



MAINE VETERANS' HOMES

caring for those who served



FY25 Annual Report

July 1, 2024 – June 30, 2025

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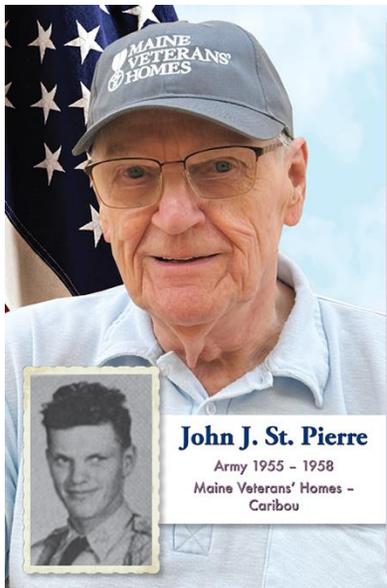
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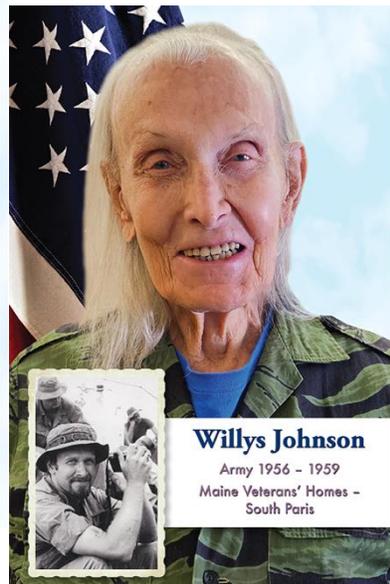
★ ★ ★

"The food is good, the people are friendly. They keep us busy—and that keeps me happy."

★ ★ ★



John J. St. Pierre
Army 1955 - 1958
Maine Veterans' Homes - Caribou



★ ★ ★

"I've made friends again. It feels like a community—and it feels like home."

★ ★ ★



Willys Johnson
Army 1956 - 1959
Maine Veterans' Homes - South Paris

About Maine Veterans' Homes

Maine Veterans' Homes (MVH) is an independent, nonprofit, award-winning senior services healthcare provider dedicated to offering quality care to Maine's Veterans, their spouses, and Gold Star parents. MVH was established by the Maine Legislature in 1977 and is separate from the Department of Veterans Affairs.

Our Mission

Caring for those who served.

Our Values

Honesty and Integrity: First and foremost, we must always strive to do what is right and in the best interest of our residents

Veterans are Unique: We must recognize the special sacrifice that our Veterans and family members have made in service to our nation and that they are most deserving of our best efforts to meet their needs.

Respect: We must respect and preserve the dignity of each person—whether a resident, family, visitor, volunteer, or employee.

Excellence: We must strive to attain the highest level of quality and satisfaction in delivering person-centered care with competence, compassion and commitment.

Team: We must understand that only through teamwork, communication and cooperation will we achieve our goals.

Lead the Way: We must continue to lead the way among the nation's state Veterans' homes by shaping the future of long-term care and rehabilitative services.

About Maine Veterans' Homes

Our Six Homes Across Maine

Each day, we provide care and comfort to nearly 600 Veterans, their spouses, and Gold Star parents across our six Homes throughout Maine.



AUGUSTA
35 Heroes Way
Augusta, ME 04330
207-622-2454

BANGOR
44 Hogan Road
Bangor, ME 04401
207-942-2333

CARIBOU
163 Van Buren Road #2
Caribou, ME 04736
207-498-6074

MACHIAS
32 Veterans Way
Machias, ME 04654
207-255-0162

SCARBOROUGH
290 US Route 1
Scarborough, ME 04074
207-883-7184

SOUTH PARIS
477 High Street
South Paris, ME 04281
207-743-6300

Our Continuum of Care

Our full continuum of care ensures we have the capabilities and dedicated staff to support residents as their needs change, ensuring continuity, stability, and quality throughout their stay.



RESPITE CARE
*temporary relief
for caregivers*



**SKILLED NURSING
CARE/REHAB
& THERAPY**
*recovery support after
hospitalization or illness*



LONG-TERM CARE
24/7 supportive, loving care



MEMORY CARE
*specialized dementia
and Alzheimer's support*



RESIDENTIAL CARE
*independence with
support when needed*

About Maine Veterans' Homes

Senior Executive Leadership Team



Brad Klawitter
FACHE
Chief Executive Officer



Kevin Brooks
MBA, CPA
Chief Financial Officer



Derek Padon
Chief Human Resources Officer



Jacob Anderson
MLNHA, MSOT
Chief Operating Officer

Board of Trustees

The administration of Maine Veterans' Homes is vested in its Board of Trustees (BOT), which is formally appointed by the Governor of Maine. The Board is comprised of honorably discharged Veterans and non-veteran community members who collectively represent a broad range of Veteran organizations, interests, and geographic regions across the state. The board consists of 13 members. As of this writing, one seat is open.

Donald O. Lagace, Jr. – Chair

Steve SanPedro – Vice Chair

Emil P. Genest – Treasurer

Julie Schwetz – Secretary

Angela Armstrong

Bridget Miller

Christine Brawn

Christopher Gardner

David Richmond

Heather Burr

Michael G. Pooler

Sam Collins

Message from the CEO

At Maine Veterans' Homes, our mission remains clear: to provide high-quality, compassionate care to Maine's Veterans and their families—every day, in every Home. In FY25, our teams continued to deliver on that mission amid a complex and challenging financial environment.

Over the past year, we made important progress. Census remained strong, quality outcomes were recognized at both the state and national levels, and we took decisive steps to control costs—most notably by reducing reliance on agency staffing and taking disciplined steps to manage labor and operational costs. These efforts reflect the dedication of our workforce and a shared commitment to fiscal responsibility.

At the same time, this report makes clear that progress is not the same as stability. The underlying gap between the true cost of care and reimbursement remains unresolved. One-time funding and temporary measures helped offset pressures in FY25, but they are not a long-term solution. Sustainable funding is essential to preserving access to care, supporting our workforce, and maintaining the quality Maine's Veterans deserve.

We continue to engage actively with state and federal partners to advance meaningful solutions, while also strengthening internal systems, improving efficiency, and responsibly managing resources. I am grateful to our staff, Board of Trustees, elected leaders, donors, and community partners who support this work.

Together, we will continue to advocate, adapt, and lead—so Maine Veterans' Homes remains strong today and sustainable for the future.



A handwritten signature in blue ink, appearing to read 'Brad', written in a cursive style.

Brad Klawitter, FACHE
Chief Executive Officer | Maine Veterans' Homes

Financial Dashboard

Progress, Not Stability

\$125.4M

Revenue

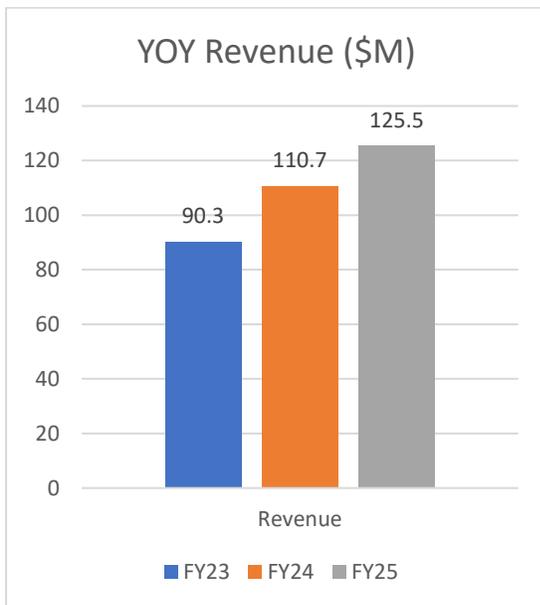
\$118.4M

Expenses

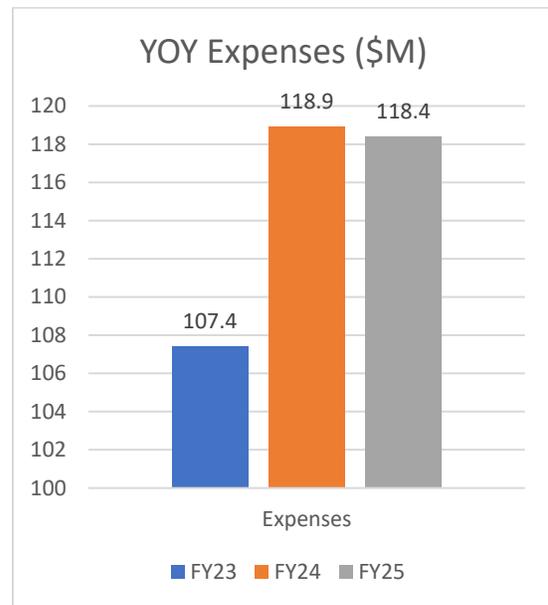
\$7.0M

Margin

Driven by **one-time** funding and temporary labor reductions



Revenue includes **one-time** advocacy-driven state and federal funding and reflects increased census.



4% reduction driven by decreased reliance on temporary labor.



Private room rates increased an average of 9% across all Homes in FY25

Looking Ahead: FY26 Risk

FY25 improvement was driven by **one-time** funding. Without adequate ongoing support, MVH is projected to operate at a loss in FY26, further depleting limited assets.

Cost Savings Initiatives

Temporary Compensation Freeze

Recognizing that payroll represents the largest portion of operating expenses, MVH withheld both merit-based and cost-of-living compensation increases in FY25. This decision reflected a shared commitment to fiscal responsibility during a challenging period.

A strategy for annual compensation adjustments in FY26 is under evaluation. MVH remains committed to attracting and retaining a dedicated workforce.

Labor represents MVH's largest operating expense.

Continued Reduction of Agency Staff

Reducing the use of agency staff continues to be a focus for cost control. Additionally, stable, employed care teams foster stronger resident relationships, more consistent care delivery, and a more engaged workforce.

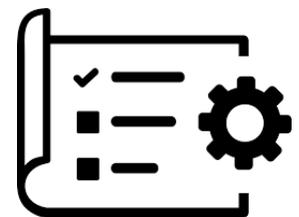
- Agency costs reduced \$5M in FY25 compared to FY24
- As of this report, only 2 out of 6 homes are utilizing agency staff



New Labor Management Tool

MVH's approach to staff scheduling is evolving to better align with real-time census and resident acuity. This helps us avoid being understaffed or overstaffed while maintaining quality care and supporting financial health of the entire system.

- More balanced workloads
- Responsive staffing decisions instead of static schedules
- Improved efficiency without reducing quality of care



Cost Savings Initiatives

Lease of Central Office Space

MVH consolidated Central Office operations, creating leasable space now occupied (as of 2/1/26). Administrative Central Office staff will continue a hybrid approach while IT and Pharmacy operations are unchanged.



- 10-year lease with two 5-year extension options
- Adds more than \$200K annually to the bottom line

Strategic Procurement

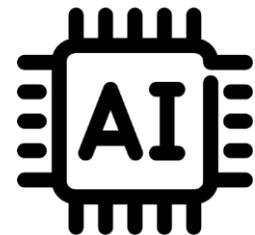
Comprehensive vendor review and renegotiation efforts focused on long-term savings.



- Identified over \$1.5M in savings and rebates (so far!)
- Key example: supplier transition to Medline as our prime vendor
- Strengthened procurement leadership with the hiring of a Purchasing Manager with specialized expertise in strategic sourcing and containment

Technology & Automation

MVH is seeking to adopt new systems that increase automation and leverage artificial intelligence. These tools are expected to reduce administrative time and improve speed and accuracy across key workflows.



- Currently vetting recruitment tools using AI-assisted screening and resume review
- Reviewing options for admissions systems to automate eligibility review and intake processing

Efforts to Seek Funding

State Funding Advocacy – LD 182

Maine Veterans' Homes continues to face a structural gap between the cost of care and reimbursement received through MaineCare and other state funding mechanisms. One-time state funding has helped offset extraordinary circumstances in recent years, but has not addressed the underlying structural imbalance.

LD 182 was introduced to establish a sustainable, per-resident reimbursement methodology that aligns reimbursement with the actual cost of care for MVH residents.

| | |
|--------------------------------------|--------------|
| Total State Funding Requested by MVH | \$4,261,615 |
| Plus Federal Match (estimated) | \$6,970,897 |
| Total Gap Filled | \$11,232,512 |

Broad Legislative Support for LD 182

LD 182 received **unanimous bipartisan support** at every stage of the policy review process.

The bill advanced with a shared recognition that Maine Veterans' Homes provides a unique and essential service that is not fully supported by existing reimbursement structures.

Appropriations Remains the Final Hurdle

Despite strong policy support, LD 182 has not yet been funded by the Appropriations Committee. As a result, the underlying reimbursement gap remains unresolved. Without permanent funding reform, MVH must continue relying on one-time funding, internal cost controls, and limited reserve to sustain operations.

Why Action is Still Needed

The reimbursement gap is not new, and it is not temporary. Rising labor costs, regulatory requirements, and inflation continue to outpace reimbursement rates. Without structural reform, the financial sustainability of Maine Veterans' Homes will remain at risk.

MVH remains committed to working with state leadership to secure a long-term solution that ensures continued access to high-quality care for Maine's Veterans—today and into the future.

Efforts to Seek Funding

Federal Legislative and Funding Advocacy

Maine Veterans' Homes continues to work closely with Maine's federal delegation to advance policies and funding mechanisms that address cost pressures.

Federal advocacy efforts include both legislative initiatives and direct federal funding opportunities, including:

- Advocacy related to **high-cost medications**, with bipartisan support from Maine's congressional delegation, including Representatives Golden and Pingree.
 - This is important because MVH Is required to provide medically necessary care even when reimbursement does not cover the full cost, and those unreimbursed expenses directly widen the gap between reimbursement and the true cost of care.
- Support for legislation introduced by Senator Angus King to eliminate **duplicative survey processes** and rely on a single Veterans Affairs survey framework.
 - MVH is currently subject to both an annual VA (federal) survey and MaineCare/Medicaid (state) survey. They evaluate largely the same standards but require separate preparation, staffing, documentation, and follow-up. This creates cost and administrative burden without added value.
- **Congressionally Directed Spending (CDS)** funds for targeted investments that support Veterans' care and operational needs.
 - With advocacy from Senator Susan Collins and Senator Angus King, FY26 CDS requests totaling approximately \$3.66M were advanced through the appropriations process and included in the FY26 funding package, subject to final enactment. These funds would enable replacement of outdated electronic health record systems, IT infrastructure upgrades, and critical facility improvements.



Efforts to Seek Funding

Philanthropy & Community Fundraising

Philanthropy plays an important, but targeted, role at Maine Veterans' Homes. Private support is primarily directed toward employee recognition, resident activities, and quality-of-life initiatives that fall outside the scope of state and federal reimbursement.

While philanthropic dollars cannot replace sustainable public funding, they provide meaningful support for the people and programs that strengthen MVH's culture and community. MVH also accepts donations to its General Fund, which provide flexible support for mission-critical needs and emerging priorities across the organization.

Strategic Fundraising Plan (In Development)

MVH is currently developing a comprehensive fundraising plan for implementation in late FY26. The plan will incorporate new tools and technology, including artificial intelligence, to better identify donor opportunities, personalize outreach, and improve fundraising effectiveness.

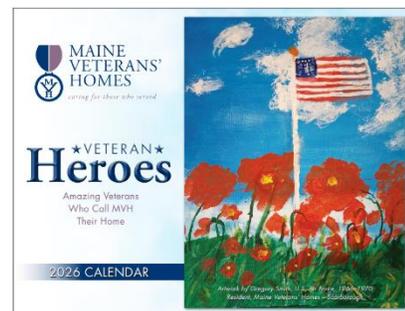
This effort is designed to create a more coordinated, data-informed approach to philanthropy while maintaining a strong focus on transparency and stewardship.

Great State of Maine Airshow

MVH will participate in the Great State of Maine Airshow in July 2026 by volunteering to staff concessions. Through this partnership, MVH will receive 10% of concession proceeds, which will directly support the Employee Appreciation Fund.

Veteran Heroes Calendar

MVH will continue its annual Veteran Heroes Calendar as a signature fundraising initiative. The 2026 calendar supports the Employee Appreciation Fund, with special recognition of staff during a year in which traditional compensation increases were paused.



Efforts to Seek Funding

Grant Development

Grant funding provides targeted support for specific programs and initiatives at Maine Veterans' Homes. While grants cannot replace sustainable public funding, they allow MVH to enhance services, pilot new initiatives, and pursue improvements aligned with funding priorities and organizational goals.

Expanding Grant Capacity

To strengthen grant-seeking efforts, MVH has engaged a professional grant writer on a month-to-month consulting basis. This approach allows MVH to pursue targeted grant opportunities while maintaining flexibility and controlling administrative costs.

Grant funding will focus on programmatic initiatives and enhancements that align with MVH's mission and funding priorities.

Examples of private giving supporting MVH programs and initiatives:



Resident Statistics

Sustained Census Growth Across the System

Average daily census (occupancy) increased to 91.8% in FY25, up 0.4 percentage points from 91.4% in FY24, reflecting steady demand across the system for both Veteran and family-member care.

Early FY26 performance is already trending above FY25 levels, indicating continued and consistent census growth.

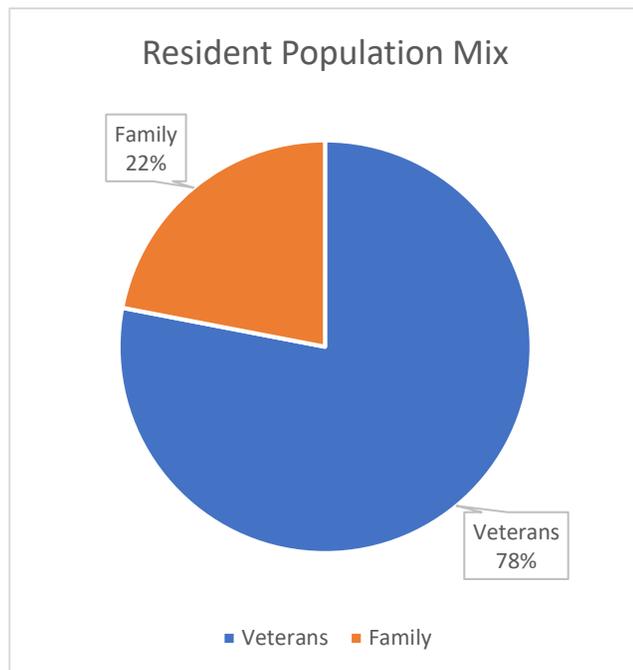
1,215

Residents Served
System-Wide

91.8%

Average Daily
Census

▲ +0.4% vs. FY24



Veterans remain the majority of residents served, with spouses and Gold Star parents representing just over one-fifth of the total.

Quality Achievements

2025 Customer Experience Award

All six Maine Veterans' Homes earned the 2025 Customer Experience Award through Activated Insights, placing MVH among the top 15% of the participating 1,800 buildings nationwide. This recognition reflects direct feedback from residents and families across multiple service areas, including nursing care, dining, activities, and overall satisfaction. Skilled Nursing and Assisted Living are assessed separately—each earning recognition for excellence.



Remember ME – Lifetime Achievement & Honorable Mentions

Through the Maine Health Care Association's *Remember ME* program, 52 individuals were recognized statewide, including 32 award recipients and 20 honorable mentions. MVH was proud to have six residents honored.



Lifetime Achievement Award Honorees

Dr. Robert "Bob" Takach – Augusta

Rosemary Donovan – Bangor

Harmon "Ross" Maddocks – Scarborough

Honorable Mentions

Joseph Paquin – Caribou

Wenona Hall Small – Machias

Harold Leino – South Paris

Excellence in Long-Term Care Awards

Three MVH team members were among just 20 healthcare professionals statewide recognized through the Excellence in Long-Term Care Awards, a partnership of MHCA and the Long-Term Care Ombudsman Program.



Quality Achievements

AHCA/NCAL National Quality Awards

Maine Veterans' Homes demonstrates sustained quality improvement at the national level.



Bronze Award-Winning Homes:

Augusta (2024)
South Paris (2024)

Gold Award-Winning Homes:

Bangor
Machias
Scarborough

SHAPE Award

MVH Machias earned the Safety and Health Award for Public Employers (SHAPE), recognizing exemplary workplace safety and health management systems in the public sector. Caribou previously earned this award and will be reapplying to maintain their status in 2026.

Readers' Choice Awards – MVH Augusta

MVH Augusta was voted Top Winner in the Kennebec Journal's 2025 Readers' Choice Awards in two categories:

Best Nursing Home
Best Assisted Living Community



This community recognition reflects the compassion, professionalism, and dedication demonstrated by the Augusta team each day.

Workforce Insights

MVH as a Regional Employer

Maine Veterans' Homes plays a critical role as an employer across the communities it serves. With over 1,100 employees system-wide, MVH provides stable jobs and meaningful careers.

Payroll represents MVH's largest operating expense and a significant investment in local economies. Across all six Homes, MVH generates tens of millions of dollars in annual payroll, supporting households, local businesses, and regional economic stability.

Workforce by the Numbers

Across the system:

- Total Employees: Approximately 1,180
- Total Payroll: Approximately \$60M annually
- Local Workforce Impact: Between 4% and 21% of the local healthcare workforce in the communities MVH serves

These figures reflect MVH's role as a major employer, particularly in rural and smaller communities where healthcare employment represents a substantial share of the local labor market.

Employee Testimonials

These long-time employees of MVH Scarborough shared testimonials as part of the Home's 35th anniversary.



Balancing Workforce Investment and Financial Sustainability

While MVH remains committed to being a strong employer, workforce costs are also the primary driver of operating expenses. Recruitment, retention, and compensation pressures continue to grow faster than reimbursement rates, placing strain on long-term sustainability.

Efforts to control costs—including reductions in agency staff, deploying a new labor management tool, and difficult decisions around compensation—have been implemented to balance fiscal responsibility with the need to maintain a stable, high-quality workforce.

MVH has taken great strides for payroll cost containment. More support is needed. Ensuring adequate, sustainable funding is critical to maintaining MVH's role as both a trusted care provider and a stable regional employer.

Workforce Insights

Certifications & Development

Across our system, staff advanced their skills and careers through internal training programs, certifications, and development opportunities.

- 35** Certified Nursing Assistants (CNAs) graduated
- 14** CNA-Ms / Medication Technicians graduated
- 4** Personal Support Specialists (PSS) graduated
- 7** Nurses completed Phlebotomy certification
- 3** CNAs advanced to Licensed Practical Nurses (LPNs)
- 4** Registered Nurses became Clinical Educators
- 3** staff achieved Level II Caregiver status
- 2** team members completed the Administrator-in-Training Program

In total, 68 certifications were achieved system-wide in calendar year 2025.

Spotlight – Administration-in-Training (AIT) Graduates



Leslie Pelletier
Administrator
MVH South Paris

Leslie Pelletier completed the Administrator-in-Training (AIT) program and earned her State of Maine Multi-Level Nursing Home Administrator License, stepping into the role of Administrator at Maine Veterans' Homes – South Paris. Since joining MVH in 2013, Leslie has built a strong leadership foundation, most recently serving as Rehab Manager at the Augusta Home. Through the AIT program, she gained hands-on administrative experience and has quickly established strong connections with staff, residents, and families at South Paris.



Traci Kennedy
Administrator
MVH Bangor

Traci Kennedy stepped into the role of Administrator at Maine Veterans' Homes – Bangor after successfully completing the Administrator-in-Training (AIT) program, passing the required exams, and earning her State of Maine Multi-Level Nursing Home Administrator License. With more than a decade of service at MVH – Bangor, Traci's steady leadership, professionalism, and deep institutional knowledge prepared her well to guide the Home through a significant period of transition and into its next chapter.

Milestone Anniversary

Maine Veterans' Homes – Bangor | 30 Years

Bangor marked three decades of service with a community celebration featuring a motorcycle ride-in, time capsule reveal, food, live music, and more.



Milestone Anniversary

Maine Veterans' Homes – Caribou | 35 Years

Caribou commemorated 35 years with a special Open House, including remarks from U.S. Senator Susan Collins, refreshments, and live music.



 **U.S. Senator Susan Collins** 
November 23, 2025 · 🌐

It was a pleasure to join residents and staff at the Caribou Maine Veterans' Home (MVH) as this wonderful organization marks 35 years of caring for veterans in Aroostook County. The dedicated staff of MVH Caribou provide expert and thoughtful care for the heroes who sacrificed so much to defend our freedom.

That is why I am proud to have secured \$6.6 million in federal funding to support MVH facilities across the State of Maine. I will continue to work to better ensure that Maine's veterans have access to the health care, housing, and benefits they deserve.



Milestone Anniversary

Maine Veterans' Homes – Machias | 20 Years

Machias launched its 20th anniversary with live music, a BBQ dinner, and an employee recognition ceremony, followed by a weekend exhibiting at the Blueberry Festival.



Milestone Anniversary

Maine Veterans' Homes – Scarborough | 35 Years

Scarborough welcomed residents, families, and friends for a festive outdoor luncheon featuring classic fried fare, lawn games, and live music.



Milestone Anniversary

Maine Veterans' Homes – South Paris | 30 Years

South Paris celebrated 30 years with an outdoor BBQ, live entertainment from an Elvis impersonator, a staff raffle, and a special welcome to the new Administrator.



THANK YOU

for helping us care for those who served.

Every gift to Maine Veterans' Homes helps support the Veterans who call our Homes home — and the dedicated staff who care for them each day.

To learn more about how you can support our mission, visit mainevets.org/ways-to-give/



Make a Gift Online

For More Information or to Get Involved

Brad Klawitter, FACHE
Chief Executive Officer
Maine Veterans' Home
460 Civic Center Drive, Augusta, ME 04330
(207) 622-0075 | info@mainevets.org



Barbara D. McNure
Navy 1966 - 1968
Maine Veterans' Homes -
Bangor

★★★
"Here, they manage my meds. I walk to stay healthy—and I keep busy doing things I enjoy."
★★★



John E. Griffin Sr.
Navy 1950 - 1954
Maine Veterans' Homes -
Machias

★★★
"The people here are my friends, and the staff are like family. I wasn't eating well at home, but now I have three meals a day and don't have to worry about anything."
★★★