

# Cost



## Basic Care:

Room and board charges for basic care are based on income and medical expenses. Rent is calculated at 55% of your monthly net income. To get to this number, we take all of your yearly income and subtract all allowable medical expenses and divide this number by 12 months. The maximum rate will increase yearly by the same percentage as the social security cost of living adjustment. Any changes to the rent caps go into effect on February 1<sup>st</sup> of each year. The rent cap is \$2,074 as of February 1, 2024. Spouses of veterans pay the maximum rate regardless of income or expenses.

### Other charges in addition to rent that may be incurred are:

Haircuts

Pharmacy copays -Per VA copay regulations

Cable-\$15.00

Long Distance telephone plans - resident must set up directly with Dickey Rural Networks

## Skilled Care:

Skilled care residents are charged a daily rate as developed by the State of North Dakota Human Services Case Mix System. The North Dakota Veterans Home completes an MDS assessment on each new admission within 14 days. This information is then transmitted to the State of North Dakota Department of Human Services to assign a case mix level. The case mix level determines the daily rate that will be charged.

The North Dakota Veterans Home pre-bills room and board charges at the lowest case mix level. Rent will be calculated using the lowest case mix level on the day of admission and payment will be due then. Once we have received the case mix level assigned from the State of North Dakota, we will correct the billing, and any additional charges will be due on the next bill.

**Upon approval, the VA will pay for skilled nursing home placement for the following individuals:**

- Service-Connected (SC) disability rating of 70 percent or more: OR
- Needs nursing home care for a SC disability; OR
- Rated 60 percent SC and is either unemployable or has an official rating of “permanently and totally disabled.”

### Other charges in addition to rent that may be incurred are:

Pharmacy copays - Per VA Copay regulations

If you have any further questions, please don't hesitate to call.

Kristin Lunneborg (701) 683-6503

Chief Financial Officer

Ashley Olson (701) 683-6530

Director of Social Services

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Marketing Coordinator

# Cost Examples



## Basic Care:

- A. John Doe is a Veteran; his monthly income includes Social Security, which is \$2,100, and a Pension of \$300. John pays \$250 a month for hospital insurance.**

Annual Income (Social Security and Pension) =	\$28,800
Annual Medical Expenses (Hospital Insurance) =	<u>\$3,000</u>
Annual Net Income	\$25,800


Monthly Rent calculation - $\$25,800 \times .55/12$	\$1,183.00
Monthly cable - optional +	<u>\$15.00</u>
Total monthly bill	\$1,198.00

- B. Jane Doe is the spouse of a Veteran. Jane will pay the maximum rent amount; currently \$2,074. The maximum rate changes February 1 of each year.**

- C. Jim Doe is a Veteran; his monthly income includes social security of \$1,500, a pension of \$2,000 and a VA payment of \$3,800 (for a service-connected disability rating of 80%). Jim does not have any medical expenses.**

Annual Income (Social Security and VA comp) =	\$87,600
Annual Medical	= <u>0</u>
Net Income	\$87,600

Monthly Rent calculation - $\$87,600 \times .55/12$	\$4,015.00
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**The veteran will pay the maximum rent cap.** 

Monthly rent	\$2,074.00
Cable - optional	<u>\$15.00</u>
Total monthly bill	\$2,089.00

# Cost Examples



## Skilled Care:

**A. Mike Doe is a Veteran; he has an 80% service-connected disability rating from the VA. Since the VA pays for all veterans that are 70% or more service connected, the VA will be John's payer source. John will be able to keep all his income and assets.**

**B. David Doe is a Veteran. David has a monthly income as well as \$300,000 in cashable assets. Nursing has completed David's MDS and he has been classified at a BA1 daily case mix at the daily rate of \$354.39. Your daily rate is subject to change every 90 days or if you are hospitalized.**

**Rent calculation -  $\$354.39 \times 31 \text{ days} = \$10,986.09$  per month**

**C. Jack Doe is a Veteran; he has a 20% service-connected disability rating through the VA. Jack's income is \$2,400 a month, including social security and his VA compensation. Jack has no medical expenses. Jack has \$2,000 in his checking account and has an irrevocable trust in place with his local funeral home. Since Jack can't afford to pay the monthly rent amount for skilled care, Jack has completed a Medicaid application and submitted it to the North Dakota Department of Human Services Long-Term Care Unit at [dhsmedicaidltc@nd.gov](mailto:dhsmedicaidltc@nd.gov), phone 701-328-1180.**

**Jack has been approved for Medicaid and can keep \$100 of his monthly income. Jack will write a monthly check to the North Dakota Veterans Home for his recipient liability, which will be \$2.300.**

**NORTH DAKOTA VETERANS HOME  
NURSING FACILITY DAILY RATES  
EFFECTIVE JANUARY 1, 2024**

<b>CLASSIFICATION</b>		<b>CASE- MIX WEIGHT</b>	<b>DIRECT RATE</b>	<b>CASE-MIX DIRECT RATE</b>	<b>OTHER DIRECT RATE</b>	<b>INDIRECT RATE</b>	<b>PROPERTY RATE</b>	<b>BASE OPERATING MARGIN</b>	<b>RATE BILLED ↓↓ TOTAL RATE</b>
REHABILITATION	RAE	1.65	291.06	480.25	38.69	108.00	44.75	8.69	680.38
REHABILITATION	RAD	1.58	291.06	459.87	38.69	108.00	44.75	8.69	660.00
REHABILITATION	RAC	1.36	291.06	395.84	38.69	108.00	44.75	8.69	595.97
REHABILITATION	RAB	1.10	291.06	320.17	38.69	108.00	44.75	8.69	520.30
REHABILITATION	RAA	0.82	291.06	238.67	38.69	108.00	44.75	8.69	438.80
EXTENSIVE SERVICES LEVEL 3	ES3	3.00	291.06	873.18	38.69	108.00	44.75	8.69	1,073.31
EXTENSIVE SERVICES LEVEL 2	ES2	2.23	291.06	649.06	38.69	108.00	44.75	8.69	849.19
EXTENSIVE SERVICES LEVEL 1	ES1	2.22	291.06	646.15	38.69	108.00	44.75	8.69	846.28
SPECIAL CARE HIGH WITH DEPRESSION	HE2	1.88	291.06	547.19	38.69	108.00	44.75	8.69	747.32
SPECIAL CARE HIGH NO DEPRESSION	HE1	1.47	291.06	427.86	38.69	108.00	44.75	8.69	627.99
SPECIAL CARE HIGH WITH DEPRESSION	HD2	1.69	291.06	491.89	38.69	108.00	44.75	8.69	692.02
SPECIAL CARE HIGH NO DEPRESSION	HD1	1.33	291.06	387.11	38.69	108.00	44.75	8.69	587.24
SPECIAL CARE HIGH WITH DEPRESSION	HC2	1.57	291.06	456.96	38.69	108.00	44.75	8.69	657.09
SPECIAL CARE HIGH NO DEPRESSION	HC1	1.23	291.06	358.00	38.69	108.00	44.75	8.69	558.13
SPECIAL CARE HIGH WITH DEPRESSION	HB2	1.55	291.06	451.14	38.69	108.00	44.75	8.69	651.27
SPECIAL CARE HIGH NO DEPRESSION	HB1	1.22	291.06	355.09	38.69	108.00	44.75	8.69	555.22
SPECIAL CARE LOW WITH DEPRESSION	LE2	1.61	291.06	468.61	38.69	108.00	44.75	8.69	668.74
SPECIAL CARE LOW NO DEPRESSION	LE1	1.26	291.06	366.74	38.69	108.00	44.75	8.69	566.87
SPECIAL CARE LOW WITH DEPRESSION	LD2	1.54	291.06	448.23	38.69	108.00	44.75	8.69	648.36
SPECIAL CARE LOW NO DEPRESSION	LD1	1.21	291.06	352.18	38.69	108.00	44.75	8.69	552.31
SPECIAL CARE LOW WITH DEPRESSION	LC2	1.30	291.06	378.38	38.69	108.00	44.75	8.69	578.51
SPECIAL CARE LOW NO DEPRESSION	LC1	1.02	291.06	296.88	38.69	108.00	44.75	8.69	497.01
SPECIAL CARE LOW WITH DEPRESSION	LB2	1.21	291.06	352.18	38.69	108.00	44.75	8.69	552.31
SPECIAL CARE LOW NO DEPRESSION	LB1	0.95	291.06	276.51	38.69	108.00	44.75	8.69	476.64
CLINICALLY COMPLEX WITH DEPRESSION	CE2	1.39	291.06	404.57	38.69	108.00	44.75	8.69	604.70
CLINICALLY COMPLEX NO DEPRESSION	CE1	1.25	291.06	363.83	38.69	108.00	44.75	8.69	563.96
CLINICALLY COMPLEX WITH DEPRESSION	CD2	1.29	291.06	375.47	38.69	108.00	44.75	8.69	575.60
CLINICALLY COMPLEX NO DEPRESSION	CD1	1.15	291.06	334.72	38.69	108.00	44.75	8.69	534.85
CLINICALLY COMPLEX WITH DEPRESSION	CC2	1.08	291.06	314.34	38.69	108.00	44.75	8.69	514.47
CLINICALLY COMPLEX NO DEPRESSION	CC1	0.96	291.06	279.42	38.69	108.00	44.75	8.69	479.55
CLINICALLY COMPLEX WITH DEPRESSION	CB2	0.95	291.06	276.51	38.69	108.00	44.75	8.69	476.64
CLINICALLY COMPLEX NO DEPRESSION	CB1	0.85	291.06	247.40	38.69	108.00	44.75	8.69	447.53
CLINICALLY COMPLEX WITH DEPRESSION	CA2	0.73	291.06	212.47	38.69	108.00	44.75	8.69	412.60
CLINICALLY COMPLEX NO DEPRESSION	CA1	0.65	291.06	189.19	38.69	108.00	44.75	8.69	389.32

BEHAVIOR ONLY	BB2	0.81	291.06	235.76	38.69	108.00	44.75	8.69	435.89
BEHAVIOR ONLY	BB1	0.75	291.06	218.30	38.69	108.00	44.75	8.69	418.43
BEHAVIOR ONLY	BA2	0.58	291.06	168.81	38.69	108.00	44.75	8.69	368.94
BEHAVIOR ONLY	BA1	0.53	291.06	154.26	38.69	108.00	44.75	8.69	354.39
REDUCED PHYSICAL FUNCTION	PE2	1.25	291.06	363.83	38.69	108.00	44.75	8.69	563.96
REDUCED PHYSICAL FUNCTION	PE1	1.17	291.06	340.54	38.69	108.00	44.75	8.69	540.67
REDUCED PHYSICAL FUNCTION	PD2	1.15	291.06	334.72	38.69	108.00	44.75	8.69	534.85
REDUCED PHYSICAL FUNCTION	PD1	1.06	291.06	308.52	38.69	108.00	44.75	8.69	508.65
REDUCED PHYSICAL FUNCTION	PC2	0.91	291.06	264.86	38.69	108.00	44.75	8.69	464.99
REDUCED PHYSICAL FUNCTION	PC1	0.85	291.06	247.40	38.69	108.00	44.75	8.69	447.53
REDUCED PHYSICAL FUNCTION	PB2	0.70	291.06	203.74	38.69	108.00	44.75	8.69	403.87
REDUCED PHYSICAL FUNCTION	PB1	0.65	291.06	189.19	38.69	108.00	44.75	8.69	389.32
REDUCED PHYSICAL FUNCTION	PA2	0.49	291.06	142.62	38.69	108.00	44.75	8.69	342.75
REDUCED PHYSICAL FUNCTION	PA1	0.45	291.06	130.98	38.69	108.00	44.75	8.69	331.11
NOT CLASSIFIED	AAA	0.45	291.06	130.98	38.69	108.00	44.75	8.69	331.11



<b>Administration Services</b> <b>Rent Income</b>
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Effective Date: 04/01/2013  
Reviewed/Revised: 06/14/2022

F Tag:  
State Reg. 37-15-14.1

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**POLICY:** It is the policy of the North Dakota Veterans Home to charge rent to residents in accordance with the North Dakota Veterans Home Governing Board and the State of North Dakota laws and regulations. The North Dakota Veterans Home shall have procedures in place to calculate and administer rents.

**PROCEDURES:**

**WHEN RENT IS CALCULATED – BASIC CARE**

- 1) Rent will be calculated upon admission for new residents.
- 2) Rent will be calculated monthly for resident workers due to fluctuating income.
- 3) Resident rents will be recalculated every January and any changes will be effective February 1 of each year.
- 4) Any change in a resident's income must be reported immediately to the accounting department so that rents can be adjusted accordingly.
- 5) When income and expense information has not been furnished to determine the appropriate rent, the facility shall charge the maximum rent until such time that the required information is provided. Rent charges will be recalculated when income and expense information is provided. The Administrator will have the authority to adjust prior rent charges.

**HOW RENT IS CALCULATED-BASIC CARE**

1. The rent will be calculated on a form devised by the Veterans Home and will include the signature of the resident or their financial representative.
2. Residents must provide proof of all income and expense information.
3. Rent will be calculated using prospective income as well as past income (interest, land rent, etc.); unless this income is no longer available.
4. The income will be annualized using all allowable sources of income. This total will be reduced by paid allowable medical expenses and other expenses as required by the courts i.e., child support or alimony.
5. Rent will be calculated at 55% of the net income amount. This amount will be divided by 12 to determine the monthly rent amount. Rent will be charged at this amount unless this amount is greater than the rent cap (max rate).
6. The max rate to be charged will increase every year by the same percentage as the social security cost of living adjustment. Any changes to the rent caps go into effect February 1<sup>st</sup> of each year.
7. Spouses of veterans will pay the max rate regardless of income or expenses.

## **North Dakota Veterans Home Rent Income Policy**

### **LEAVE OF ABSENCE DAYS - BASIC CARE**

1. Rent will be charged for all days, including leaves of absence.
2. Any veteran residents that are out on leave for more than 96 hours will be billed a daily amount equal to the daily per diem payment we receive from the Department of Veterans Affairs. For example, if the veteran is out on leave for 6 days, he/she will be billed the daily per diem amount x 6 days. If he/she returns from leave within 96 hours he/she will not be billed any additional fees.
3. Each veteran will be allowed to take two weeks (14 days) of leave per calendar year without being charged for the daily per diem. You can take them all at one time or split them between 2 separate leaves of absence. For example, you could take two separate weeks or 8 days one time and 6 the next. If a veteran decides to stay out longer during this leave of absence; he/she will only incur per diem charges for those days in excess of 14.
4. No additional fees will be charged for leave of absence days for hospitalization.

### **HOW RENT IS CALCUATED –SKILLED CARE**

1. Rent calculations are not applicable to Skilled Care residents as they are charged a daily rate as developed by the State of North Dakota Human Services Case Mix System.

### **LEAVE OF ABSENCE DAYS – SKILLED CARE**

1. Rent will be charged for all days, including leaves of absence.

### **COLLECTIONS**

1. Statements will be printed and mailed on the 1<sup>st</sup> business day of each month and must be paid by the 15<sup>th</sup> of the month.
2. The statements sent on the 1st business day of the month are for the current month's rent.
3. All rents are due and payable in full upon voluntary or involuntary discharge from the North Dakota Veterans Home. Rent will be prorated up to the day of discharge.
4. Any rents outstanding will be collected using internal sources or collection agencies if necessary.
5. A finance charge on outstanding amounts due the Veterans Home will be charged at 1% per month, not to exceed \$25.00 per month. Finance charges will not be assessed on outstanding accounts if reasonable payments are received each month but will be assessed for any month a payment is not received.
6. Residents that have an outstanding balance due and are 30 days past due may be discharged from the facility.
7. Exceptions must be approved by the administrator.

Any changes to this policy must be approved by the North Dakota Veterans Home Governing Board.



## Applying for Medicaid:

### Prior To:

It is the goal of the North Dakota Veterans Home to help you with this process as this can be a very confusing and trying time for individuals and families. We have put together a sheet of things that will help in this process.

Please know that the ND Long Term Care Unit can review asset transfers for the past 5 years. There are many things individuals can spend money on (allowable spend down) during this time frame and many things they can't so please contact your local county for more information on this.

One of the things that is an allowable expense is setting up a Burial Account. This can be done through the funeral home of your choice yet must be set-up as an irrevocable trust with the funeral home. A typical funeral usually runs between \$10,000 to \$15,000. There is no maximum amount that you can set up, however, if not all the money is used, and you have been on Medicaid the remainder will be returned to the ND Department of Human Services.

### When Applying:

It is important that residents and families share with the NDVH Business Office/Social Worker when they are getting close to applying for Medicaid.

A person is considered eligible for Medicaid when their assets reach \$3,000. It is best to get information together and plan prior to reaching this amount.

Once you have decided that you need to apply for Medicaid you will need to have verification of assets and income for the past year. These items include, but are not limited to:

Social Security

Pension/Retirement

Rental or Lease Income

Military Income/Benefits

Checking/Savings/Credit Union Account

Business/ Farm Accounts

Certificates of Deposit

Savings Bonds

Bonuses/Commissions

Property (Land, Rental etc.)

Annuities

IRA/401K/KEOGH plans

Life Insurance

Trusts

Stocks/Bonds/Mutual Funds

**Reminder-** if any assets were cashed out and money spent you will need verification of the amount cashed out, where the money went and what it was spent on. Once again this can go back up to 5 years.



## **During Process:**

The application for Medicaid may take up to 45 days to process. Below are some things you can do to help with this process:

1. Get any additional information to the ND Long Term Care Unit that is requested as quickly as possible. Should there be delays with getting this information please keep them and the NDVH informed.
2. Continue to pay rent monthly to the NDVH in the amount of your client share (this is your total monthly income minus medical expenses such as health insurance minus \$100.00), so you do not fall behind and you do not go over in assets. **Remember you must keep less than \$3,000 in your bank account at all times, even during the application process.**
3. The NDVH does not get communication from the Long-Term Care Unit so please keep us informed of any information. And don't hesitate to reach out if you are needing help to submit information.
4. Medicaid should go retro-active to the date that you applied so do not pay any new medical bills that are for services after the date you turned in your application. Keep these bills so that you can contact the provider with the Medicaid Number once approved.

**North Dakota Department of Human Services Long-Term Care Unit**

**E-mail:** [dhsmedicaidltc@nd.gov](mailto:dhsmedicaidltc@nd.gov)

**Phone:** 701-328-1180 or 1-833-755-0235