



# Kentucky Veterans' Centers Admissions

Legislative Oversight And  
Investigations Committee

January 15, 2026



## Presentation Overview

### Two Presentation Sections

#### General Performance Evaluation

- Governance and funding
- Functional system capacity
- Staffing
- Quality of care

#### Targeted Review: Occupancy and Capacity

- Is occupancy too low?
- Would increasing occupancy increase revenue?
- Is capacity limiting access to care?
- What is causing communication breakdowns?



# Presentation Overview

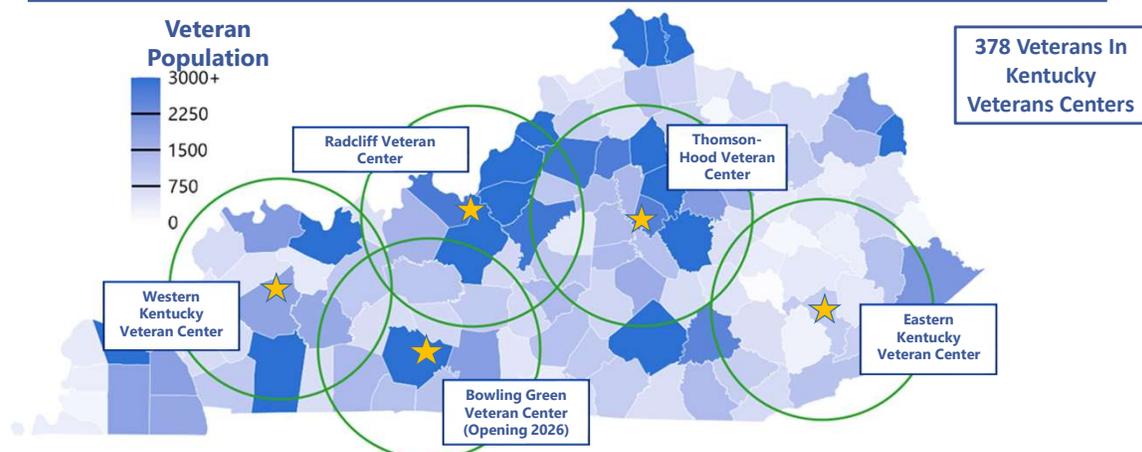
## Highlighted Findings

- Quality of care is high and staffing has improved.
- Reported occupancy understates system utilization - which is high.
- Increases to occupancy do not increase revenue.
- KDVA must improve admissions procedures and waitlist management
- Lack of waitlists means that demand is impossible to determine.
- KDVA must improve communication with applicants and policy-makers

## 18 Recommendations and 4 Legislative Considerations



# Kentucky Veterans' Centers: Locations and Population



Source: LOIC staff compiled data on veteran population density and veteran facility coverage areas from information provided by the Kentucky Department of Veterans' Affairs and collected from the American Community Survey 5-year Estimates of 2023 from the U.S. Census Bureau.



# Facility Performance

## Occupancy and Capacity

- Facility characteristics
- Certified versus Functional

## Staffing

- Recovery and stabilization
- Special interest rates and locality premiums

## Quality of Care

- Centers for Medicare and Medicaid Services metrics
- Quality and review



# Facility Performance: Occupancy 2025

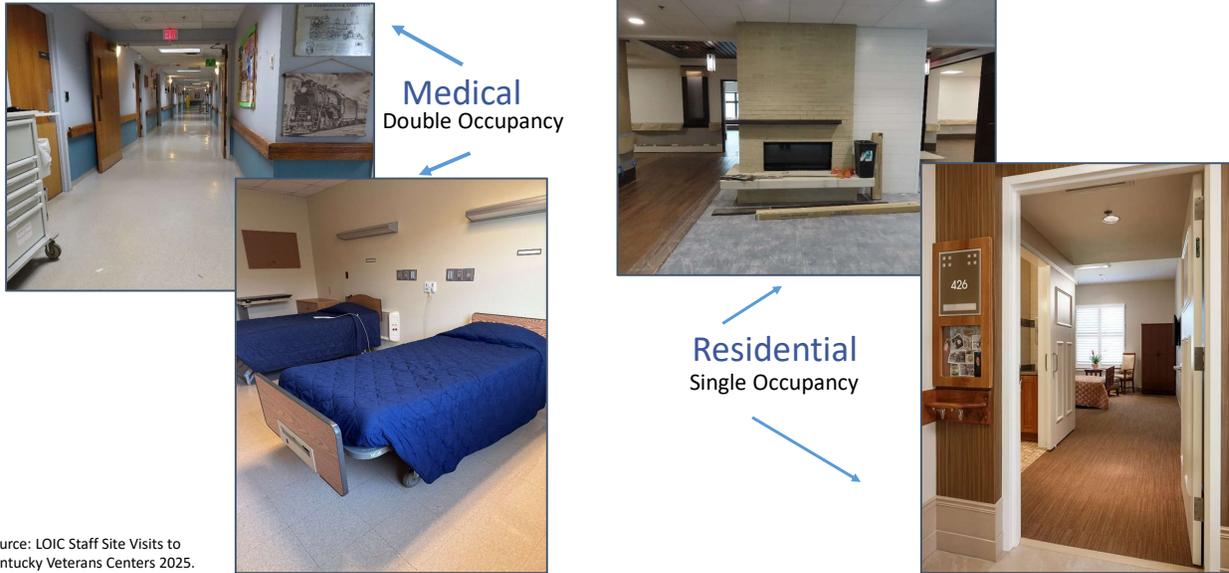
Veterans' Center	Year Opened	Occupancy	Facility Model	Room Type
Thomson-Hood	1991	142	Medical	Single-occupancy*
Eastern KY	2002	96	Medical	Double-occupancy
Western KY	2002	83	Mixed	Mixed
Radcliff	2017	57	Residential	Single-occupancy
Bowling Green	2026	N/A	Residential	Single-occupancy

\*Informally transitioned to single-occupancy in 2021.

Source: LOIC staff compiled data and findings for Kentucky veterans' centers. Compiled from KDVA data requests, federal VA requests for information, facility site visits, and interviews.



## Medical Vs. Residential Models



Source: LOIC Staff Site Visits to Kentucky Veterans Centers 2025.



## Facility Performance: Capacity Certified Versus Functional

Veterans' Center	Occupancy	Certified Capacity	Certified Occupancy Rate	Functional Capacity	Functional Occupancy Rate
Thomson-Hood	142	285	50%	154	92%
Eastern KY	96	120	80	120	80
Western KY	83	156	53	112	74
Radcliff	57	120	48	60	95
Bowling Green	-	-	-	-	-
<b>Total</b>	<b>378</b>	<b>681</b>	<b>56%</b>	<b>446</b>	<b>85%</b>

Source: LOIC staff compiled data from KDVA data requests which included information on occupancy and capacity. Provided to LOIC staff Aug 18, 2025.



## Functional Capacity: Single-Occupancy Rooms

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### Why Transition to Single-Occupancy?

- Improves quality of life
- Strengthens infection control
- Reduces behavioral issues
- Aligns with federal and medical best practices

### Single-Occupancy Transition Status

- Thomson-Hood and Western Kentucky – Informally transitioned
- Eastern Kentucky – Double-occupancy
- Radcliff and Bowling Green – Original design

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## Recommendation 3.1

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Kentucky Department of Veterans' Affairs should evaluate transitioning all Kentucky veterans' centers to single-occupancy rooms statewide and report their findings and the status of current facilities to the General Assembly. In addition to evaluating and maintaining single-occupancy at the Thomson-Hood Veterans Center and the Western Kentucky Veterans Center, the report should investigate transitioning Eastern Kentucky Veterans Center to single occupancy. The report should be provided to the Legislative Oversight and Investigations Committee; the Interim Joint Committee on Veterans, Military Affairs, and Public Protection; and the Legislative Research Commission by October 1, 2026.

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## **Recommendation 2.3**

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The Kentucky Department of Veterans' Affairs should continue to prioritize the use of single-occupancy rooms at Thomson-Hood Veterans Center as resident census levels increase.

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## **Recommendation 2.5**

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The Kentucky Department of Veterans' Affairs should include the Eastern Kentucky Veterans Center in long-term systemwide planning and feasibility assessments related to transitioning to single-occupancy rooms.

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## Functional Capacity: Capital Projects

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### Radcliff Veterans' Center HVAC Replacement

- 50 percent reduced capacity since 2022
- Estimated completion date of March 2027
- Full capacity is not expected until 2028.
- Estimated cost: \$25 million
- Replaced outside of warranty

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## Matter for Legislative Consideration 2.B

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The General Assembly may wish to refer the matter of the procurement, installation, repair, warranty coverage, and replacement of the HVAC system installed at the Radcliff Veterans' Center to the Office of the Auditor of Public Accounts and the Office of the Attorney General for review.

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## Functional Capacity: Capital Projects

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### Thomson-Hood Veterans' Center Modernization

- Aging and outdated facilities
- Remodeling from hospital model
- \$7 million in funding for modernization

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## Recommendation 2.2

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The Kentucky Department of Veterans' Affairs should provide a report to the General Assembly on the current modernization needs associated with the Thomson-Hood Veterans Center. The report should include a review and update on the current capital projects underway and should be provided to the Legislative Oversight and Investigations Committee; the Interim Joint Committee on Veterans, Military Affairs, and Public Protection; and the Legislative Research Commission by October 1, 2026.

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## Reporting Accuracy And Policy Implications

### Improved Reporting Accuracy

- Policy-makers
- Applicants
- Funding and capital project decisions

### Policy Implications

- State: New construction requires 80 percent occupancy
- Federal: Reimbursement eligibility requires 90 percent occupancy

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## Recommendation 3.2

In future legislative reporting, stakeholder communications, and budget submissions, the Kentucky Department of Veterans' Affairs should adopt the policy of reporting functional occupancy rates and functional capacity in addition to total certified occupancy rates and certified capacity.

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## Recommendation 2.4

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The Kentucky Department of Veterans' Affairs should decertify beds at Thomson-Hood Veterans' Center for the resident rooms that have been informally transitioned from double- to single-bed occupancy. The department should report on the progress of decertification to the Legislative Oversight and Investigations Committee; the Interim Joint Committee on Veterans, Military Affairs, and Public Protection; and the Legislative Research Commission by October 1, 2026.

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## Recommendation 2.8

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The Kentucky Department of Veterans' Affairs should decertify beds at Western Kentucky Veterans' Center that have been informally transitioned from double- to single-bed occupancy. The department should report on the progress of decertification to the Legislative Oversight and Investigations Committee; the Interim Joint Committee on Veterans, Military Affairs, and Public Protection; and the Legislative Research Commission by October 1, 2026.

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## Kentucky Veterans' Centers Staffing: Positions Filled 2018-2025

Year	Filled Positions
2018	70%
2019	74
2020	71
2021	66
2022	54
2023	60
2024	71
2025	72

Source: LOIC staff compilation of data provided by Mark Bowman, executive director, Office of Kentucky Veterans' Centers, Kentucky Department of Veterans' Affairs. Email from KDVA to Shane Stevens, Sept. 16, 2025.

- Total Staff
  - Increased 18 percent since 2022
- State Employees
  - Increased 22 percent since 2022
- Adjusted for Functional Capacity
  - 86 percent of positions filled in 2025



## Facility Performance: Staffing

### Effective Staffing Incentives Systemwide

- Special entry rates
- Locality premiums

### State Employee Staffing Metrics

- From 432 in 2022 to 615 for 2025
- 30 percent increase

### Western Kentucky Veterans' Center Staffing

- Persistent staffing challenges may have been overcome
- 2025: 20 percent increase in filled positions
- May require an increase in the personnel cap



## Recommendation 3.3

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The Kentucky Department of Veterans' Affairs should work with the Kentucky Personnel Cabinet to evaluate whether staffing incentives, in the form of special entry rates and locality premiums, are sufficient or should be expanded for each Kentucky veterans' center region.

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## Recommendation 2.7

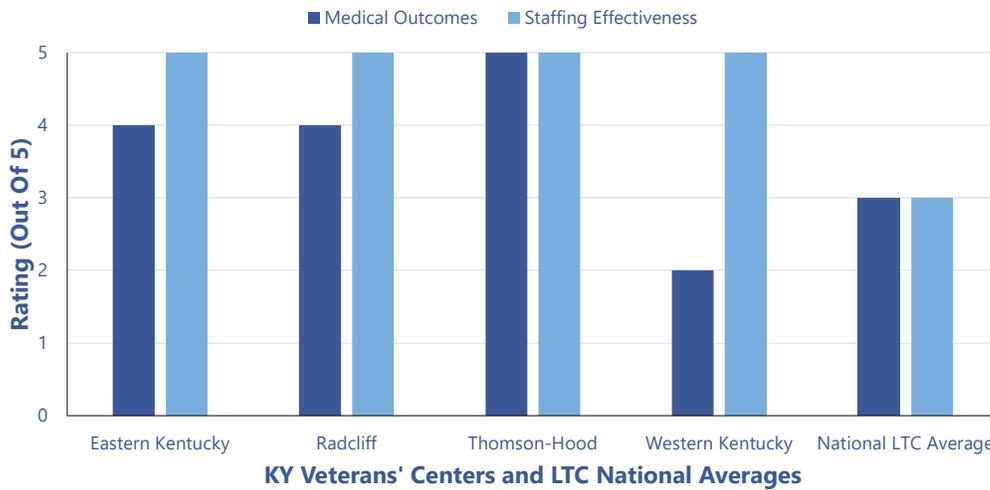
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The Kentucky Department of Veterans' Affairs should work with the Kentucky Personnel Cabinet to evaluate if increased locality premiums and special entry rates are warranted, and whether increased personnel limits are justified for positions at the Western Kentucky Veterans Center.

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## Facility Performance: Quality Of Care



Note: LTC refers to long-term care facilities.  
Source: United States. Centers for Medicare and Medicaid Services. "Provider Data Catalog." Web. Accessed November 20, 2025



## Targeted Review: Occupancy And Capacity

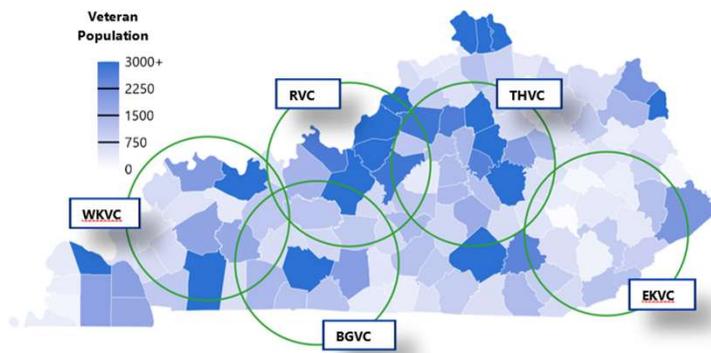
- Are Occupancy Rates Too Low?
- Would Increasing Occupancy Increase Revenue?
- Is Capacity Limiting Access to Care?
- What is Causing Communication Breakdowns?



## Are Occupancy Rates Too Low?

-- No --

- Functional Occupancy Rates
  - RVC: **95 percent**
  - THVC: **92 percent**
  - EKVC : 80 percent
  - WKVC: 74 percent
- Functional Statewide Occupancy
  - 85 percent
- Current Excess Occupancy
  - 68 Beds Statewide
  - 30 of which are at WKVC



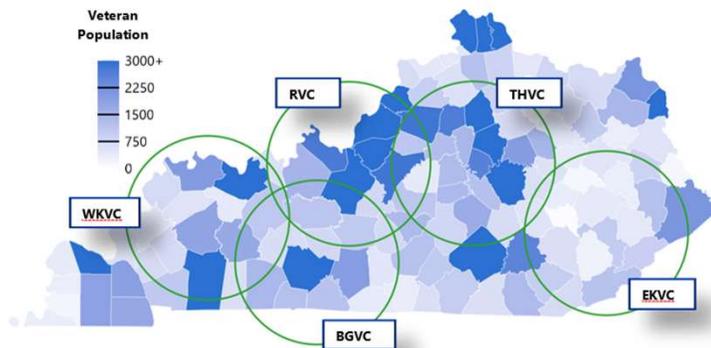
Source: LOIC staff compiled data on veteran population density and veteran facility coverage areas from information provided by the Kentucky Department of Veterans' Affairs and collected from the American Community Survey 5-year Estimates of 2023 from the U.S. Census Bureau.



## Are Occupancy Rates Too Low?

-- No --

- Capacity Will Soon Increase
  - Bowling Green Opens
    - 60 additional beds
  - Radcliff HVAC Completion
    - 60 additional beds
- Increasing Capacity Means:
  - Facility expansion
  - New construction
- Geographic Coverage Gaps
  - Northern and Eastern KY



Source: LOIC staff compiled data on veteran population density and veteran facility coverage areas from information provided by the Kentucky Department of Veterans' Affairs and collected from the American Community Survey 5-year Estimates of 2023 from the U.S. Census Bureau.



## Recommendation 2.6

Prior to new construction or facility expansion decisions, the Kentucky Department of Veterans' Affairs should conduct a new statewide veterans' center location feasibility study to evaluate the need for future facility construction or expansion. The study should account for the opening of the two most recent veterans' centers and account for the potential impact of transitioning all state veterans' centers to single-occupancy room configurations.



## Would Increasing Occupancy Increase Revenue? -- No --

### Revenue Doesn't Cover Cost of Care

- Mixes of small and large revenue sources result in an average that doesn't fully cover cost

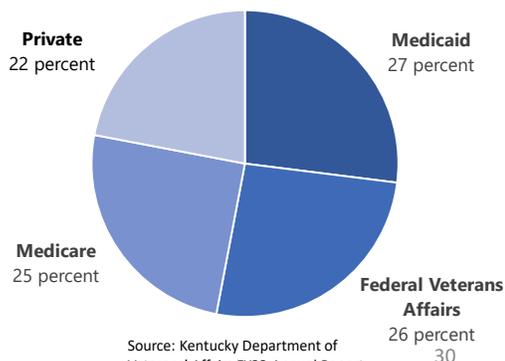
### Federal Revenue

- Basic Rate (\$144/day)
- Prevailing Rate (\$513/day)
- CMS Reimbursement(\$762/day)

### Private Pay Revenue

- Out-of-Pocket Payments (\$166/day)
- Capped by State

KY Veterans Center Payor Sources  
2025



Source: Kentucky Department of Veterans' Affairs FY23 Annual Report.



## Cost Of Care For Kentucky Veterans Exceeds Revenue



Occupancy	Residents	State Cost
Occupancy as of May 2025	378	\$22M
Residents needed to reach full occupancy	188	\$11M
Cost at maximum capacity	566	\$33M

Note: Table shows average cost of care and revenue per resident.

Source: LOIC staff compilation of data provided by Mark Bowman, executive director, Office of Kentucky Veterans' Centers, Kentucky Department of Veterans' Affairs. Email from KDVA to Shane Stevens, Sept. 16, 2025.

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## Small Revenue Incentives: Bed-Hold Reimbursements

### Federal bed-hold reimbursements

- Estimate: \$950,000/year
- Modest in the context of total revenue and cost to state

### Cost-benefit tradeoff

- \$950,000 in reimbursement requires \$8 million in additional state support

### Currently impossible to qualify

- Must decertify unused beds
- One facility would likely immediately qualify

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## Revenue Increases Come at a Cost

### No ideal options for revenue neutrality

- **Reducing quality of care**
  - Lower staff to patient ratio / fewer treatments
- **Raise private pay cap**
  - Currently \$60,000/year
- **Prioritize payment source in admissions**
  - Medicaid > VA > Private pay
- **Prioritize low acuity in admissions**
  - Deny veterans with significant care needs

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## Matter for Legislative Consideration 3.A

If it is the intent of the General Assembly to increase the number of veterans cared for at Kentucky veterans' centers, then the General Assembly may wish to plan for increased cost rather than increased revenue.

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## Is Capacity Limiting Access To Care?

### Current demand is inconclusive

- KDVA and veteran center data on demand is poor
  - Inconsistent tracking of admissions decisions
  - Inconsistent management of waiting lists

### Needed to fully capture demand

- Formal statewide waiting lists
- Centralized admissions decision tracking

### Preliminary indicators of demand

- Staff review of admissions logs
- Veteran demographics

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## No Tracking Of Waiting Lists

### No formal or standardized waiting list system

- Facilities maintain informal internal lists
- Lists combine veterans at different stages of interest, review, and admission

### Implications for oversight, operations, and communication

- Limits reliable evaluation of demand
- Complicates admissions and capacity decision-making
- Reduces clarity and consistency in applicant communication

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## Recommendation 4.1

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The Kentucky Department of Veterans' Affairs should promulgate an administrative regulation that defines and establishes procedures for tracking and managing veterans' admissions waiting lists. The regulation should distinguish three types of waiting lists—an active list, to include applicants awaiting admission due to capacity constraints or pending clinical evaluations related to acuity or behavioral health; an interest list, to include individuals who have expressed interest in future placement; and a processing list, to include applicants who have been approved and are preparing for admission. The administrative regulations should be promulgated by October 1, 2026.

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## Inconsistent Admissions Management

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### Needed Improvements to Admissions

- Admissions data are inconsistent and incomplete
- Denials and deferrals are not documented uniformly
- No systemwide procedures

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## Recommendation 4.4

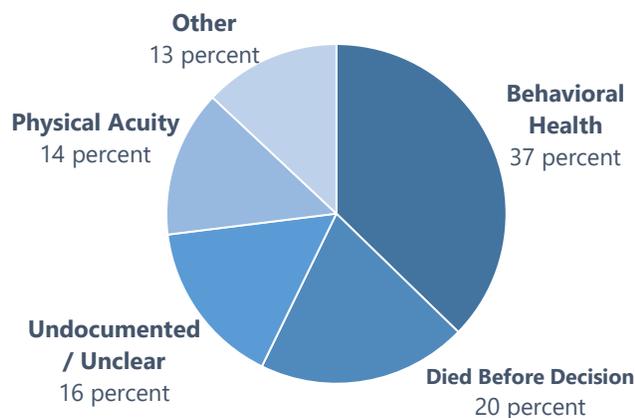
The Kentucky Department of Veterans' Affairs should improve, formalize, and standardize its data collection, management, and analysis practices related to admissions decisions and waitlist management. As part of this effort, the department should develop a standardized, systemwide database that records admissions decisions using consistent evaluation criteria that captures full case histories. The department should centralize this process within the Office of Kentucky Veterans' Centers and report to the Legislative Oversight and Investigations Committee on the progress of this effort by October 1, 2026.

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## Admissions Data Are Incomplete but Point to Clinical Constraints

- Less than 1 percent
  - Documented as due to Capacity
- 16 percent:
  - Undocumented
- 51 percent:
  - Behavioral health and physical acuity



Source: LOIC Staff analysis of KDVA Admission Data. Provided to the Legislative Oversight and Investigations Committee on August 18, 2025. 40



## Behavioral Health Care And Physical Acuity Constraints On Admissions

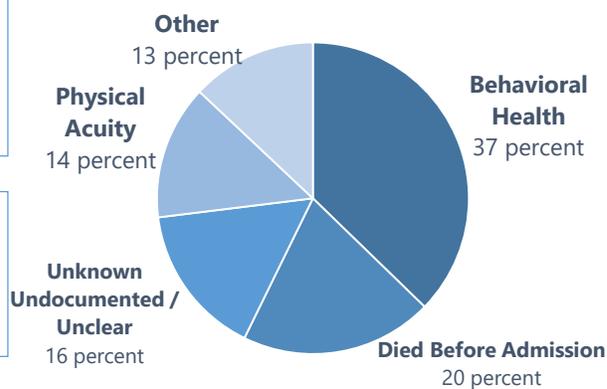
### Primary driver of admissions denials

- Higher acuity limits the number of residents
- Acute medical care exceeds long-term care design
- Behavioral health needs can often only be accommodated safely in secured units

### No alternative facilities

- Limited geriatric psychiatric capacity statewide
- No dedicated state option for placement
- Transfers are difficult or impossible even when necessary

### Increasing systemic problem



Source: LOIC Staff analysis of KDVA Admission Data. Provided to the Legislative Oversight and Investigations Committee on August 18, 2025.

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## Recommendation 4.2

The Kentucky Department of Veterans' Affairs should report to the General Assembly on the scope and impact of the behavioral health challenges facing Kentucky veterans and Kentucky veterans' centers. The report should be provided to the Legislative Oversight and Investigations Committee; the Interim Joint Committee on Veterans, Military Affairs, and Public Protection; and the Legislative Research Commission by October 1, 2026.

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## Recommendation 4.3

In its next budget request, the Kentucky Department of Veterans' Affairs should request funding for a study to investigate solutions to care for veterans with behavioral health challenges.

## Kentucky's Veteran Population

### At-Risk Veteran Population

- Over 65 with a disability and in poverty

### At-Risk Population in Kentucky (2024)

- 5052 veterans

	Veteran Population	At-Risk Population
<b>% Change 2010 - 2024</b>	-29%	+25%

Source: Staff compiled data from the United States Census Bureau's American Community Survey. "Age By Veteran Status By Poverty Status By Disability Status"



## Communication: With Applicants And Policy-Makers

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### Better Applicant Communication

- Standardized communications
- Documented decisions
- Emphasis on communicating behavioral and physical care limits

### Applicant Appeals Process

- Fairness and transparency
- Improved communication with applicants
- Better oversight for KDVA

### Annual Legislative Reporting

- Consistent communication of occupancy, capacity, admissions, and capital projects

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## Communication: With Applicants

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### Better Applicant Communication

- Standardized communications
- Documented decisions
- Reporting functional capacity
- Emphasis on communicating behavioral and physical care limits

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## Recommendation 4.5

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The Kentucky Department of Veterans' Affairs should promulgate an administrative regulation establishing a standardized, systemwide process for communicating admissions decisions across all Kentucky veterans' centers. This regulation should specify the information that must be communicated to applicants in each case and ensure that facilities provide this information in a consistent manner. The administrative regulation should be promulgated by October 1, 2026.

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## An Appeals Process for Applicants

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### Applicant Appeals Process

- Fairness and transparency
- Improved communication with applicants
- Better oversight for KDVA

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## Recommendation 4.7

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The Kentucky Department of Veterans' Affairs should establish a formal appeals process for veterans who have been denied admission or deferred for longer than 90 days. The specific structure and administrative procedures for the process should be developed at the discretion of the Kentucky Department of Veterans' Affairs and the Office of Kentucky Veterans' Centers. However, the process should, at a minimum, create a single, centralized mechanism through which any applicant may appeal a denial or an extended deferral; and include participation from facility administrators and the executive director of the Office of Kentucky Veterans' Centers. The department should promulgate the appeals process in administrative regulation by October 1, 2026.

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## Communication With Applicants And Policy-Makers

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### Annual Legislative Reporting

- Consistent communication of occupancy, capacity, admissions, and capital projects
- Statutorily mandated with sunset provisions

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## Recommendation 4.6

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The Kentucky Department of Veterans' Affairs should provide the General Assembly with an annual report on the status of the Kentucky veterans' center system. The report should include data on admissions, denials, deferrals, waiting lists, occupancy, certified and functional capacity, and the status of filled staffing positions. This report should be provided to the Legislative Oversight and Investigations Committee; the Interim Joint Committee on Veterans, Military Affairs, and Public Protection; and the Legislative Research Commission by October 1, 2026. It should be provided by the same date annually thereafter.

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## Matter For Legislative Consideration 4.A

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The General Assembly may wish to consider making the annual reporting of data and information related to the admissions, denials, deferrals, waiting lists, occupancy, capacity, and staffing of Kentucky Veterans' Centers statutorily mandated. To prevent this report from being produced after the General Assembly's concerns are resolved, the General Assembly may wish to include a sunset provision.

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## Inconsistent Regulatory Language

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- **Rec 2.1:** The Kentucky Department of Veterans' Affairs should revise their regulatory language to replace references to "veterans' centers" with "veterans homes" to improve consistency and align with federal Department of Veterans' Affairs and Center for Medicare and Medicaid language.
- **MLC 2.A:** The General Assembly may wish to revise their statutory language, specifically KRS Chapter 40, to replace references to "veterans' centers" with "veterans homes" to improve consistency and align with federal Department of Veterans' Affairs and Center for Medicare and Medicaid language.

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## Questions?

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