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April 29, 2003

JOINT LEGISLATIVE SUBCOMMITTEE

For the record: I am Chuck Fulkerson, Director, Office of Veterans Services

Operational choices: "For-Profit" or "State" management of Veterans Nursing Homes
I will provide information about both methods of management.

I recommend the Nevada Veterans Nursing Home remain under state management.

The decision of state managed vs. for-profit managed cannot be made solely on economics. The single largest area of operational concern is the question of **control of quality of care**. The most frequent concern voiced by state veteran's service directors is "lack of control over quality of care" in for-profit managed homes.

1. Of the 114 state veterans nursing homes open today about 87% are managed by state employees. This huge percentage is there in spite of the fact that state managed homes generally cost more to operate than "for-profit" managed homes. The majority of states manage their own veterans homes because they want a **high standard of care and a level of stability that cannot be delivered by a for-profit manager**. Current data indicates a turnover rate of 114% in for-profit homes vs. 35% for state operated homes. When veterans home are state operated, they incorporate a civil service system with a benefit package that is attractive to prospective employees. Consequently the turnover rate is much lower in state managed homes than in for-profit homes. With a lower staff turnover residents get to know their caregivers and caregivers get to know their residents. Ultimately, employee's longevity equals superior care and cost of training new employees is greatly reduced.
2. Another compelling reason for a state to operate their own veteran's home is that it will attract large numbers of volunteers. The veterans organizations will see the home as "**their home**" as opposed to a **for-profit home**. In Boise ID, for example, the state home attracts an average of 56 volunteers per day who volunteer over 3000 hours per month. These are hours of "love" that are not for sale at any price. These hours of love make possible a level of care that cannot be approached by the for-profit operator.

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