of the department's veteran's service offices.
- In FY 2015, MDVA provided 3,392 State Veterans Cemetery interments: 2,164 veterans and 1,228 dependents.
- In FY 2015, average Veterans Home occupancy rate was 90%; average census 410 of 454 available beds.

*Source: U.S. Dept. of Veterans Affairs website, accessed 2/09/2016 (estimate as of 9/30/2015)

The primary functions of the Maryland Department of Veterans Affairs are veterans' benefits services, veterans' cemetery services, assisted living/skilled nursing residential care for veterans, management of military monuments and memorials, and outreach and advocacy.

A successful veterans' Service program requires knowledge of VA and DOL laws and operating policies and procedures. Employees must have the skills to apply the required knowledge within the VA and DOL systems to successfully provide veterans and their families with all of the services needed to obtain their benefits and entitlements.

A successful veterans' Cemeteries program requires knowledge of VA Cemetery Administration policies and procedures, capital construction, land management building and equipment maintenance and procurement. These multiple tasks are ever demanding in maintaining the cemeteries as national shrines.

A successful assisted living/skilled nursing residential care program for veterans requires knowledge of VA and State laws, operating policies and procedures and plant management to ensure safe and proper health care.

A successful military monuments and memorials program requires the skills necessary to maintain such landmarks as reverent symbols of the sacrifices made by veterans.

A successful veterans' outreach and advocacy program requires an understanding of the needs of veterans and communication skills to reach veterans and advocate for them.

Despite budget cuts, lean staffing, winter storms, and many other obstacles, MDVA continues to fulfill our mission. In FY 2015, the Service Program once again recorded an annual increase in number of claims filed on behalf of veterans, marking at least the 4th consecutive year of growth. In FY 2015, the Cemeteries Program exceeded the prior year's totals with 3,392 interments of veterans and dependents despite being staffed at a level far lower than that recommended by the U.S. Department of Veterans Affairs. In FY 2015, Charlotte Hall Veterans Home had the highest average census of any of the past five years. We are proud to bring our best to the service of Maryland's veterans every day.

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 MDVA maintains 11 services offices throughout 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.

Through all of these increased responsibilities, since 1924, there has been no material reorganization or reclassification of the positions of the Agency. We remained a small agency with a large mandate.

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. MDVA is the designated agency of the State of Maryland to represent the State and its veterans before the U.S. Department of Veterans Affairs (VA). The agency represents veterans in filing VA disability claims and during VA appeals processes, and assists dependents with survivor benefits.

The Maryland Department of Veterans Affairs is tasked with helping veterans obtain the most benefits they are entitled to. The agency employs Veterans Benefits Specialists accredited by the VA to represent veterans with disability claims and appeals. MDVA enjoys established relationships with other accredited individuals outside the agency, who submit claims to the VA through MDVA. The agency's Veterans Benefits Specialists (VBS) also help veterans and their families with questions regarding benefits, survivor and dependent needs, filling out VA paperwork, and medical issues.

The Service Program currently has VBS Officers located in veterans' service centers throughout Maryland to aid and serve veterans and their eligible dependents. In addition, MDVA has itinerant offices throughout our state to bring services closer to veterans and their dependents.

Cemeteries Program

The State of Maryland, through the Cemeteries Program of the MDVA, offers Maryland veterans and their eligible dependents a final resting place at one of five state veterans' cemeteries located throughout Maryland. The program is the largest of its kind in the nation. It bases its standard of excellence on striving to ensure that our state cemeteries are maintained as a national shrine 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. MDVA's 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 consists of 112 acres and was formerly used for agricultural purposes. In FY 2015, the Cheltenham Veterans Cemetery conducted nearly 900 interments and is the final resting place for over 24,300 Maryland veterans and their dependents. The cemetery opened for burial in July 1978 and is expected to provide a total of 50,000 burial sites. 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 103-acre 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 opened in 1980 and has interred more than 21,600 Maryland veterans and their dependents. When fully developed, the site is expected to provide more than 48,000 burial plots.

Eastern Shore Veterans Cemetery at Hurlock, Maryland, is located two miles south of Preston and about five miles northwest of Hurlock on State Route 331. Eastern Shore Veterans Cemetery opened for operation in December 1976 and has used approximately 6,700 of the 14,000 available burial sites. Donated by the citizens of Dorchester County, the site was formerly a 35-acre wheat field. 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 is the most active of Maryland's five Veterans Cemeteries, conducting nearly 1,200 interments in FY 2015. Currently, this cemetery is the nation's third-busiest State Veterans Cemetery. Since December 1983, when the facility opened, more than 38,100 veterans and their dependents have selected this cemetery as a final resting place of the available 46,000 burial sites at this location. 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 consists of 110 acres bounded by woodlands.

Rocky Gap Veterans Cemetery is a 27-acre site 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. Over 4,320 veterans and their dependents are interred at the cemetery. Rocky Gap Veterans Cemetery has approximately 6,000 burial sites available.

MDVA receives funding from the U.S. Department of Veterans Affairs to expand its State Veterans Cemeteries. The VA typically funds expansions on a ten-year cycle and is responsible for the approval of all expansion projects. The State is required to provide initial funding in the form of architectural and engineering design services, but the State's expenses are fully reimbursed by the VA after approval has been received to proceed with implementing the expansion. It is important to keep in mind that every dollar the State spends on cemetery expansions will be reimbursed by the VA. MDVA is working with the Department of Budget and Management to develop a schedule for requesting expansion funding five years before the additional sites are needed.

The Department of Legislative Services, in its analysis of the Governor's allowance, requested that the Secretary **provide an accurate estimate of the impact of the Garrison Forest Veterans Cemetery Expansion on the operating budget.**

In response, the Secretary states the following: **The impact on the operating budget of expanding the Garrison Forest Veterans Cemetery is primarily related to the cost of irrigating, mowing, and maintaining the additional acreage. The increase in expenditures is estimated to be under \$10,000 annually. As**

with most expenses in the Cemeteries Program, this increase will be covered by the Program's Federal and special funds, not general funds.

The Department of Legislative Services, in its analysis of the Governor's allowance, requested that the Secretary **provide the burial capacity and projected burial needs for each of the five veterans cemeteries.**

In response, the Secretary states the following: **When fully developed:**

- **Cheltenham's acreage will support an estimated total 50,000 sites, and there were 895 interments there in FY 2015.**
- **Crownsville's acreage will support an estimated total 48,000 sites, and there were 845 interments there in FY 2015.**
- **Eastern Shore's acreage will support an estimated total 14,000 sites, and there were 268 interments there in FY 2015.**
- **Garrison Forest's acreage will support an estimated total 46,000 sites, and there were 1,182 interments there in FY 2015.**
- **Rocky Gap's acreage will support an estimated total 6,000 sites, and there were 202 interments there in FY 2015.**

Statewide, the Cemeteries Program has performed between 3,200 and 3,500 interments annually for the past four years. In the near term, we estimate that this level of activity at the State Veterans cemeteries will continue.

Assisted Living/Skilled Nursing Residential Care

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 the 168-bed assisted living program to the 286-bed skilled nursing program. 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, MD Dept. of Health & Mental Hygiene, and by the U.S. Department of Veterans Affairs.

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

The State is also working with the Department of General Services and the Department of Budget and Management in planning the construction of a second State Veterans Home on the Rosewood Center property in Baltimore County, which has one of the greatest veteran populations of any county in Maryland.

The Department of Legislative Services, in its analysis of the Governor's allowance, requested that **MDVA should provide an update on the procurement of a feasibility study for the Rosewood Center location.**

In response, the Secretary states the following: **A scope of work has been submitted to an A&E firm on the Department of General Services' Indefinite Quantity Contractor's list for the Rosewood Feasibility Study. We received the contractor's fee cost proposal from the Department of General Services on February 12, 2016, and are reviewing the cost proposal with them.**

Demographic Trends

There are over 430,000 veterans living in Maryland as of 9/30/2015, according to the website of the U.S. Department of Veterans Affairs. Two segments of the veteran population have grown at high rates:

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, MDVA is helping veterans to meet these challenges.

CEMETERY CAPITAL BUDGET (000)

FY	Project	PAYGO	FF	TF
2017	Cheltenham Veterans Cemetery – Burial Expansions and Improvements	1,360		
	Garrison Forest Veterans Cemetery – Expansion	820		2,180
2016	Rocky Gap Veterans Cemetery – Columbaria and Gravesite Expansion	80	4,295	
	Eastern Shore Veterans Cemetery – Columbaria and Gravesite Expansion	26 ⁽¹⁾		4,401
2015	Rocky Gap Veterans Cemetery – Columbaria and Gravesite Expansion	400		
	Eastern Shore Veterans Cemetery – Columbaria and Gravesite Expansion	45	3,910	4,355
2014	Eastern Shore - Cemetery Columbaria Installation	414		
	Crownsville Veterans Cemetery burial grounds expansion Phase III		5,983	6,397
2013	Crownsville Veterans Cemetery burial grounds expansion Phase III	700		700
2010	Eastern Shore - Cemetery Columbaria Installation	Canceled		
	Rocky Gap - Cemetery Columbaria Installation	Canceled		
2009	Garrison Forest - Administration and Alterations to Administration / Maintenance Complex		6,912	6,912
2008	Garrison Forest - Administration and Alterations to Administration / Maintenance Complex	210		
	Garrison Forest Cemetery burial grounds expansion		3,488	3,698
2007	Cheltenham Veterans Cemetery burial grounds expansion		3,743	
	Crownsville Veterans Cemetery burial grounds expansion		1,009	
	Garrison Forest Veterans Cemetery burial grounds expansion	575		5,327
2006	Cheltenham Veterans Cemetery burial grounds expansion	379		
	Crownsville Veterans Cemetery burial grounds expansion	252		631
TOTAL Funds				34,601

⁽¹⁾ 26k deficiency appropriation referenced in FY2017 DLS analysis