MINUTES

Quarterly Meeting of the
MISSOURI VETERANS COMMISSION
Held, pursuant to notice
Tuesday, April 28, 2009 — 10:00 AM
205 Jefferson Street, 1st Floor State Board of Education Room,
Jefferson City, MO

I. CALL TO ORDER

A. Invocation & Pledge of Allegiance

B. Roll Call

In attendance: **Chair Joseph Frank; Member John Comerford; Member Paul Connors; Member Emmett Fairfax;**

Absent: **Member Nancy Nelson; Ex-Officio Member Dalton Wright**

C. Introductions

Guests and staff present.

Guest: **James Whitfield**, Western Area Supervisor, MO Military Funeral Honors Program; **Arvid West** Former Commissioner; **Bernadette Miller**, Former Commissioner, **Philip Prewitt**, Former Commissioner; **Stephen Gaither**, VAMC-Columbia; **Jack Matthews**, President MVC Foundation, Inc.; **Frank Prosser**, American Legion; **Raphael Wahwassuck**, DAV; **Jessie Jones**, VFW; **Tom Hartman**, VFW; **Michael Bruns**, VFW; **Dewey Riehn**, VFW; **Michael Elmore**, DAV; **Robert Findley**, DAV; **James Harker**, DAV; **Adam Gresham,** State Senator Shields Office; **Jerry Dowell**, Lt. Governor Kinder's Office; **Marcy Mealy**, MMPEC; **Birch Wright**, VAMC-Fayetteville, AK; **Tony Messenger**, Post Dispatch; **Lee A. Smith**, DAV; **Tony Bamvakais**, MO National Guard

Staff: **Timothy Norton**, Acting Executive Director; **Bryan Hunt**, Deputy Director; **Jill Talken**, Executive Secretary; **Susan McNary**, General Counsel; **Stan Baughn**, Director Veterans Service Program; **Julie Miller**, Fiscal & Admin. Manager; **Pat Kerr**, State Veterans Ombudsman; **Larry D. Kay,** Executive Director, **Kevin Onstott**, Capital Improvement Specialist;

II. APPROVAL OF MINUTES

A. Approval of February 2nd Commission Meeting Minutes. Commissioner Comerford noted the date on the February Meeting Minutes was incorrect. Commissioner Comerford made a motion to adopt minutes of the February 2nd meeting with date change. Commissioner Connors seconded the motion. The minutes of the previous meeting were approved with proper changes.

B. Approval of April 17th Closed Commission Meeting Minutes. Commissioner Connors made a motion to adopt minutes of the April 17th Closed meeting. Commissioner Fairfax seconded the motion. The minutes of the previous meeting were approved.

C. Chairman Frank welcomed Larry Kay to the meeting. Larry Kay recently returned home from leading U.S. Armed Forces in Kosovo. Larry Kay will assume his duties as Executive Director, Missouri Veterans Commission on May 18, 2009.

D. Commissioner Fairfax issued a statement regarding the recent conflict with the Commission. He stated he is in support of Missouri's Veterans, the Missouri Veterans Commission and its current leadership. He also stated he had not been provided with all the facts of the situation when he voted at the April 17th closed meeting.

E. Commissioner Connors issued a statement regarding the recent conflict with the Commission. He stated that General Kay has the respect and support of the Veteran community and has my support.

F. Chairman Frank noted the Commissioners are not going to approve motions that ask the members to violate the Missouri Veterans Commission's statutory charge in Section 42, thus violating federal and state laws.

III. MANAGEMENT REPORTS

1. Acting Executive Director Comments: Timothy O. Norton

- Budget Update: Core budget passed out of the House

  A. Add three (3) additional Veteran Service Officers
  B. Approved $170,000 for training
  C. Add Minority Veteran Coordinator in St. Louis plus $10,000 operating expenses
  D. Additional $20,000 funding for Minority Coordinator operating expenses

  The above items are not in Senate version and will go to conference Rules Committee.

- Construction Budget: Passed out of the House

  A. HB 18 – Appropriates money for capital improvement projects involving the maintenance, repair, replacement, and improvement of state buildings and facilities
  B. HB 19 – Appropriates money for grants, distributions, planning, expenses, and capital improvements including but not limited to major additions and renovations, new structures, and land improvements or acquisitions.

C. HB 20 – Stimulus Money - Appropriates money for the expenses, grants and distributions of several departments of state government, and the divisions and programs thereof and for the expenses and distributions including repair, replacement, renovations and maintenance
D. HB 22 – Appropriates money for capital improvement projects, for grants, refunds and distributions, planning, expenses, and to transfer money among certain funds. HB 18, HB 19 and HB 20 have been wrapped into HB 22.

- Legislative Initiative:

A. SCS HCS HB 427 – Reported out of Committee

1. Includes regulatory authority necessary for the management and administration of its veterans service program and cemeteries (still in bill).
2. Two (2) year membership requirement in state service organization (has been removed).
3. Adds four (4) new Commissioners (2 House & 2 Senate) In addition no requirement for House & Senate members to be veterans.

Chairman Frank stated the Commission opposed the increase of members last year with HJR 71. He expressed his concerns in that the Commission is currently an independent Commission and the new language could politicize the Commission. He opened for discussion.

Commissioner Comerford noted HB 427 is advocated by MAVO. The substitute reads as follows:

42.007. 2. The commission shall be composed of nine members. Two members shall be members of the senate, one appointed by the president pro tem of the senate and one appointed by the senate minority floor leader, two members shall be members of the house of representatives, one appointed by the speaker of the house of representatives and one appointed by the house minority floor leader. Members appointed from the house of representatives and the senate shall be appointed for a two-year term or until a successor is appointed and may be reappointed to the commission.

Commissioner Comerford noted the primary advantages to this language in this section could assist the Commission

on any legislative initiatives at the Capitol and will also be set up similar to the Missouri Military Preparedness Enhancement Commission (MMPEC) which is currently structured with nine members.

Commissioner Fairfax expressed his concerns regarding the additional members not required to be veterans.

Mr. Norton reported that a proposal had been discussed at the hearing of adding a floor amendment which would state the member of the House or Senate shall be either a veteran or have a family member who is a veteran.

Commissioner Fairfax made a motion for the Commission to oppose the new language added in section 42.007.2. adding four (4) additional members to the Commission. Commissioner Connors seconded the motion. The vote was as follows:

Ayes	Nays	Absent
Fairfax	Comerford	Nelson
Connors		
Frank		

The motion passed three to one.

- Myers Funeral Chapel in Blue Springs contacted the Commission regarding land for sale for building another State Veterans Cemetery. Mr. Norton stated due to a National Cemetery located in Leavenworth and a State Veterans Cemetery located at Higginsville the Commission would not be interested in purchasing. All previous State Veteran Cemeteries land was donated.
- May 18th the St. Louis Veterans Home will have power shut down for 8-10 hours during the emergency generator switch over. Staff has been properly notified.
- Land adjacent to Mexico Veterans Home is for sale by county. Sale price is $24,500 but has offered to Commission for $21,900. Mexico Veterans Home will use land for overflow parking and storage unit. The Commission will proceed with purchase.
- The Commission will issue a press release the first week in May announcing the return of Larry Kay.
- Tim Norton and Bryan Hunt met with Representative Barney Fisher to tour the DMH facility at Nevada, MO on February 20th. Mr. Norton reported that major repairs are needed and would cost

more for renovations than to build a new facility. Representative Fisher showed them land in the area that could possibly be donated to the Commission for a State Veterans Home.

- Mr. Norton thanked the Commissioners for giving him the opportunity to oversee the Commission since August 16, 2008.

2. **Financial Report: Julie Miller, Fiscal & Administrative Manager**

- Core budget has been restored by House & Senate and will not go to Conference. Budget due May 8th.

Core budget:

1. Restored $366,000 core to administration which affects central office and cemetery program.
2. $6 million fund switch from GR to Home Fund. Plans to request this funding back with the next budget cycle for FY2011.
3. Received supplemental budget in the amount of $491,716 for food inflation for the Homes earlier this month.

Conference items:

1. Additional funding in GR for 3 new Veteran Service Officers.
2. Additional training money
3. Additional $20,000 funding for Minority Coordinator operating expenses
4. Minority Coordinator position in St. Louis plus $10,000 operating expenses.

- Financial Reports distributed: Home Fund, Veterans Commission Capital Improvement Trust Fund, Veterans Trust Fund, Federal Fund and General Revenue Fund.

3. **Homes Program: Bryan Hunt, Deputy Director**

- Homes Program Staff is attending Annual Leadership Conference today
- All seven Homes continues to operate at its highest efficiency
- Homes maintaining 99% occupancy
- All Homes operate in compliance with 158 Federal Department of Veterans Affairs regulations.
- Current number of veterans on waiting list is 1,100

- Homes Program continues to produce very position outcomes. Next week they are conducting their Annual Business Meeting where they will formulate their operating plan for the next year and tie that into the MVC Game Plan.

4. <u>Construction Update: Timothy O. Norton, Acting Executive Director</u>

- Fort Leonard Wood Veterans Cemetery – Clearing has been completed and discovered some rock in a few areas, most has been removed and the remaining rock should be gone in the next couple weeks. Footings poured for the administration building. Should be ready to open by February 2010.
- Cape Girardeau CBOC – VA is moving to larger site.
- St. Louis Veterans Home, emergency generator – May 18th scheduled switch over to the new emergency generator. Project should be completed by July 1, 1009.
- Mexico & St. James Veterans Home, emergency generator – money not available yet, however design has begun.
- New Projects in the CI budget process:
    1. Seven Generators for Veterans Homes
    2. St. James sprinkler pipe replacement
    3. St. James roof replacement
    3 Mexico roof replacement
    4. New solarium and chapel at Warrensburg

    All the above projects have been submitted for a VA grant application and have been approved and will receive 65% of the total cost of project back from VA.

    5. Higginsville columbarium wall, lake erosion and new covered spoils area
    6. Springfield columbarium wall

    Above projects have been approved for a VA grant and will receive 100% back from VA.

    Still working on two additional projects solarium and chapel at Cameron Home.

    Commissioner Comerford inquired about whether stimulus money is available for MVC projects. Mr. Norton advised the stimulus money is for federal projects. Stephen Gaither, VAMC-Columbia advised stimulus money is available for

already planned construction federal projects that had target date for 2010.

5. Veterans Services Program & Special Programs: Stan Baughn, Director

- Veterans Service Program continue to provide excellent service to Missouri's 543,000 plus Veterans.
- FY2008 over $760,000,000 in Compensation and Pension benefits were paid to Missouri Veterans. Based on March 2009 projections this number should exceed over $822,000,000 by the end of Federal FY 09. These amounts do not include Education, Voc Rehab, or medical payments.
- March 1st attended the de-mobilization of the Kosovo Force at Camp Atterbury along with three (3) Veteran Service Officers and the Operation Outreach Program. Service Officers took in 271 informal claims.
- 01/01/2009 – 03/30/2009

Client contacts	10,931
Claims filed	7,965
Forms completed	8,819

- Rebecca Bradley, Minority Veterans Coordinator has laid out outreach plans in the following months to include a Multicultural Women Veterans Luncheon on May 16th and a Town Hall Meeting tentatively scheduled for September 5th.
- Karen Etzler, Women Veterans Coordinator is in final preparations for the 3rd Annual Statewide Woman Veteran Conference for May 2, 2009 in Springfield, Missouri. Commissioners are invited to attend.
- Gerry Hodge, Incarcerated Veterans Re-entry Program continues to provide direct services to Missouri's Incarcerated Veterans. Currently over 3,500 Veterans incarcerated in Missouri. Of these approximately 25 are women. Identified 34 Incarcerated Veterans still in receipt of VA benefits. Payments have been stopped and should alleviate overpayment situations when they are released.

6. Veteran Service Grant Program: Stan Baughn, Director

- Per the direction of the Commission no funds have been granted to organizations that are delinquent in their reports.
- Previous concerns with AmVets has been addressed. Service officer passed away and the person now handling was not experienced has now been informed of necessary requirements.

Commissioner Comerford inquired as the why grant funds are not distributed to the Kansas City area. Mr. Baughn noted that such requests have not been made. Chairman Frank expressed his concerns with the formula process of the grants. The Commissioners requested Stan Baughn to work with the them and the Executive Director in developing a task force that can study the grants program and try to find an equitable way in distributing funds. Bryan Hunt advised that this issue will be addressed in the 2010 MVC Game Plan.

7. **Cemetery Program & State Veterans Ombudsman Program: Bryan Hunt, Deputy Director**

- Bloomfield Cemetery has conducted 912 burials and have 4,795 pre-certifications
- Higginsville Cemetery has conducted 1,450 burials and have 3,730 pre-certifications
- Jacksonville Cemetery has conducted 445 burials and have 2,131 pre-certifications
- Springfield Cemetery has conducted 3,890 burials and have 9,511 pre-certifications.
- Working with Leah Piland at the Fort Leonard Wood Veterans Cemetery regarding marketing efforts.
- State Veterans Ombudsman Program/Operation Outreach has 156 new cases and has coordinated over $129,153.17 in resources. They attended 46 briefings, presentation, special projects. Program Components:
    1. Advocacy
    2. Education
    3. Navigation
    4. Resource coordination
- KFOR 10 Premob/Demob update and Stats
- Attended American Red Cross Recognition Ceremony award given to Pat Kerr. Chairman Frank also noted that Ms. Kerr along with five (5) other women has received the Zonta Club of St. Louis Yellow Rose Award for outstanding women, making a difference in advancing the status of women.

8. **General Counsel: Susan McNary**

- The Final Order of Rulemaking will be published in the Missouri Register on June 1st ; the code publication date is on June 30th ; and the effective date of the MVC organizational rules is July 30, 2009. This will allow members of the Commission to vote be by telephone or by video conferencing.

- Ms. McNary has accepted employment with Missouri Housing Authorities Property and Casualty Inc. and has resigned from her position with the Commission effective May 1, 2009.

IV. NEW BUSINESS:

A. Adoption of Resolution 09-01 – Hybrid HIPAA Entity
Background: In order to keep our clients' and residents' information safe there are different ways to protect the integrity of the data - one is by MVC's adoption of best practices policies and the other is through HIPAA compliance. There are good business reasons to separate out the areas that require HIPAA compliance from those that do not, we will apply best practices and manage the risks of protecting confidential health information in two separate ways. Adopt policy that HIPAA which only applies to MVC's health care components. COVERED ENTITY/HYBRID STATUS - As a provider of skilled nursing care, MVC is a "covered entity" under HIPAA- if you carved off the Homes Program from MVC, MVC would not be required to comply with HIPAA; the handling of health information does not bring an entity under the HIPAA umbrella- must be a health care provider; health plan or health care clearinghouse. Any entity that is a single legal entity performing both covered and non-covered functions is permitted to choose whether to be a "hybrid entity" so that only a portion of the entity would be covered by the requirements of HIPAA. In order to do a better job of complying with HIPAA by separating out the health care components and support functions. Commissioner Comerford made a motion to adopt Resolution 09-01 as distributed. Commissioner Connors seconded the motion. By a voice vote the motion passed unanimously.

B. Adoption of Resolution 09-02 – Red Flag Rule
Background: The Red Flags Rule was issued by the Federal Trade Commission pursuant to the Fair and Accurate Credit Transactions (FACT) Act of 2003 (the "Rule"), and requires financial institutions and creditors with covered accounts to adopt and implement identity theft prevention programs to identify, detect and respond to patterns, practices and activities that could indicate identity theft. The Rule is effective May 1, 2009. Commissioner Comerford made a motion to adopt Resolution 09-02 as distributed. Commissioner Fairfax seconded the motion. By a voice vote the motion passed unanimously.

C. Adoption of Resolution 09-03 – Commission Expenditures Approval
Background: At the direction of the Commission, I contacted four State agencies to ascertain whether any of the agencies have adopted a policy requiring commission approval for expenditures over a specific dollar amount. None have such formal policy. Commissioner Comerford reported that two (2) versions have been drafted. Commissioner

Comerford's recommendation is to adopt his version which reads as follows: That when the Executive Director determines there is the need for a non-routine expenditure of the Commission which exceeds or potentially exceeds $10,000, the members of the Commission shall be provided with notice of the proposed expenditure and shall be provided with reasonable opportunity to request additional information from the Executive Director. If any member of the Commission opposes the proposed expenditure, that member shall have the right to request that the expenditure be approved through a formal vote of the Commission. His reasons for such is that this will provide a top cover for the Executive Director and also the Commissioners have a duty to stay informed. Chairman Frank stated the Commissioners hire the Executive Director and the authority to carry out the statutory mission of the Missouri Veterans Commission rests with the Executive Director. Commissioner Connors suggested item be tabled for next meeting. Commissioner Fairfax stated his past experience on the Commission was to let the Executive Director have spending authority and if not related to the normal operation of the Commission he advises the Chairman who then will deiced if significant enough to take to full Commission. Larry Kay state his understood these concerns and he fully intends to keep the Commissioners informed. Commissioner Comerford made a motion to adopt his version of Resolution 09-03. With no seconded taken on the motion, the item was tabled.

D. Other Business:

- Commissioner Comerford asked what the plans are in replacing the General Counsel. Mr. Norton advise that applications have been received and that Larry Kay will start the hiring process when he returns. Commissioner Comerford recommended replacing quickly.

E. Guest Remarks/Public Comment:

Marcy Mealy, MMPEC

- Ms. Mealy reported Dalton Wright could not attend today and that she was attending on his behalf.

Jim Whitfield, Western Area Supervisor, MO Military Funeral Honors Program

- Twenty years ago today HB 850 was being debated in the House & Senate which created the Commission and on July 13, 1989 it was signed into law.

Stephen Gaither, VAMC-Columbia

- VA is working closely with other Federal departments and agencies to monitor human cases of Swine Influenza in the United States. A Swine Influenza advisory has been issued to all of our medical facilities nationwide. These advisories are a part of daily and weekly updates to inform staff and patients. Our medical professionals are carefully monitoring our Veteran population for any new cases and any new strains. Procedures are in place at all VA Hospitals.
- VA opens system to some Group 8 Veterans by June 30, 2009. The change affects approximately 265,000 veterans whose incomes exceed the current VA means test and geographic means test income thresholds by 10% or less. The VA's goal is to open Healthcare to all Veterans.
- VAMC - Columbia construction project to start in May or June with replacing all operating rooms and to move Images Service to other and of building
- Policy changes for psychiatric unit effective May 18th .

Birch Wright, VAMC – Fayetteville, AK

- Mt. Vernon CBOC continues to grow. Facility currently has a team of 13 primary care physicians. Lease is up at the MRC Building however, intention is to stay at that location.
- Name change from Fayetteville to Veterans Health Care System of the Ozarks.
- Branson CBOC facility is open
- New clinics opening in this year in Oklahoma and Ozark, Arkansas in 2010.
- Welcome Home Event at Beaver Lake in Arkansas on June 13, 2009.

Jesse Jones, Vice Chairman MAVO

- Attended meeting on behalf of George Newell, Chairman MAVO.

Tony Bamvakais, Military Executive MNG

- Welcomed Larry Kay back.

Mike Bruns, American Veterans Transition Assistance

- Pro-active care givers organization

- Advised the Commission that federal grants are available for jail diversion program. Program helps Veterans find employment and prevent homelessness.

Dewey Riehn, VFW

- HB 82 - Authorizes an individual income tax deduction for 15% of any military retirement income which increases by 15% annually until 2016 when it is fully phased in. Reported out of Committee and hope to get on Senate 3rd Calendar this week.
- HB 427 - Changes the laws regarding members of the military, veterans, and their families. Bill includes: Silver Star Families of America Day; Assistant Adjutants General; Missouri Veterans Commission; Overseas Internet Voting – taken out for Elections Committee ; Veteran's Survivor Grant; In-State Tuition for Dependents; Veteran's Cremated Remains; Interstate Interchange Designation Program; Veterans Memorial Highway; Parking for Certain Veterans and Court Orders.
  Mr. Riehn mentioned concerns were from Fort Leonard Wood that a dependent of a military member of Ft. Leonard Wood who already started school in the state of Missouri and now parent has been re-assigned to another state but child wishes to remain in Missouri institution they are not penalized. Commissioner Connors stated these issues can be reviewed next legislative session.

F. Next Meeting: Will be determined at a later date.

Chairman Frank addressed attendees of the meeting that rumors had been flying around regarding the Commission that are out of control. He stated all Commissioners are now on board and on the same page and are ready to move forward for the best interest of the Veterans.

With no further business before the Commission the meeting was adjourned.

Timothy O. Norton, Acting Secretary