MISSOURI VETERANS COMMISSION

4th Quarter Commission Meeting

October 27, 2025

10:00 AM

Harry S Truman State Office Building

301 West High Street

Jefferson City, MO 65102

For a copy of this presentation:
mvc.dps.mo.gov/about/

AGENDA

- CALL TO ORDER
  - Pledge of Allegiance
  - Roll Call
  - Chair Opening Comments
- APPROVAL OF MINUTES
- Open Meeting Minutes from August 11, 2025, 2nd Quarter Commission Meeting
- Closed Meeting Minutes: NA
- COMMISSION UPDATES
  - Guest Speaker
    Susan Roemer, Executive Director
    Independent Living Resource Center
  - Executive Director
  - General Counsel
  - Facilities
  - Human Resources
  - Veteran Suicide Prevention
  - Cemeteries
  - Veterans Service Program
  - Homes Program
  - Budget and Finance
- LEGISLATIVE UPDATE
- AGENCY PARTNER REPORTS
  - United States Department of Veterans Affairs
  - Veterans Affairs Hospital Directors
  - Military Preparedness and Enhancement Commission (MMPEC)
  - Missouri Association of Veterans Organizations (MAVO)
- PHARMACEUTICAL COST REDUCTION BRIEF
- CHAIR COMMENTS AND ANNOUNCEMENTS
- 2026 Commission Meeting Dates
  - 1st Quarter Meeting: February 2, 2026
  - 2nd Quarter Meeting: April 20, 2026
  - 3rd Quarter Meeting: August 17, 2026
  - 4th Quarter Meeting: November 23, 2026
- ADJOURNMENT

CALL TO ORDER

- Pledge of Allegiance
- Roll Call
- Chair Opening Comments

MISSOURI VETERANS COMMISSION

Mission: MVC is "Always on Mission" to serve Veterans as the first choice in skilled nursing care; best choice in securing benefits; and proven choice in a dignified resting place.

Vision: To provide high quality, compassionate care for Veterans; seamlessly integrated with the Veteran community; emphasizing a culture of transparency and excellence.

Core Values

- Integrity first
- Service before self
- Excellence in all we do

Intent: To provide the very best care and services for Veterans while being a good steward of taxpayer dollars through a deliberately developed workforce.

Missouri Veterans Commission
Strategic Management Priorities
FY2026 Version 1.0

Making a Safer Missouri

We are going to improve communication inside and out.

- Utilize constructive feedback from team members and stakeholders through survey tools to help identify methods to improve the organization at all levels.
- Build upon our public relations campaign using traditional media with an emphasis on social media to ensure Veterans, their families and survivors obtain benefits they have earned.
- Improve suicide awareness by working closely with stakeholder agencies, the legislature, and the Veteran community to provide information on available resources for the prevention of Veteran suicide.

We are going to improve our team.

- Attract and retain excellent compassionate team members through the engagement of current staff into the recruiting, onboarding and training process.
- Develop and educate staff at all levels to ensure their growth as team members, equipping them for future success.
- Interface with data sources and for data cleaning, feature engineering, and predictive modeling. Utilize Tableau for model deployment and dashboard creation.

We are going to improve how we work with our stakeholders.

- Expand upon collaborative efforts with other state and local agencies aimed at increasing Veteran outreach and awareness of federal, state and local benefits.
- Reinforce relationships with stakeholders through increased and regular engagement and collaboration to enhance MVC's service to Missouri's Veteran community.
- Work with stakeholders to identify and secure new funding streams to provide MVC the fiscal stability to compensate staff at or above market value.

APPROVAL OF MINUTES

- Open Meeting Minutes from August 11, 2025, 2nd Quarter Commission Meeting
- Closed Meeting Minutes: NA

COMMISSION UPDATES

GUEST SPEAKER

Susan E. Roemer
Executive Director
Independent Living Resource Center

EXECUTIVE DIRECTOR

EXECUTIVE DIRECTOR

- Pharmacy costs
- Iraq/Afghanistan obelisk dedication – November 11, 2025 @ 11 am
- Government Shutdown
- Hemp shops

LEGAL

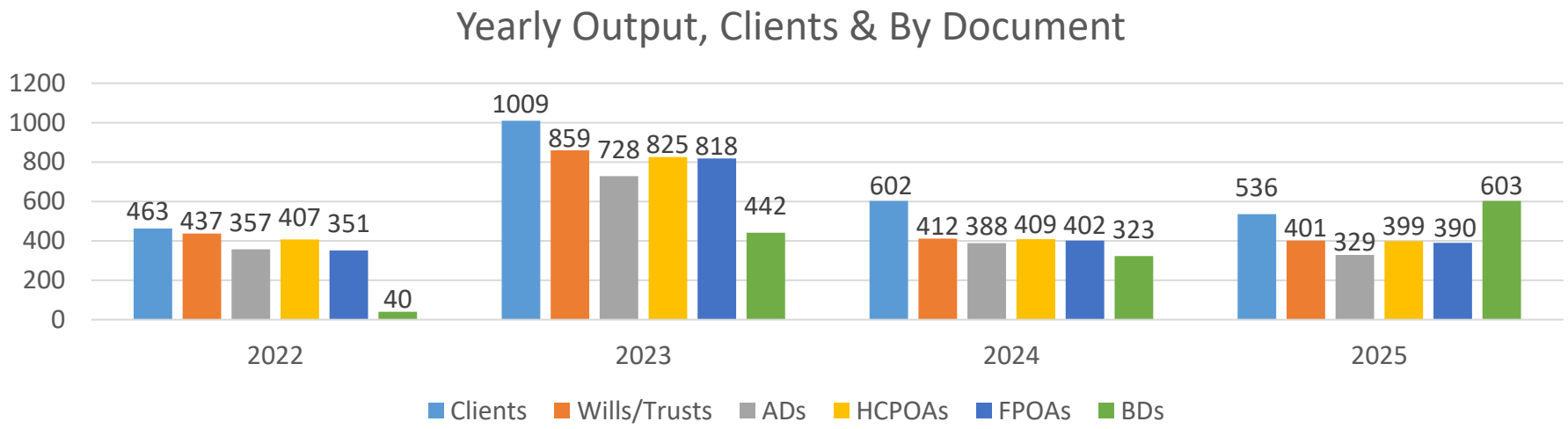
LEGAL

- Clinics Held This Quarter:
  - Branson - 8/14/25
  - Clayton - 8/15/25
  - Columbia/Kirksville - 8/25/25
  - Warrensburg - 9/5/25
  - Kansas City - 9/15/25
  - Jefferson City - 9/26/25 – in collaboration with the Lt. Governor's Office
  - Columbia - 9/29/25

- Future Clinics Scheduled for:
  - St. Louis - 11/14/25
  - St. Louis - 11/18/25
  - Columbia - 11/24/25
  - Mount Vernon - 12/5/25
  - Columbia - 12/29/25

LEGAL

- 2,610 Clients Served
- 9,320 Documents Drafted
  - 2,109 Wills/Trusts
  - 1,802 Advanced Directives
  - 2,040 Healthcare POAs
  - 1,961 Financial POAs
  - 1,408 Beneficiary Deeds
- Estimated Cost Savings to Veterans: $4,660,000.00



LEGAL

- Developing Legal Issue:
  - Guardian/Conservatorships for Residents of Veterans Homes

FACILITIES

In Progress Construction Projects

- St. Louis Veterans Home Renovation
  - A Unit construction awarded to Aspire Construction Services 9/30/25
    - Completion date 9/11/26
  - C Unit construction is pending design
  - Project remains over budget

- COVID19 – VA Construction Grant
  - Mexico flooring is in construction.
  - HVAC Improvement for Isolation and Quarantine areas in Cape Girardeau and St. Louis are in construction, Mt. Vernon and Warrensburg are pending bid. St. James and Cameron are in design.
  - Wi-Fi upgrades at Cameron, Cape Girardeau, Mt. Vernon and Warrensburg are FMDC completed, pending ITSD activation. St. James and Mexico are in construction, and St. Louis is pending bid.
  - Access Control upgrades in Mt. Vernon are completed. Cameron is in construction, and all other Homes will follow as construction is completed.
  - COVID19 grant projects must be completed by 9/17/26

FACILITIES

- Cape Girardeau Facility Renovation FAI 29-043, U180501
  - Awarded Brockmiller Construction 8/25/25
  - Completion date 1/21/27

- St. James Facility Improvements
  - Renovation Project FAI 29-044, U150301 exceeded designer estimated cost, MVC rejected bid
  - New projects to be completed with existing funding
    - New pavilion construction
    - Replace roofing, flooring, and painting
    - Replace fire alarm system
    - Install addition surveillance cameras to existing system

- Higginsville Cemetery
  - In construction phase
  - Completion date estimated 12/05/25

HUMAN RESOURCES

RECRUITMENT & RETENTION INITIATIVES

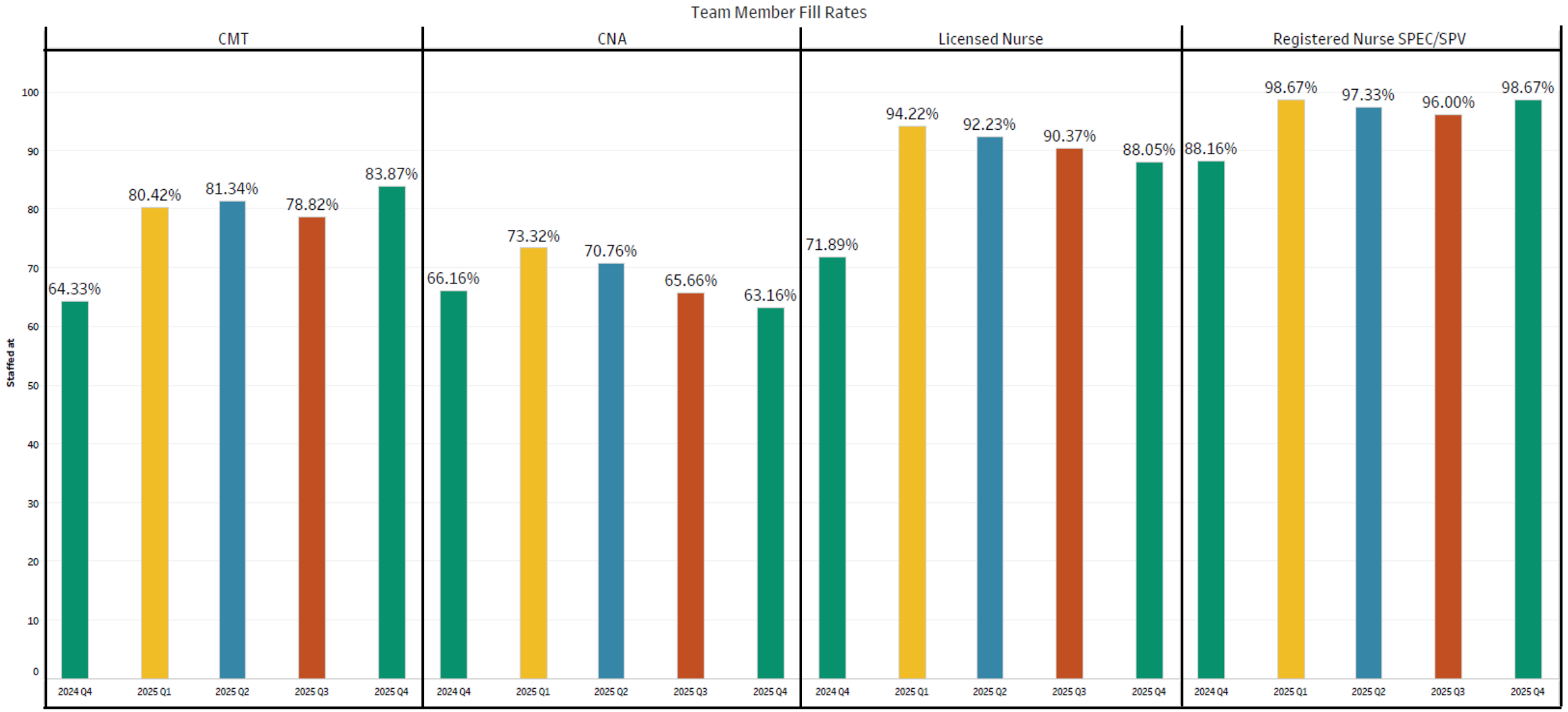
Recruitment Campaign

Investment: $100,000
Timeframe: January 1, 2025 – December 31, 2025
Focus: Cameron, Mt. Vernon, St. James, and Warrensburg - CNA, LPN, RN, and Trainees
Desired Outcome: Fill vacancies with qualified candidates, build on culture momentum

Retention – Retention – Professional Leadership Development Award

- 162 team members received $1,500 award to be used by May 31, 2026
- Use for own professional development or reallocate for large group activities

HUMAN RESOURCES



VETERANS SUICIDE PREVENTION PROGRAM

VETERANS SUICIDE PREVENTION PROGRAM

- Collaboration with Missouri Public Education Program (MoPEP)
  - Partnering with the MoPEP program to launch a radio campaign
  - Content development currently underway to promote awareness and encourage community engagement
- Exploring the feasibility of integrating a Peer Network component within the program
  - Researching models from other states with established peer programs, including Texas, New York, South Carolina, Michigan, Washington, and Wyoming
  - Identifying best practices and common trends, such as:
    - Sustainable and diversified funding structures
    - Utilization of external agencies for peer training and certification
    - Dedicated program staff to ensure consistency and statewide coordination

VETERANS CEMETERIES PROGRAM

VETERANS CEMETERIES PROGRAM

RECENT EVENTS:

• Bloomfield MVC Peer Review (Score 85%)	Sep 10 - 11, 2025
• Higginsville Columbarium Wall Dedication	Oct 16, 2025
• Springfield NCA Operational Excellence Award	Presentation - TBA

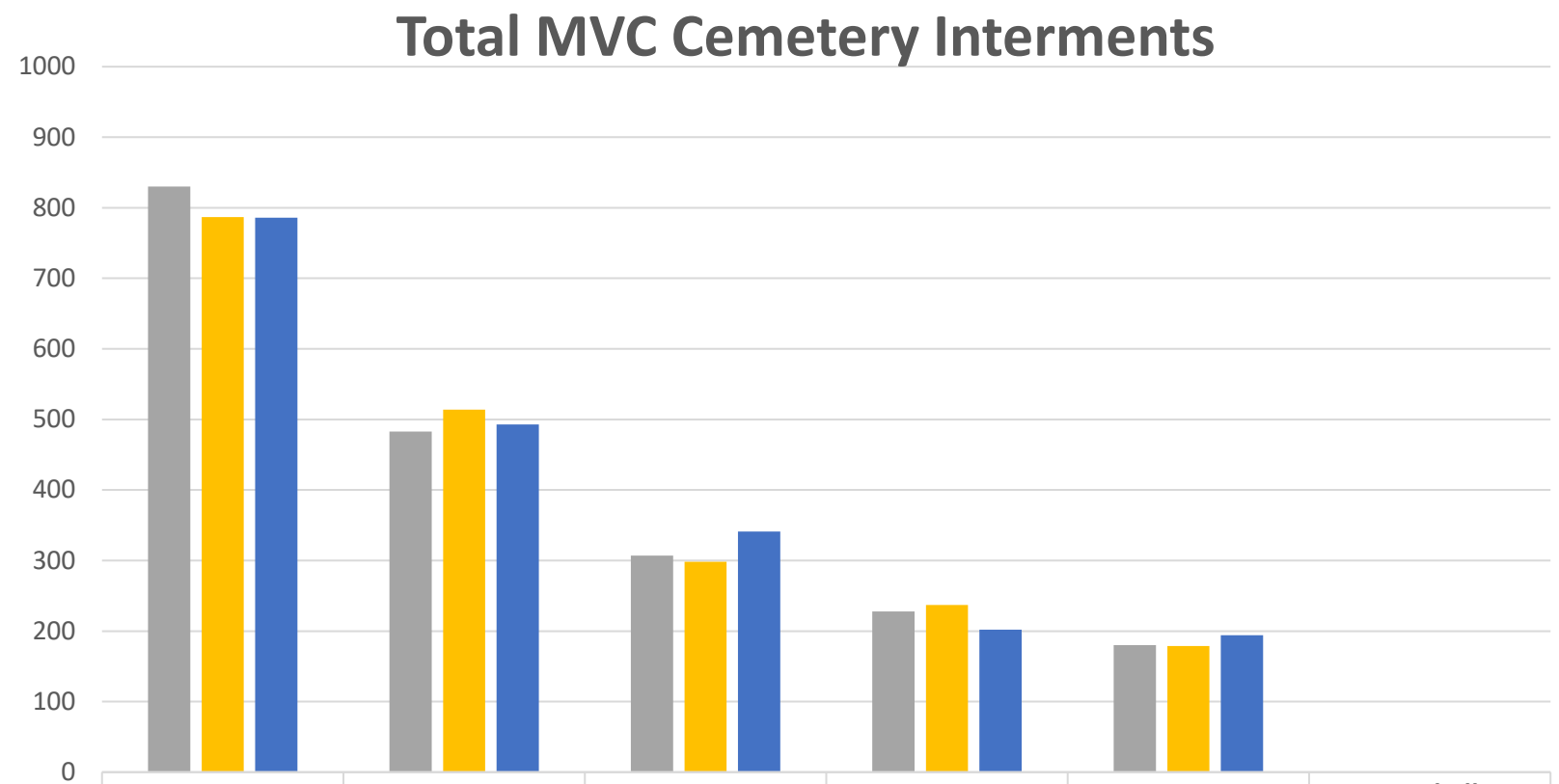
FUTURE PROJECTS:

• Higginsville Concrete Road Surface Replacement	Funded – Scheduling TBA
• Springfield Columbarium Wall	(Up to 100% reimbursable)

UPCOMING EVENTS:

• Wreaths Across America	Dec 13, 2025
• Ft Wood NCA Compliance Review	Mar 30 - Apr 1, 2026
• Higginsville NCA Compliance Review	Apr 28 - 30, 2026
• Bloomfield NCA Compliance Review	Sep 15 - 16, 2026

VETERANS CEMETERIES PROGRAM



	Springfield	Higginsville	Bloomfield	Jacksonville	Ft. Leonard Wood	Total All Cemeteries
FY23	830	483	307	228	180	2,028
FY24	787	514	298	237	179	2,015
FY25	786	493	341	202	194	2,016

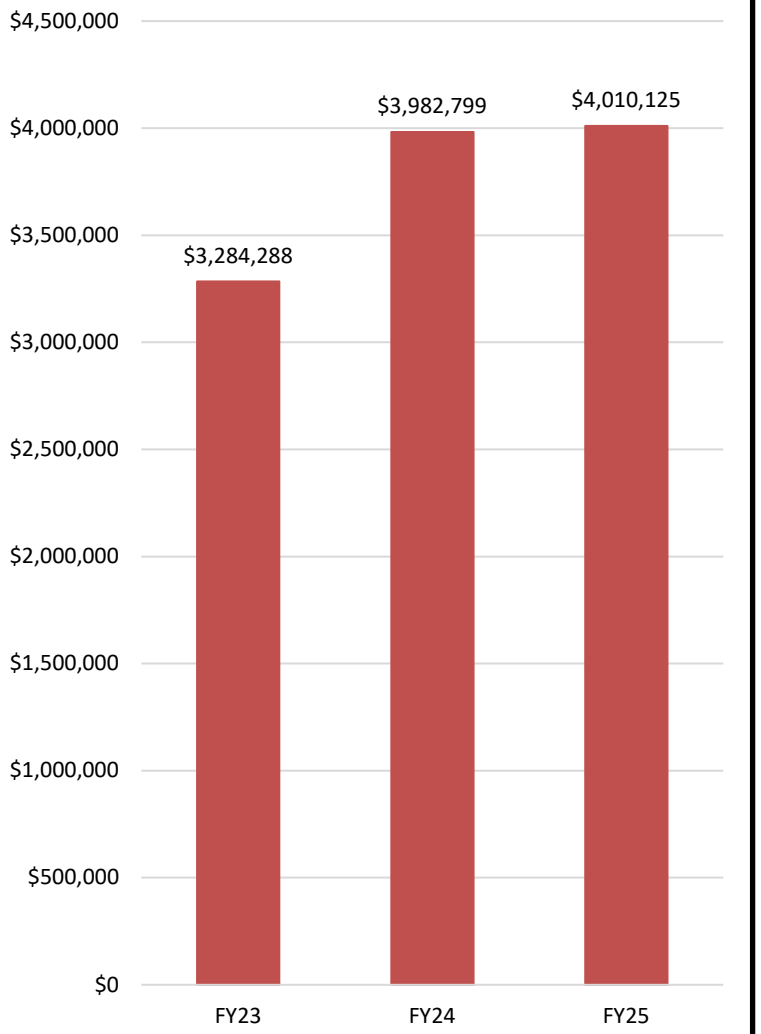
Interments by Fiscal Year and Cemetery

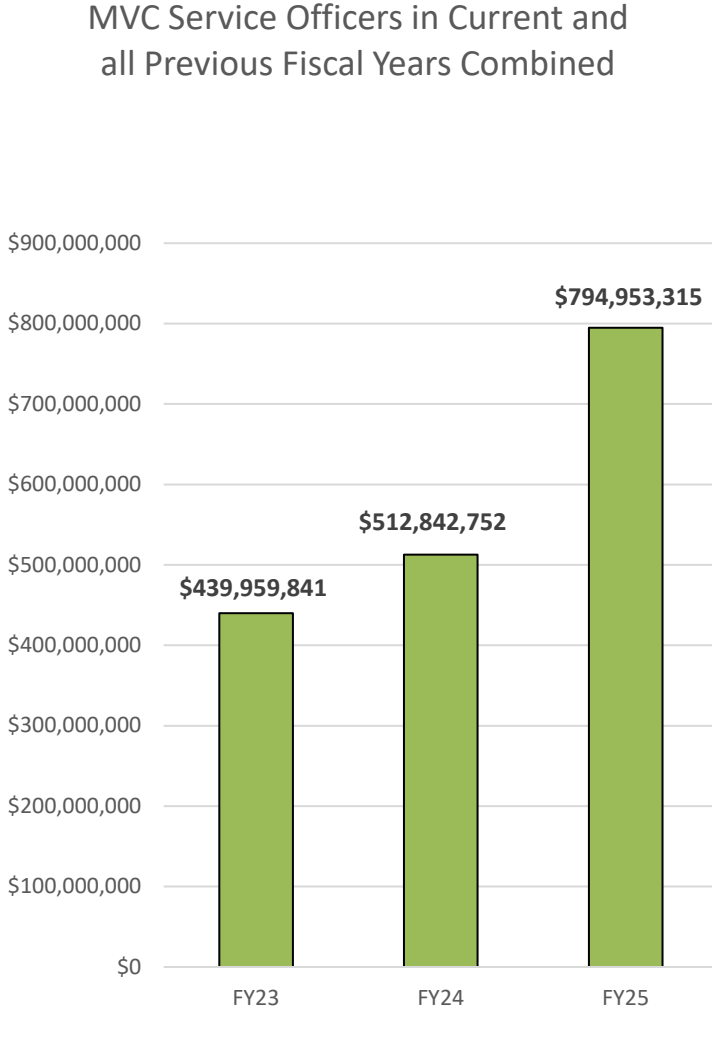
Total Interments YTD FY26

503

VETERANS SERVICE PROGRAM

VETERANS SERVICE PROGRAM UPDATE





Return on Investment Ratio:

FY23 - $134 : $1
FY24 - $129 : $1
FY25 - $198 : $1

Cash Benefits Received to Direct Cost for MVC Veterans Service Program

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Reported benefits awarded include:

- Compensation
- Pension
- Survivor Pension
- Death and Indemnity Compensation

VETERANS SERVICE PROGRAM UPDATE

Missouri Veteran Population (2023)

392,041

-1.6% from 2021

47.5%

Missouri Veterans Age 65 and Over

29.87%

Receiving Compensation/ Pension

3,087 : 1

Ratio of Veteran to VSO

127

VSOs in Missouri, according to the VA Office of General Counsel database (April 2025)

49.86%

Enrolled in VA Healthcare Up .42% from 2021

15TH

IN THE NATION FOR VETERANS POPULATION

Source: VBA POA Report October 2024

VETERANS SERVICE PROGRAM UPDATE

Missouri Veterans Commission administers the $1.6M Veterans Service Organization Cash Match Grant that reimburses a percentage of operational funds to support Organization's Veterans Service Programs.

$ 1,576,947,252.00

Average based on FY2024 VBA Report

50% of the total benefits earned by Missouri Veterans

VA Monetary Benefits Received into Missouri Economy through the efforts of these Veteran Services Organizations

VETERANS HOMES PROGRAM

VETERANS HOME PROGRAM

PINNACLE QUALITY INSIGHT

CUSTOMER SATISFACTION
MISSOURI VETERANS HOME AVERAGE

MISSOURI VETERANS HOME
September 2025

RESIDENT SATISFACTION RATE
percentage that rated
Recommend to Others as a 4 or 5.

100.0%

78.0% National Average

RESPONSIBLE PARTY SATISFACTION RATE
percentage that rated
Recommend to Others as a 4 or 5.

97.2%

83.6% National Average

VETERANS HOME PROGRAM

2025 Annual VA Certifications (Survey)

- Full Certification
  - St. James
  - Cameron
- Partial Certification
  - Mexico
  - Cape Girardeau
  - St. Louis
- Awaiting Survey Results
  - Mt. Vernon
  - Warrensburg

2026 Upcoming Surveys

LOCATION	SURVEY EXPECTED
St. James	January
Mexico	March
Cameron	April
Cape Girardeau	June
St. Louis	September
Mt. Vernon/ Warrensburg	October

* Full Certification – all standards met during annual survey, or Correction Plan was submitted and completed

* Partial Certification – Correction plan was submitted and accepted by the VA and is in progress of completion

VETERANS HOME PROGRAM

Program Update:

- Specialty/High-Cost Medications remain a challenge; contract pending with specialty pharmacy
  - Federal Legislative Bill HR 1970 for high-cost medications
  - Bill allows for VA to furnish and/or reimburse SVH for high-cost medications for 70-100% service-connected veterans within SVH's
- New electronic health record – NET SMART – Implementation will start in Spring 2026
- Starting contract reviews for new skilled therapy company
- Excellent summer events at all the Homes: golf tournaments, family and friends' picnics, car shows and ride for freedom
- 25th Anniversary was a huge success for the MVH - Warrensburg
- American Legion Auxiliary president visited MVH - St. Louis
- Renovations to begin at MVH - Cape Girardeau

VETERANS HOME PROGRAM

HIGH-COST MEDICATION DENIALS OF ADMISSION TRACKING:

LOCATION	# of Veterans Denied	Monthly Cost of Medication	Annual Cost of Medication
CAMERON	0		
CAPE GIRARDEAU	0		
MEXICO	0		
MT. VERNON	2	$36,000	$432,000
ST. JAMES	0		
ST. LOUIS	0		
WARRENSBURG	0		

Timeframe: July-September 2025

VETERANS HOME PROGRAM

Clinical Quality Measures

		Cameron 200 Beds		Cape Girardeau 150 Beds		Mexico 150 Beds		Mt. Vernon 200 Beds		St. James 150 Beds		St. Louis 188 Beds		Warrensburg 200 Beds	
Previous Quarter: July 1, 2025 Current Quarter: Sept 30, 2025		Previous Quarter	Current Quarter	Previous Quarter	Current Quarter	Previous Quarter	Current Quarter	Previous Quarter	Current Quarter	Previous Quarter	Current Quarter	Previous Quarter	Current Quarter	Previous Quarter	Current Quarter
1	**Falls w/Major Injury**	1.03%	1.25%	1.43%	0.48%	1.05%	1.50%	0.98%	0.95%	1.80%	0.00%	0.70%	0.67%	0.57%	1.97%
2	**Pressure Ulcers**	1.03%	0.25%	3.34%	5.10%	0.00%	0.52%	0.98%	0.19%	3.23%	3.03%	6.99%	11.1%	0.85%	0.84%
3	**Antipsychotic Use**	26%	23.9%	25.20%	26.10%	31%	27.1%	27.10%	28.60%	31%	29.8%	19.8%	16.30%	16.30%	19.0%

Staffing Measures

		Cameron 200 Beds		Cape Girardeau 150 Beds		Mexico 150 Beds		Mt. Vernon 200 Beds		St. James 150 Beds		St. Louis 188 Beds		Warrensburg 200 Beds	
Previous Quarter: July 1, 2025 Current Quarter: Sept 30, 2025		Previous Quarter	Current Quarter	Previous Quarter	Current Quarter	Previous Quarter	Current Quarter	Previous Quarter	Current Quarter	Previous Quarter	Current Quarter	Previous Quarter	Current Quarter	Previous Quarter	Current Quarter
1	**Medical Director**	0	0	0	0	0	0	0	0	0	0	0	0	0	0
2	**Administrator**	0	0	0	0	0	0	0	0	0	0	0	0	0	0
3	**Licensed Nurse**	3	2	0	1	1	0	4	5	7	4.5	3	2	1	1.5
4	**C.N.A.**	63	53	22	28	28	26.5	56	57	33	38	8	8	38	55.5

BUDGET AND FINANCE

MVC FUNDS REVIEW

- **Veterans Homes**
  - Veterans Homes operational needs (Payroll, Fringe, ITSD, Supplies, Utilities, Operational Costs, Maintenance, and Services)
- **General Revenue**
  - Solvency of the Homes Fund, Special Projects, Capital Improvement and Maintenance Projects
- **Veterans Commission Capital Improvement Trust Fund (VCCITF)**
  - Headquarters, Cemeteries, Veterans Service Officers, Utilities for Cemeteries, State Veterans Grant Partners, Veterans Recognition, Maintenance and Repair, Capital Improvement Needs of Homes and Cemeteries, Homes Fund Solvency – (Removed $30M Transfer for FY26)
- **Facilities Maintenance Reserve Fund**
  - COVID-19 Construction Project (All Homes)
- **Veterans, Health, and Community Reinvestment Fund (Veterans Reinvestment Fund – Adult Use Marijuana)**
  - 100% Homes Fund Solvency
- **Veterans Health and Care Fund (Veterans Assistance Fund - Medical Marijuana)**
  - Homes Funds Solvency – Actual cash transfer will reduce by next fiscal year
  - Homes Special Projects (WiFi, Data Science, Homes Emergency Needs)
- **Veterans Trust Fund**
  - Veterans Service Officers in the Homes operational needs
- **DPS Federal Fund**
  - ARPA direct distributions to the Veterans Homes for high priority needs
- **Budget Stabilization Fund**
  - Veterans Homelessness Contract
- **World War I Memorial**
  - Restoration and renovation of the WWI Memorial in Kansas City
- **Veterans Trust Fund**
  - Veterans Service Officers located in the Veterans Homes operational expenses

BUDGET AND FINANCE

Missouri Veterans Commission Budget FY26										
Funds	**HB 4**	**HB 5**	**HB 8**	**HB10**	**HB13**	**HB17**	**HB18**	**HB20**	**Totals**	**Cash Balance 09/30/25**
Veterans Homes	$ -	$ 58,820,086	$ 133,140,859	$ -	$ -	$ -	$ 6,930,000	$ -	$ 198,890,945	$ 54,753,655
General Revenue	$ -	$ -	$ 36,175,057	$ -	$ -	$ -	$ 15,387,158	$ 19,835,226	$ 71,397,441	
Veterans Commission Capital Improvement Trust (VCCITF)	$ -	$ 4,156,326	$ 10,590,590	$ -	$ 372,121	$ 9,187,941	$ 41,689,133	$ -	$ 65,996,111	$ 25,207,049
Veterans, Health, and Community Reinvestment Fund	$ -	$ -	$ -	$ 19,629,271	$ -	$ -	$ -	$ -	$ 19,629,271	$ -
Facilities Maintenance Reserve Fund	$ -	$ -	$ -	$ -	$ -	$ -	$ 18,780,822	$ -	$ 18,780,822	$ -
Veterans Reinvestment Fund	$ -	$ -	$ 16,886,195	$ -	$ -	$ -	$ -	$ -	$ 16,886,195	$ 7,851,708
Veterans Health and Care Fund	$ -	$ -	$ -	$ 13,000,000	$ -	$ -	$ -	$ -	$ 13,000,000	$ -
DPS Federal Fund	$ -	$ -	$ 7,651,047	$ -	$ -	$ -	$ -	$ -	$ 7,651,047	$ 2,196,655
Veterans Assistance	$ -	$ -	$ 4,732,800	$ -	$ -	$ -	$ -	$ -	$ 4,732,800	$ 4,777,543
Budget Stabilization	$ -	$ -	$ 1,500,000	$ -	$ -	$ -	$ -	$ -	$ 1,500,000	$ -
WWI Memorial	$ -	$ -	$ 350,000	$ -	$ -	$ -	$ -	$ -	$ 350,000	$ 279,519
Veterans Trust	$ 1,485	$ 14,870	$ 23,833	$ -	$ -	$ -	$ -	$ -	$ 40,188	$ 953,787
TOTAL	$ 1,485	$ 62,991,282	$ 211,050,381	$ 32,629,271	$ 372,121	$ 9,187,941	$ 82,787,113	$ 19,835,226	$ 418,854,820	$ 96,019,916

BUDGET AND FINANCE

BUDGET TIMELINE

- January – July 2025 – Begin preparing the budgetary needs for FY27
- July 2025 – Present FY26 Supplemental and FY27 requests to DPS Director's Office
- July – October 2025 – Gather details and fine tune budgetary requests
- October 1, 2025 – All department requests submitted into the budget systems
- Early October 2025 – Present FY26 Supplemental and FY27 requests to OA Budget and Planning
- **October – December 2025 – Gather details and respond to queries for OA Budget and Planning and DPS**
- **December 2025** – Prefile of legislation begins
- **January 2026** – Governor's Recommendations released (typically released immediately following the State of the State
- **January 2026** – May 2026 – Regular Session of the General Assembly
- **February (estimate)** – Budget presentations to the House Budget Committee and Senate Appropriations Committee
- **March 2026 (week TBD)** – Legislative Spring Break – ideally House markups of budget are complete, and Senate is ready to begin
- **May 2026** – Appropriations bills must be Truly Agreed and Finally Passed
- **June 30, 2026** – Appropriations bills must be signed/line item vetoed by Governor
- **September 2026** – Veto Session

BUDGET AND FINANCE

FY 26 Supplemental Requests:
SUPPLEMENTAL DECISION ITEM 1: Electronic Health Records increase in HB5 (5.030) by $2,029,630
Current budget amount is $1,427,739 in one-time funds. Total cost in FY26 will exceed $3M.

NETSMART Project Deliverables for MVC | Firm, Fixed, One-Time Costs | Implementation Deliverables Pricing

LINE ITEM	DESCRIPTION	DOLLAR AMOUNT	INVOICE DATE (BASED ON PROJECT TIMELINE)
1	Hosting Environment Provision Complete	$815,995.00	October 2025
2	Project Initiation Signoff	$203,999.00	October 2025
3	Configuration Phase Signoff	$611,996.00	February 2026
Exhibit C.3	System Subscription License (due upon Configuration Signoff)	$586,291.50	February 2026
4	Validation Phase Signoff	$815,995.00	May 2026
5	First Go-Live Signoff	$1,019,993.00	July 2026
6	Second Go-Live Signoff	$407,998.00	September 2026
7	Remaining Items Go-Live	$203,999.00	February 2027

BUDGET AND FINANCE

FY27 MVC ITSD REQUESTS (IN RANKED ORDER) – HOUSE BILL 5

SEQ.	DIV.	ITEM NAME	GR	FED	OTHER	TOTAL	FTE	OTHER FUND SOURCES
1	ITSD	Electronic Medical Records	$0	$0	$1,427,739	$1,427,739	0.00	Homes Fund
2	ITSD	Time and Leave System	$0	$0	$776,962	$776,962	0.00	Homes Fund/VCCITF
3	ITSD	Revver/eFile	$0	$0	$45,000	$45,000	0.00	Homes Fund/VCCITF
4	ITSD	Enterprise Resource Partners (eVetAssist)	$0	$0	$20,000	$20,000	0.00	VCCITF
5	ITSD	Cost Allocation Increase for MS365 & Adobe Contracts	$0	$0	$500,000	$500,000	0.00	Homes Fund/VCCITF
		TOTAL NEW DECISION ITEMS	$0	$0	$2,769,701	$2,769,701	0.00	

FY27 MVC FMDC REQUESTS (IN RANKED ORDER) – HOUSE BILL 18

SEQ	DIV.	ITEM NAME	GR	FED	OTHER	TOTAL	FTE
1	FMDC	Cameron, Cape Girardeau & Mexico Fire Alarm, Dry System Nitrogen Generator, Air Compressors & Surveillance Cameras	$9,032,295	$0	$0	$9,035,295	0.00
2	FMDC	Cape Girardeau, Mexico, St. James & St. Louis Replace Chiller Units	$6,142,108	$0	$0	$6,142,108	0.00
3	FMDC	Cape Girardeau, Mexico & Warrensburg Design & Replace HVAC Hot Water System	$2,074,831	$0	$0	$2,074,831	0.00
4	FMDC	St. Louis A & C Roof Replacement	$2,967,300	$0	$0	$2,967,300	0.00
5	FMDC	Mexico Flat Roof Replacement	$1,512,825	$0	$0	$1,512,825	0.00
		TOTAL NEW DECISION ITEMS	$21,732,359	$0	$0	$21,732,359	0.00

BUDGET AND FINANCE

FY27 MVC REQUESTS (IN RANKED ORDER)

SEQ	DIV.	ITEM NAME	GR	FED	OTHER	TOTAL	FTE	OTHER FUND SOURCES
1	MVC	Homes Fund Solvency	$10,000,000	$0	$0	$10,000,000	0.00	
2	MVC	Homes Staffing Increase	$0	$0	$3,382,787	$3,382,787	80.00	Homes Fund
3	MVC	Homes E&E Increase	$0	$0	$5,696,200	$5,696,200	0.00	Homes Fund
4	MVC	Increase Veterans Service Officers in MVC	$0	$0	$322,622	$2,000,000	0.00	VCCITF
		TOTAL NEW DECISION ITEMS	$10,000,000	$0	$9,401,609	$19,401,609	86.00	

LEGISLATIVE UPDATE

AGENCY PARTNERS UPDATE

AGENCY PARTNERS UPDATE

- United States Department of Veterans Affairs Report
- Veterans Affairs Hospital Directors Update
- Military Preparedness and Enhancement Commission (MMPEC)
- Missouri Association of Veterans Organizations (MAVO) Report

MISSOURI VETERANS COMMISSION

Pharmaceutical Cost Reduction Information Brief

27 October 2025

Purpose

To advise MVC Commissioners on the current situation regarding rapidly increasing pharmaceutical costs and obtain a decision on fiscal conservation measures required to enable MVC to sustain current and future operations while maintaining the highest possible care for our Veterans.

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To advise MVC Commissioners on the current situation regarding rapidly increasing pharmaceutical costs and obtain a decision on fiscal conservation measures required to enable MVC to sustain current and future operations while maintaining the highest possible care for our Veterans.

AGENDA

- Problem
- Recommendation
- Background
- Facts
- Assumptions
- Courses of Action (COAs)
- Screened out COAs
- Conclusion
- Recommendation

Problem

Missouri Veterans Commission (MVC) is experiencing Veterans pharmaceutical costs rising at a pace that MVC cannot sustain long-term. MVC pays for all resident's pharmaceuticals and does not coordinate with insurance or any other third-party payor. Continuing to pay these costs has the possibility of putting all MVC programs at risk for insolvency.

Recommendation

Course of Action #1: Bill Third Parties

This COA involves restructuring our current pharmacy provider contract, establishing sharing agreements with the VA, and increasing the room and care rate for Veterans residing in our Homes. This COA can be implemented with our current staffing structure. Provides for the ability to receive additional revenue and reduce medications costs. MVC can write the scope to meet our needs and requirements and provides for a one-stop shop for medications and services.

1. Billing third party insurance
2. Increase cost to Veterans in the Veteran homes over and above the annual COLA adjustments. These increases must be gradual over time and can include charges for personal amenities with an example being a higher cost for individual rooms over the charge for double occupancy
3. Advocate at federal level for clear interpretation of VA rules as well as the passage of HR1970 which could bring down pharmacy costs by gaining VA payment for current medications not currently covered
4. Establish within the admission / denial process a maximum of $4,500.00 per month in pharmacy costs which will assist in decreasing the number of extremely high-cost specialty medications
5. Revise admission priorities to no longer prioritize Full Cost of Care Veterans. This would assist in providing a better spread of acuity levels while possible bringing down the cost of pharmacy

Background (1 of 2)

- FY2013 - Fund switch removed General Revenue support to MVC programs
- FY2017 - Gaming transfers into VCCITF start to steadily decline
- FY2019 - The last 'normal' FY of record
- FY2019 - MVC begins to seek a long-term funding solution for Homes Fund
- FY2019 - Average Veteran Daily Cost of Care (DCOC) - $262.38
- FY2019 - COVID-19 Pandemic forces Gaming Boats to close doors
- FY2019 - Veterans Homes close doors to new admissions
- FY2020 - All Homes construction projects are placed on budget hold due to cashflow
- FY2020 - Gaming transfers to VCCITF hit a record low of $8.7M
- FY2020 - Homes Fund experiences unprecedented cost increases
- FY2020 - COVID-19 Pandemic forced a reduction in Veteran Homes Census
- FY2020 - Coronavirus Relief Funds (CRF) supplement MVC spending
- FY2020 - MVC implements significant budget cuts to all MVC programs
- FY2020 - Veterans Homes experience unprecedented turnover and vacancies
- FY2020 - St. Louis Veterans Home officially decreases from 300 capacity to 188 capacity

Background (2 of 2)

- FY2021 - CRF supplements MVC spending
- FY2021 - VA Per Diem and Veteran Room and Care dedicated revenues significantly decline
- FY2021 - Veterans Homes increase nursing salaries to address unprecedented turnover and vacancies
- FY2021 - Governor Pay plan increases minimum salary to $15/hour and MVC addresses upward salary compression
- FY2021 - MVC places a budget hold on 126 positions
- FY2021 – MVC Commission implemented annual COLA adjustments for room and care
- FY2022 - Veterans Homes open to admissions; average 55% occupancy
- FY2022 - CRF and Bond reimbursement supplement MVC spending
- FY2022 - Final year VCCITF transfers funds to Homes Fund for solvency
- FY2023 - CRF, Budget Stabilization, and Medical Cannabis supplement MVC spending and solvency
- FY2023 - Veterans Homes continue to admit; average 54% occupancy
- FY2024 - Budget Stabilization, Medical Cannabis, Adult Use Cannabis, and General Revenue supplement Homes Fund solvency
- FY2024 - Gaming transfers to VCCITF hit a new record low at $7.2M
- FY2024 - Veterans Homes continue to admit new Veterans; reach average 62% occupancy
- FY2024 - Average Veteran Daily Cost of Care (DCOC) - $468.79 (44% increase since FY2019)
- FY2025 - MVC requests $45.7M increase to GR solvency transfers

Facts Bearing on the Problem (1 of 2)

- MVC pays for all resident's pharmaceuticals and does not coordinate with insurance or any other third-party payor.
- Some Veterans in the homes, or seeking to be in the homes, have pharmacy requirements that exceed $10k per month
- Specialty drugs from specialty pharmacy are high-cost drugs
- MVC must provide routine and emergency drugs and biologicals to resident or obtain them through agreement
- MO is in contract dispute with pharmacy contractor over specialty drugs. Specialty drugs are high-cost meds used to treat complex, chronic, or rare conditions such as cancer, MS, etc. They often require special administration and/or storage requirements, and patients typically need close monitoring form healthcare providers.
- MVC must rewrite our pharmacy contract (process currently underway)
- MVC is already denying Veterans admission due to pharmacy costs (two-to date)
- If Veteran is in home and subsequently prescribed pharmacy high-cost medications, we must absorb that cost
- Federal HB 1970 is under consideration to address some of the issues
- MVC / VA does not have a Sharing Agreement due to VA refusing to sign

Facts Bearing on the Problem (2 of 2)

- In 2012, the Commission voted to prioritize admission of Full Cost of Care Veterans
- Full Cost of Care Veterans: 299 out of a total of 833
- Average Daily Cost of Care: $478.27 All Veterans
- Highest MVC can receive from VA is $558.72 for Full Cost of Care Veterans
- MVC cannot bill any insurance for Full Cost of Care Veterans but could for those not Full Cost of Care
- There are some Veterans with no pharmacy insurance (765 Veterans have Medicare/MA Advantage plans)
- MVC is “Unicorn” in that most other states do not pay pharmacy costs for Veterans

- State GR is declining
- Specialty funding (such as the Cares Act) will no longer be available

Assumptions

- High pharmacy cost is considered $4,500 per month
- Cost of pharmacy could include personnel and transportation costs
- Pharmacy costs will continue to rise
- MVC is losing money on Full Cost of Care Veterans with Specialty Drugs
- Veterans are entering the homes with greater medical costs than previous years
- GR will continue to decline
- Initiative Petition may decrease Marijuana funding

Courses of Action (COAs)

1. **Bill Third Parties**
    1. Institute Sharing Agreements with VA
    2. Increase costs to Veterans
    3. Advocate at federal level for clear interpretation of VA rules as well as passage of HR1970
    4. Revise admission / denial process to establish cap associated with pharmacy costs
    5. Revise admission priorities to no longer prioritize Full Cost of Care Veterans
2. **In-house pharmacy**
    1. Contracted in-house pharmacist / pharmacy
    2. Advocate at federal level for clear interpretation of VA rules as well as passage of HR1970
    3. Revise admission / denial process to establish cap associated with pharmacy costs
3. **Sign onto MMCAP contract**
    1. Advocate at federal level for clear interpretation of VA rules as well as passage of HR1970
    2. Revise admission / denial process to establish cap associated with pharmacy costs

❖ (Contract change required for all courses of action)

Analysis of COA 1 – Bill Third-Parties

This COA is defined as MVC undergoing a new RFP process to establish an updated pharmaceutical model allowing for vendor Third-Party billing and to add language for specialty medications.

- No change in existing staff structure
- Ability to receive additional revenue and reduce medications costs
- Lose per resident per day fixed cost structure (which includes FCOC)
- Can write the scope to meet MVC needs / requirements
- 1 stop shop for medications and services

- Negative impact to Veterans due to cost sharing
- Unknown contract terms
- Unknown costs
- Logistics of Third-Party pharmacy (specialty)
- Veteran noncompliance and liability
- Hardships

    - Admission Pharmaceutical Cap at $4,500.00

Analysis of COA 2 – In-House Pharmacy

This COA is defined as MVC establishes an in-house pharmacy that services all homes from a central location.

- Could be VA or non-VA pharmacy provider
- Could expand bidding pool

- Less control over personnel administering the program
- External Review showed that this COA would increase costs to MVC

Analysis of COA 3 – Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP)

This COA is defined as MVC attains membership to existing MMCAP contract to obtain access to pharmaceuticals.

- It is an established program
- It is contract used many government agencies throughout the nation
- Could be a short-term remedy

Screened Out COAs

2. In-House Pharmacy
3. Minnesota Multistate Contracting Alliance for Pharmacy (MMCAP) – It was determined MVC may look into this route regardless of COA chosen

❖ Revise admission priority from Full Cost of Care Veterans was suggested as a COA; however, it was determined that this is requirement regardless of other steps taken

Recommendation

Course of Action #1: Bill Third Parties

This COA involves restructuring our current pharmacy provider contract, establishing sharing agreements with the VA, and increasing the cost of care rate for Veterans residing in our Homes. This COA can be implemented with our current staffing structure. Provides for the ability to receive additional revenue and reduce medications costs. MVC can write the scope to meet our needs and requirements and provides for a one-stop shop for medications and services.

1. Institute Sharing Agreements with VA with all our homes will bring down pharmacy costs drastically
2. Increase cost to Veterans in the Veteran homes over and above the annual COLA adjustments. These increases must be gradual over time and can include charges for personal amenities with an example being a higher cost for individual rooms over the charge for double occupancy
3. Advocate at federal level for clear interpretation of VA rules as well as the passage of HR1970 could bring down pharmacy costs by gaining VA payment for current medications not currently covered
4. Establish within the admission / denial process a maximum of $4,500.00 per month in pharmacy costs which will assist in decreasing the number of extremely high-cost specialty medications.
5. Revise admission priorities from Full Cost of Care Veterans to accept a larger variety of Level of Care Veterans. This could assist in bringing down the cost of pharmacy support as well as allowing for a lower level of PPD.

VA Sharing Agreements

- Option 1: VA will enter into a sharing agreement with a SVH that has a pharmacy located within the home using the Federal Supply Schedule contract (FSS). The SVH orders the drugs for all residents from the FSS vendor. The VA will reimburse the SVH for eligible Veterans drugs.
- Option 2: VA will enter into a sharing agreement with a SVH that has a pharmacy located within the home using the FSS contract. The SVH orders the drugs for all residents from the FSS vendor. The VA authorizes the order and pays the FSS. The SVH must reimburse the VA for ineligible Veteran's drugs.
- Option 3: VA will enter into a sharing agreement with a SVH to function as the pharmacy for the SVH. State reimburses VA for ineligible Veteran's drugs.
- Option 4: No sharing agreement needed – VA pays and fills Rx for eligible Veterans only.

Pharmaceutical Cost Reduction

- Discussion

CHAIR COMMENTS AND ANNOUNCEMENTS

CHAIR COMMENTS AND ANNOUNCEMENTS

- 2026 Commission Meeting Dates
  - 1st Quarter Meeting: February 2, 2026: Harry S Truman State Office Building
  - 2nd Quarter Meeting: April 20, 2026: Harry S Truman State Office Building
  - 3rd Quarter Meeting: August 17, 2026: Missouri Veterans Home - Mt. Vernon
  - 4th Quarter Meeting: November 23, 2026: Harry S Truman State Office Building

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