

Greenbook

LBO Analysis of Enacted Budget

Ohio Department of Veterans Services

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August 2025

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Attachment:

Appropriation Spreadsheet

LBO Greenbook

Ohio Department of Veterans Services

Quick look...

- The Ohio Department of Veterans Services advocates for and serves the state's nearly 700,000 military veterans and their families.
- Total budget appropriations: \$108.2 million in FY 2026 and \$109.5 million in FY 2027.
 - Sources of the budget: GRF (55.1%), state non-GRF (13.7%), and federal (31.3%).
- The budget allocates 93.5%, or \$203.5 million, of the biennial appropriation for the Department's two veterans homes.

Fund Group	FY 2024 Actual	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
General Revenue Fund (GRF)	\$59,085,608	\$62,492,379	\$59,893,989	\$60,064,297
Dedicated Purpose Fund (DPF)	\$2,468,222	\$13,900,528	\$14,852,004	\$14,872,000
Debt Service Fund (DSF)	\$924,928	\$824,592	\$0	\$0
Federal (FED)	\$19,840,112	\$25,709,341	\$33,480,404	\$34,580,978
Total	\$82,318,871	\$102,926,840	\$108,226,397	\$109,517,275
% change	--	25.0%	5.1%	1.2%
GRF % change	--	5.8%	-4.2%	0.3%

Overview

Agency overview

The Ohio Department of Veterans Services' (DVS) primary charge is to actively identify, connect with, and advocate for veterans and their families. Ohio has nearly 700,000 veterans, the sixth largest veteran population in the United States. Compared to Ohio's population as a whole, veterans make up nearly 7%, which also is above the national average. The Department was established by S.B. 289 of the 127th General Assembly and became operational on August 21, 2008. It merged the Governor's Office of Veterans Affairs, the Ohio Veterans' Home, and the Ohio State Approving Agency. New duties and responsibilities were assigned, including additional outreach, advocacy, and expanded coordination with county veterans service commissions.

The services currently provided by the Department include: (1) assisting veterans, active military, and their families with benefit identification and claims assistance/advocacy, (2) operating the Ohio veterans homes located in Sandusky (Erie County) and Georgetown (Brown County), (3) partnering with the state's 88 county veterans service commissions, and

(4) monitoring federal veterans' education programs. For these purposes, the Department employs approximately 460 full-time and 138 part-time employees.¹

The Department is comprised of the three major program areas as described in more detail below.

Veterans Services

This section is designed to connect veterans with benefits available to them. Due to the complexity of these programs, it is often difficult for a veteran or veteran's family to apply for benefits. In response, DVS staff seek to identify the veteran population and assist them in obtaining available benefits.

This section is also responsible for assisting county veterans service commissions, which includes providing training, certification, and accreditation of service officers, commissioners, and staff. Additionally, the section serves as the custodian of 1.9 million electronic military discharge records of former Ohio service members.

Ohio Veterans Homes

The Department operates two veterans homes in the state, and is the only state agency dedicated to providing long-term care solely to wartime veterans.

In 1888, the first veterans home in Ohio was opened in Sandusky (Erie County) to provide care for Civil War veterans who were unable to earn a living due to diseases or other disabilities. Since its founding in 1888, the Sandusky home has cared for tens of thousands of honorably discharged veterans from the Civil War, Spanish American War, World War I, World War II, Korean War, the Vietnam Conflict, and more recently the Persian Gulf, Iraq, and Afghanistan conflicts. In November 2003, the second state-operated veterans home opened in Georgetown (Brown County). Combined, both homes have a capacity to provide services to over 800 veterans. Along with nursing home care, the homes also provide domiciliary living quarters as well as more advanced care for Alzheimer's, dementia, and hospice patients.

Veteran Educational Programs

The Veteran Educational Programs Office includes the State Approving Agency (SAA). Under a contract with the U.S. Department of Veterans Affairs (VA), the SAA reviews, audits, evaluates, approves, and oversees schools and training facilities to ensure their education and training programs for veterans and dependents comply with state and federal standards. There are more than 900 approved institutions, colleges, and organizations in Ohio where veterans and their dependents are able to use their Post-9/11 GI Bill educational benefits.

The section also conducts compliance site visits, as well as administrative training for school and employment site officials. The Ohio Department of Education and Workforce was responsible for these activities prior to October 2008.

¹ Source: [State of Ohio Employee Headcount Trends](#) (visited August 4, 2025).

Budget highlights

Veterans Homes Clinician Recruitment Program

The budget replaces the Physician Recruitment Program with the Clinician Recruitment Program and expands program eligibility to advanced practice registered nurses, licensed practical nurses, physician's assistants, registered nurse's aides, and certain other Ohio Veteran's Home employees, in addition to physicians. The program also revises the terms of the contract required under the provision to require that the clinician maintain appropriate licensure and provide services for at least one year. Finally, this provision permits the DVS Director, or the Director's designee, to allocate funds among recruited clinicians for any purpose considered necessary to best serve clinician staffing needs.

Veterans home site survey

The budget requires that DVS begin the process of investigating sites for a new state-operated veterans home to be located near the Columbus metropolitan area. A report on the findings of this site investigation must be issued to the General Assembly and to the Governor no later than September 30, 2026. The report must include all relevant grant approval criteria for priority-one grant funding for the State Veterans Home Construction Grant Program, operated by the U.S. Department of Veterans Affairs, and an estimate for the state share of facility construction and land acquisition under this grant program for each site.

Analysis of FY 2026-FY 2027 budget

Introduction

This section provides an analysis of the funding for each appropriation line item (ALI) in the Department of Veterans Services' (DVS) budget. For organizational purposes, these ALIs are grouped into three major categories based on their funding purposes. The analysis for an ALI with a lower category or subcategory designation will appear before that for an ALI with a higher category or subcategory designation. That is, the analysis for an ALI with a category designation of C1:8 will appear before the analysis for an ALI with a category designation of C2:1 and the analysis for an ALI with a category designation of C1:3 will appear before the analysis for an ALI with a category designation of C1:8.

To aid the reader in locating each ALI in the analysis, the following table shows the category in which each ALI has been placed, listing the ALIs in order within their respective fund groups and funds. This is the same order the ALIs appear in the Department's section of the budget bill.

In the analysis, each ALI's expenditures for FY 2025 and appropriations for FY 2026 and FY 2027 are listed in a table. Following the table, a narrative describes how the appropriation is funded and used. The narrative is divided into three categories: (1) Ohio Veterans Homes, (2) Veterans Services, and (3) Veterans Bonus Program.

Categorization of Department of Veterans Services' ALIs for Analysis of FY 2026-FY 2027 Budget				
Fund	ALI	ALI Name		Category
General Revenue Fund				
GRF	900321	Veterans' Homes	1:1	Ohio Veterans Homes
GRF	900402	Hall of Fame	2:1	Veterans Services
GRF	900408	Department of Veterans Services	2:2	Veterans Services
GRF	900645	Veterans Long Term Healthcare Needs and Support (VET)	1:2	Ohio Veterans Homes
GRF	900901	Veterans Compensation General Obligation Bond Debt Service	3:1	Veterans Bonus Program
Dedicated Purpose Fund Group				
4840	900603	Veterans' Homes Services	1:3	Ohio Veterans Homes
4E20	900602	Veterans' Homes Operating	1:4	Ohio Veterans Homes
5DB0	900643	Military Injury Relief Program	2:3	Veterans Services
5YP0	900650	Sports Gaming – Veterans	2:4	Veterans Services
Federal Fund Group				
3680	900614	Veterans Training	2:5	Veterans Services
3BX0	900609	Medicare Services	1:5	Ohio Veterans Homes
3L20	900601	Veterans' Homes Operations – Federal	1:6	Ohio Veterans Homes

Category 1: Ohio Veterans Homes

This category of line items provides funding for the operation of two veterans homes – one in Sandusky and one in Georgetown. The Sandusky facility provides nursing facility and domiciliary care, while the Georgetown facility provides only nursing facility care.

C1:1: Veterans' Homes (ALI 900321)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 900321, Veterans' Homes	\$51,428,099	\$51,956,758	\$52,999,692
% change	--	1.0%	2.0%

This line item is used to pay for the costs incurred in the administration and operation of the two state veterans homes (Sandusky and Georgetown). The Sandusky facility provides nursing home and domiciliary care, while the Georgetown facility provides nursing home care.

C1:2: Veterans Long Term Healthcare Needs and Support (VET) (ALI 900645)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 900645, Veterans Long Term Healthcare Needs and Support (VET)	\$1,621,928	\$1,559,990	\$1,559,990
% change	--	-3.8%	0.0%

This line item is used to provide additional support to the state's two veterans homes for supplies and maintenance and purchased personal services (i.e., contracts for services).

C1:3: Veterans' Homes Services (ALI 900603)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
DPF Fund 4840 ALI 900603, Veterans' Homes Services	\$483,940	\$680,004	\$700,000
% change	--	40.5%	2.9%

This line item is used: (1) to purchase food products and medication services, and (2) to maintain the areas of the veterans homes that are rented or leased. The Veterans Home Rental and Service Revenue Fund (Fund 4840), which provides the money for the line item's appropriation, consists of reimbursements from hospice, third-party pharmacy receipts, as well as money from leases, rentals, and meals.

C1:4: Veterans' Homes Operating (ALI 900602)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
DPF Fund 4E20 ALI 900602, Veterans' Homes Operating	\$4,956,864	\$14,000,000	\$14,000,000
% change	--	182.4%	0.0%

This line item is used to cover operating expenses at the veterans homes. The Veterans' Home Operating Fund (Fund 4E20), which provides the money for the line item's appropriation, consists of 80% of the revenues collected from resident assessments. The fund's revenues are dependent upon the occupancy rate of the facilities, the residents' ability to pay, and the assessment charged. Assessment rates are reviewed and adjusted annually.

C1:5: Medicare Services (ALI 900609)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
FED Fund 3BX0 ALI 900609, Medicare Services	\$1,032,963	\$1,000,000	\$2,059,273
% change	--	-3.2%	105.9%

This line item is used to provide Medicare-related and other services to eligible veterans. These services include physical therapy, IV medication, skilled nursing care, medical care, room, board, and other Medicare-required goods and services. Funds are also used to purchase Medicare-allowable equipment.

The Medicare Services Fund (Fund 3BX0), which provides the money for the line item's appropriation, consists of Medicare Part A and B reimbursements for skilled nursing care services. The fund's revenues can fluctuate based on rates established by the U.S. Department of Health and Human Services' Centers for Medicare and Medicaid, the number of residents that require skilled care, and the level of treatment that these residents require.

C1:6: Veterans' Homes Operations – Federal (ALI 900601)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
FED Fund 3L20 ALI 900601, Veterans' Homes Operations – Federal	\$23,758,266	\$31,500,000	\$31,500,000
% change	--	32.6%	0.0%

This line item is used to pay for operating expenses of the two state veterans homes. It is supported with money appropriated from the Federal Grants Fund (Fund 3L20), which consists of moneys received from the U.S. Department of Veterans Affairs for per-diem rates. The fund's revenues are dependent upon the number of days of care provided to nursing home and domiciliary residents and the per-diem rates established by the U.S. Department of Veterans Affairs.

Category 2: Veterans Services

The appropriations in this category help to connect veterans with their benefits and provide training to the state's 88 county veterans service commissions, including veteran service officers, commissioners, and staff.

C2:1: Hall of Fame (ALI 900402)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 900402, Hall of Fame	\$83,541	\$74,317	\$75,966
% change	--	-11.0%	2.2%

This line item is used to pay for expenses relating to the Ohio Veterans Hall of Fame. The Hall of Fame recognizes veterans for their significant contributions they have made, or are making, to their community, state, and nation after serving honorably in the armed services. This program was created in 1992 and was the first of its kind in the nation. Annually, 20 Ohio veterans are selected for induction into the Hall of Fame. On average, over 100 nominations are received each year.

C2:2: Department of Veterans Services (ALI 900408)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 900408, Department of Veterans Services	\$4,412,148	\$5,327,924	\$5,428,649
% change	--	20.8%	1.9%

This line item is used to pay operating expenses that the Department incurs in performing its mission to identify, connect with, and advocate for veterans and their families. It also pays for the cost of administering an electronic database containing military discharge records. Associated temporary law earmarks \$250,000 in each fiscal year for USA Cares – Ohio.

C2:3: Military Injury Relief Program (ALI 900643)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
DPF Fund 5DB0 ALI 900643, Military Injury Relief Program	\$107,500	\$97,000	\$97,000
% change	--	-9.8%	0.0%

This line item supports the Military Injury Relief Program, which provides a one-time, tax-exempt monetary payment of \$500 to military service members injured in active service as a member of the U.S. armed forces serving after October 7, 2001, and to individuals diagnosed with post-traumatic stress disorder while serving after October 7, 2001.

C2:4: Sports Gaming – Veterans (ALI 900650)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
DPF Fund 5YP0 ALI 900650, Sports Gaming – Veterans	\$30,810	\$75,000	\$75,000
% change	--	143.4%	0.0%

This line item is used for the direct benefit of veterans and their spouses and dependents, to provide funding to a county veterans commission to alleviate inequality of funding or in response to a disaster, to provide funding to an Ohio veterans home, or to provide funding to a program administered by the Ohio National Guard.

H.B. 29 of the 134th General Assembly created the Sports Gaming Profits Veterans Fund. The fund derives its revenue from 5% of sports gaming proprietor and management services provider license fees.

C2:5: Veterans Training (ALI 900614)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
FED Fund 3680 ALI 900614, Veterans Training	\$918,111	\$980,404	\$1,021,705
% change	--	6.8%	4.2%

This line item is used to fund the approval and supervision of educational programs for veterans and their dependents through the State Approving Agency (SAA). The Veterans Training Fund (Fund 3680), which provides the money for the line item's appropriation, receives revenues that are determined by funding levels established by Congress and allocated by the U.S. Department of Veterans Affairs. The amount of federal funds allocated to each state is dependent upon the number of active program sites within that state.

Category 3: Veterans Bonus Program

This category supports the remaining closeout activities of the Veterans Bonus Program, which was approved by Ohio voters in November 2009. The program was funded through the issuance of bonds.

C3:1: Veterans Compensation General Obligation Bond Debt Service (ALI 900901)

Fund/ALI	FY 2025 Actual	FY 2026 Appropriation	FY 2027 Appropriation
GRF ALI 900901, Veterans Compensation General Obligation Bond Debt Service	\$4,946,663	\$975,000	\$0
% change	--	-80.3%	-100.0%

This line item is used to pay all debt service and related financing costs on \$83.9 million in obligations issued for Persian Gulf, Afghanistan, and Iraq compensation purposes.²

DVS/zg

² R.C. 151.01 and 151.12.

**FY 2026 - FY 2027 Final Appropriations
All Fund Groups - Detail**

H.B. 96 - Main Operating Appropriations Bill

Detail by Agency			FY 2024	FY 2025	Appropriation FY 2026	Appropriation FY 2027	FY 2025 to FY 2026 % Change	FY 2026 to FY 2027 % Change
DVS Ohio Department of Veterans Service								
GRF	900321	Veterans' Homes	\$48,479,134	\$51,428,099	\$51,956,758	\$52,999,692	1.03%	2.01%
GRF	900402	Hall of Fame	\$69,286	\$83,541	\$74,317	\$75,966	-11.04%	2.22%
GRF	900408	Department of Veterans Services	\$3,855,083	\$4,412,148	\$5,327,924	\$5,428,649	20.76%	1.89%
GRF	900645	Veterans Long Term Healthcare Needs and Support (VET)	\$1,735,174	\$1,621,928	\$1,559,990	\$1,559,990	-3.82%	0.00%
GRF	900901	Veterans Compensation General Obligation Bond Debt Service	\$4,946,931	\$4,946,663	\$975,000	\$0	-80.29%	-100.00%
General Revenue Fund Subtotal			\$59,085,608	\$62,492,379	\$59,893,989	\$60,064,297	-4.16%	0.28%
4840	900603	Veterans' Homes Services	\$103,555	\$483,940	\$680,004	\$700,000	40.51%	2.94%
4E20	900602	Veterans' Homes Operating	\$1,630,930	\$4,956,864	\$14,000,000	\$14,000,000	182.44%	0.00%
5DB0	900643	Military Injury Relief Program	\$96,500	\$107,500	\$97,000	\$97,000	-9.77%	0.00%
5NX0	900646	State Opioid Response	\$637,237	\$604,935	\$0	\$0	-100.00%	N/A
5YP0	900650	Sports Gaming - Veterans	\$0	\$30,810	\$75,000	\$75,000	143.43%	0.00%
5Z00	900411	Veterans Homes Modernization	\$0	\$7,716,480	\$0	\$0	-100.00%	N/A
Dedicated Purpose Fund Group Subtotal			\$2,468,222	\$13,900,528	\$14,852,004	\$14,872,000	6.84%	0.13%
7041	900615	Veteran Bonus Program - Administration	\$201,993	\$140,617	\$0	\$0	-100.00%	N/A
7041	900641	Persian Gulf, Afghanistan, and Iraq Compensation	\$722,935	\$683,976	\$0	\$0	-100.00%	N/A
Debt Service Fund Group Subtotal			\$924,928	\$824,592	\$0	\$0	-100.00%	N/A
3680	900614	Veterans Training	\$885,539	\$918,111	\$980,404	\$1,021,705	6.78%	4.21%
3BX0	900609	Medicare Services	\$963,465	\$1,032,963	\$1,000,000	\$2,059,273	-3.19%	105.93%
3L20	900601	Veterans' Homes Operations - Federal	\$17,991,108	\$23,758,266	\$31,500,000	\$31,500,000	32.59%	0.00%
Federal Fund Group Subtotal			\$19,840,112	\$25,709,341	\$33,480,404	\$34,580,978	30.23%	3.29%
Ohio Department of Veterans Service Total			\$82,318,871	\$102,926,840	\$108,226,397	\$109,517,275	5.15%	1.19%