

NATIONAL ASSOCIATION OF STATE VETERANS HOMES

## "Caring for America's Heroes"

## TESTIMONY OF SHARON L. MURPHY, PRESIDENT NATIONAL ASSOCIATION OF STATE VETERANS HOMES (NASVH) AUGUST 1, 2018 SENATE COMMITTEE ON VETERANS' AFFAIRS FOR THE RECORD S. 3184 –LEGISLATION AFFECTING STATE VETERANS HOMES

Chairman Isakson, Senator Tester and Members of the Committee:

Thank you for the invitation to submit testimony for the record on S. 3184, legislation affecting State Veterans Homes. As President of the National Association of State Veterans Homes (NASVH), and Director of the Charlotte Hall Veterans Home in Maryland, I am pleased to offer comments on S. 3184, legislation that would modify requirements regarding the percentage of nonveterans who may be admitted to State Veterans Homes.

As you may know, the State Veterans Home program was established by a Congressional Act on August 27, 1888, and for 130 years State Homes have partnered with the federal government, specifically the Department of Veterans Affairs, to provide long term care services to honorably discharged veterans. Under this program, States may also allow widows, spouses, and Gold Star Parents of veterans to be eligible for admission.

There are currently 156 State Veteran Homes located in the 50 states and the Commonwealth of Puerto Rico. With over 30,000 total beds, the State Veterans Home program is the largest provider of long term care for our nation's veterans. State Homes receive basic per diem payments from VA for providing skilled nursing care, domiciliary care, and adult day health care (ADHC), which covers about one-third the cost of care. State Homes are reimbursed at a higher rate for veterans rated 70% or more disabled who are receiving skilled nursing care. VA also provides construction grants to build, renovate and maintain the Homes, with States required to provide at least 35 percent of the cost for such projects in matching funds.

S. 3184 would modify a requirement for State Veterans Homes to receive construction grants that limits the percent of nonveterans – such as spouses, widows and Gold Star Parents – to no more than 25% of the Home's total bed occupancy for nursing home care. This legislation, introduced by Sen. Bennett of Colorado, would create an exception for Homes that have a total bed occupancy less than 90% of their authorized nursing home bed levels, allowing such Homes to have up to 40% of their total bed occupancy be nonveterans.

The bill intends to address situations, such as has occurred in Colorado, in which spouses of veterans residing in State Veterans Homes are unable to join them because the Home is already at the 25% maximum level for nonveterans, despite the fact that there are empty beds available. If adopted, this legislation would allow such spouses to join their veterans, and would also allow other spouses, widows and Gold Star parents – depending on what the specific State law allows – to be admitted as long as the total percentage of nonveterans remains less than 40%.

In addition to addressing the interests of aging veterans who want their close family members to live with them, this legislation would also provide additional financial support for some Homes that have difficulty filling all of their authorized nursing home beds. The legislation would allow them to increase revenues and thus operate in a more cost effective manner, particularly for Homes that have challenges due to location, declining veteran populations and other factors that result in lower total occupancy rates.

Mr. Chairman, we understand and appreciate the intention of this legislation; however we would offer the following suggestions for changes to the bill. First, instead of providing an exception for Homes that are below 90% total occupancy to have up to 40% nonveterans, we would suggest the legislation instead amend the current requirement under Section 8135(a) of Title 38 so that State Veterans Homes would be allowed to admit nonveterans up to 25% of the total authorized bed level, regardless of the total occupancy rate. Thus, a Home that has an authorized 100 bed nursing home unit would be allowed to admit up to 25 qualified nonveterans, regardless of how many veterans resided in the Home, rather than having to calculate and recalculate how many nonveterans can be admitted since the number of veterans fluctuates over time. This alternate formulation would provide greater predictability for Homes, better maintain the supportive and healing environment that State Veterans Homes provide for their veteran residents, while still giving Homes flexibility to reunite more close family members.

Second, NASVH suggests that the legislation could be amended to provide the Secretary with a waiver authority to allow exceptions for individual State Veterans Homes. A narrow waiver authority might better address the specific concerns of individual veterans and Homes without making changes affecting the entire State Veterans Home system.

Third, we recommend adding a requirement that the Secretary report to Congress and the public annually on State Veterans Homes that use this new authority in order to determine if the law is meeting its stated purpose, without any unintended negative consequences for veterans seeking admission to affected Homes, or to the State Homes themselves.

Mr. Chairman, on behalf of the National Association of State Veterans Homes, thank you for inviting us to offer testimony on S. 3184. We look forward to working with you, Senator Tester and Senator Bennet to continue strengthening the State Veterans Homes program on behalf of the men and women we care for.

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