

HEARING ON  
VA'S PLAN FOR ENDING HOMELESSNESS AMONG VETERANS

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WEDNESDAY, MARCH 24, 2010

United States Senate,  
Committee on Veterans' Affairs,  
Washington, D.C.

The committee met, pursuant to notice, at 9:30 a.m., in Room 418, Russell Senate Office Building, Hon. Daniel K. Akaka, chairman of the committee, presiding.

Present: Senators Akaka, Murray, tester, and Burr.

OPENING STATEMENT OF CHAIRMAN AKAKA

Chairman Akaka. Aloha and good morning, everyone. The Senate Committee on Veterans' Affairs will come to order.

Today the Committee will hear testimony about the VA's five-year plan and the collective efforts of the Federal Government to end homelessness among veterans. We will also hear from individuals who have worked to end homelessness among veterans for many years.

Earlier this month the VA announced approximately 107,000 veterans were homeless on any given night in 2009. In 2008 that number was 131,000. While the reduction is good news, there are still too many veterans without a place to call home. Homelessness for any American is a very difficult thing, but for an individual who has answered the

call to duty, it is not unacceptable.

There are many challenges that veterans face which can lead to homelessness such as health concerns including mental health problems, economic issues, and a lack of access to safe housing but these challenges are not new.

The central question is, what do we need to do now to try to address and resolve these issues so that we can keep from having to face this problem a decade from now.

Congress has been actively working on this issue for over 20 years. As Chairman of the Committee, I stand ready to do my part in supporting efforts to bring it to an end.

I am pleased that the Committee, with Senator Murray playing a leadership role, recently approved legislation to enhance the programs and services for homeless veterans and to expand services for homeless women veterans and veterans who have care for minor dependent children.

This legislation which presents another important step in our collective efforts will be brought before the Senate in future. In order to be successful in any plan to end homelessness among veterans, we must recognize that a significant number of homeless veterans suffer from mental health issues.

VA estimates that more than half of all homeless veterans have a serious psychiatric diagnosis. Many others are addicted to drugs and alcohol. Providing these veterans

with an alternative to living on the street is a challenge.

We must fully understand the needs of these veterans, the resources needed to assist them and be committed to meeting their needs.

I applaud Secretary Shinseki for the dedication to the task of ending homelessness among veterans. But as we will hear today, VA cannot do it alone. If we, as a Nation, are to achieve this goal, we must leave no stone unturned when trying to help veterans in need.

Today's hearing gives us a chance to better understand the current situation with an eye toward fixing what is not working and expanding what is working. I thank all of our witnesses for being here today to help us in this effort.

And now I would like to call on our ranking member, Senator Burr, for his opening statement.

Senator Burr.

OPENING STATEMENT OF SENATOR BURR

Senator Burr. Thank you, Mr. Chairman, and aloha. Chairman Akaka. Aloha.

Senator Burr. More importantly thank you for calling this hearing and I welcome our witnesses from the VA and from around the country.

There are few issues that we care more deeply about than making sure that we end homelessness among those who wore our Nation's uniform.

The present Secretary has set an ambitious goal to end homelessness in five years. It is going to be tough but I am committed to work towards that goal.

According to the VA, 107,000 veterans were homeless on any given night last year including an estimated 15,089 in my State of North Carolina. Although those numbers represent an improvement over prior years, we still have much work to do.

Let there be no mistake, however. The goal is not just to end homelessness in five years. It is also to make sure that the solutions are sustainable beyond the five-year period. I have said it many times before; the only way to end homelessness is to ensure that it never begins in the first place.

Prevention is the key. We must develop successful programs to target the estimated 27,000 veterans who are at risk of falling into that cycle every single year. We must also think smarter about where and how we invest in homelessness programs.

Too often in the past we have been happy to point at the dollars we have thrown at the problem, without any real accountability for results, or an understanding of how public and private resources could better coordinate services with each other.

I believe we have some models of success out there that

provide us with a promising path forward. I am pleased that Mr. Dennis Parnell, President of the Healing Place of Wake County, North Carolina, accepted the invitation to testify today. I think you will find their data riveting.

Through its public/private partnerships, the Healing Place is able to boast of a sobriety recovery rate of over 68 percent one year after. That success rate is three times the national average. And this success leads directly to the Healing Place's stellar record in reducing homelessness in the county. Not too many counties can claim that statistic.

Today, I am anxious to hear about the Secretary's plan to move forward. No doubt his plan will require Congress' involvement.

Unfortunately, I have been disappointed about the Administration's collaboration with us so far. Last October, the Committee held a hearing on Comprehensive Homeless Legislation, S. 1547, but received no official views from VA on the bill.

In the absence of any views, the Committee marked up the legislation in January with the expectation that VA would be providing us with a greater understanding of how it fits in with the Secretary's plan. Five months and multiple inquiries later, we received the views last night, giving my staff no opportunity to do a thorough analysis of the

information. Of course, this is not the first time VA waits until the 11th hour to provide responses to inquiries they have had for months. This is also not the first time I have raised this problem, and I will continue to do it. I do not understand the delay. Why does it take VA five months to provide Congress with the crucial information we need to do the best job we can for our veterans?

If in fact I go through the Secretary's blueprint and I find that this is another round of us throwing more money to programs that we cannot justify the outcome of, then we will need to figure out what the appropriate legislative action is after that. But I had committed to the Secretary to work with him because he assured me that we have a fresh, new pathway to get there.

The bottom line is we need to get this right. There is too much at stake. We need to make sure all the information we need to allocate resources in the most effective way possible is in fact accomplished.

Mr. Chairman, I will work aggressively with you and through the witnesses that we have today to try to find out the answers to these questions.

I once again welcome our witnesses and I thank the Chairman for his indulgence.

Chairman Akaka. Thank you and much, Senator Burr, and we will look forward to working together on this problem.

I want to welcome the witnesses on our first panel. Each has had an important role in ending homelessness among veterans.

Many agencies are required to work in partnerships if there is ever going to be homelessness among veterans. Too often in the past the collaboration between agencies who should have been working together just did not exist but I am hopeful this is no longer the case. It certainly does not appear to be today especially with the make up of our first panel.

First, we have Pete Dougherty, Director of the Office of Homeless Veterans Programs at the Department of Veterans Affairs. I would like to note that Mr. Dougherty was a staff member of this Committee during the early 1990s.

Welcome back, Mr. Dougherty.

Mr. Dougherty is accompanied by Lisa Pape, Acting Director for Mental Health Homeless and Residential Rehabilitation Treatment Programs.

Second, we have The Honorable Raymond Jefferson, Assistant Secretary of Veterans' Employment and Training Service at the Department of Labor.

Then we have Mark Johnston, Deputy Assistant Secretary for Special Needs at the Department of Housing and Urban Development.

I thank you all for being here this morning. Your full

testimony will appear in the record.

Before I call on Mr. Dougherty to begin and proceed with his testimony, I am going to call on Senator Tester for any opening remarks he may have.

OPENING STATEMENT OF SENATOR TESTER

Senator Tester. Thank you, Mr. Chairman and Ranking Member Burr. I appreciate your having this hearing. I think is a very, very critically important issue.

I want to welcome Assistant Secretary Jefferson. Ray, we still need to get you out to Montana to show you the sights and the veterans that are out there and the challenges that they face, and the same goes for everybody else on the panel too. You come and we will put you to working and take a look at the challenge we face in rural America from a Montana perspective.

As you know, the stats in rural America, veterans represent about 11 percent of the population. We are the fourth largest state. We have 104,000 veterans, 147,000 square miles. Begich beats me on that but we are not far behind.

I do applaud Secretary Shinseki's call to end homelessness among veterans' populations. This is the right goal. It absolutely is the right time to do that. We have to get the economy moving again and we have to make sure the folks are getting the health services and job training



skills they need.

If we focus just on the shelter portion or just on the mental health or substance abuse portion or just on the job training portion, we are going to come up short, and you guys know that.

It takes all of these services delivered together in an integrated way to get the veteran off the street and make sure he does not end up back on the street.

So I am pleased to see that HUD and VA and Labor Department are all here on the same panel. As we go along this morning, I want to remind folks that by some estimates seven percent of homeless veterans on any given night are in rural or frontier areas of our country. Some studies have it at five percent. In either case, I do not think any of us want these folks to be forgotten about.

The reality is that folks in rural areas are going to be harder to reach and harder to get key services and resources to them. That is why homelessness in rural parts of this country and the homeless are referred to as the hidden homeless.

With that, Mr. Chairman, I want to thank you very, very much for having this hearing. I look forward to each witness's presentation and we will have a good hearing.

Chairman Akaka. Thank you very much, Senator Tester.

I will now call on Mr. Pete Dougherty for your

statement. Please proceed.

DRAFT

STATEMENT OF PETE DOUGHERTY, DIRECTOR, HOMELESS  
PROGRAMS, DEPARTMENT OF VETERANS AFFAIRS,  
ACCOMPANIED BY LISA PAPE, ACTING DIRECTOR, MENTAL  
HEALTH HOMELESS AND RESIDENTIAL REHABILITATION  
TREATMENT PROGRAMS

Mr. Dougherty. Thank you, Mr. Chairman.

On behalf of the Secretary Shinseki, let me thank you and the Committee for the opportunity to review our plans to end homelessness among our Nation's veterans. As you have indicated, I am here and pleased to be with Lisa Pape.

Now is the time to end homelessness among veterans. We owe every man and woman who has worn our Nation's military uniform no less.

As has been indicated, the number of homeless veterans have gone down, but as you also indicated, and we agree, that any homeless veteran who is seeking services needs to have us and this government help them.

This is an ambitious project. It requires a significant amount of resources. Our health care budget for next year is proposed to have \$3.4 billion for core medical care and assistance and nearly \$800 million in targeted programs that assist homeless veterans.

We are taking a no-wrong-door approach as we do this. We are trying to make sure that every veteran seeking services has access regardless of the hour or their

condition. We anticipate that we will provide direct care and prevention assistance to more than 500,000 veterans over the next five years.

We are very concerned and we are constantly monitoring what we are doing. Our approach has been to be much more collaborative, much more diverse in the way we approach this problem.

But we have looked at what we have done in the past and we have completed a study that said that when you look at contract residential care, when you look at our in-patient care programs for homeless veterans and you look at our transitional housing programs, that veterans who complete those programs that about 80 percent are appropriately housed a year after they complete programs. That is good success.

We have opened a national call and referral center for homeless veterans. We are working in partnership with the National Suicide Prevention Hot Line. That call center is really addressing the needs of that veteran whether they in urban America or rural America, whether they are a service provider or a veteran themselves seeking services.

The idea is to have an immediate ability to contact us and to get us to respond to that veteran's need. We continue and will continue to actively engage with communities in outreach events. Many of them called stand

downs.

Last year over 48,000 homeless veterans and their family members came and sought services not just from VA and not just for my colleagues at this table but from community groups and organizations who could help across the country.

We have a number of staff, about 350 staff who work in our health care for homeless veterans' program. That staff is going out and reaching about 40,000 homeless veterans. They go into soup kitchens and places like that.

As we approach this, as Senator Burr reminded us, we have to be more collaborative in the way we do this. Part of what we are going to do is we are going to outstation 20 substance abuse treatment specialists in community programs to get the programs to the veteran as opposed to the veteran having to come to us.

We are expanding contract residential care and expect to have about 5000 veterans who will get contract residential care so that when you contact us we have an immediate place for you to go to.

Homelessness also has been a problem for veterans who have dental care problems. Under our plan we are doing things to address and expect about 20,000 veterans who will get dental care treatment. This is very important both for their physical health but it is also very important to get back into gainful employment which is what the hope of many

of them are.

We are expanding our opportunities to work with prosecutors and judges to expand efforts to work with veterans who are engaged in the criminal justice system and those who are exiting prisons. We are adding 46 full-time veterans' justice outreach specialists to assist veterans in treatment courts and veterans who are in drug courts.

We are adding to the 39 health care for re-entry specialist who are working on prerelease outreach and post-release case management. We expect about 12,500 will be aided by this effort.

We are taking what are called our compensated work therapy program which is really a hospital-based program and we are going to transfer it and put those staff into the community to help veterans get gainful employment in the community again. We expect about 2500 veterans will get assisted by that next year.

We are making significant efforts to go out and offer funding to community groups and organizations on prevention services. As you have noted and others, prevention is where we have to be as well. We have to get to a prevention effort that will stop homelessness from ever beginning and we are looking forward to doing that.

I will defer to Mark Johnston to talk little bit more about HUD-VASH. We know that is very important and in the

remaining time let me also just say that we understand that getting benefits and assistance is important.

It is not just about getting a check but for many it is about getting back into gainful employment. So it is using my vocation rehabilitation benefits. It is about getting education services, going back to school for many of these veterans. There are opportunities that are there. We look forward to the opportunity to continue with our partners at this table, with the US Interagency Council, but more importantly, at the local level with thousands of groups who have come and helped us.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Dougherty follows:]

DRAFT

Chairman Akaka. Thank you very much.  
Mr. Jefferson, please proceed with your testimony.

DRAFT



STATEMENT OF RAYMOND M. JEFFERSON, ASSISTANT  
SECRETARY FOR VETERANS' EMPLOYMENT AND TRAINING,  
U.S. DEPARTMENT OF LABOR

Mr. Jefferson. Yes. Chairman Akaka, Ranking Member Burr, Senator Murray, Senator Tester. Aloha.  
Chairman Akaka. Aloha.

Mr. Jefferson. Two weeks ago I had the privilege of welcoming the honor flight at National Airport and welcoming several of our World War II veterans to the Nation's Capital and to shake the hand of a Pearl Harbor survivor.

It was an inspiring reminder of the honor and privilege we have as vets to serve this community and the importance of providing them with the very best programs and services.

I am grateful today to show what we are doing at the Department of Labor's VETS and in collaboration with our partners to help end veterans' homelessness.

Veterans are a priority of Secretary Solis and a priority of the Department of Labor and are fully integrated to the Secretary's goal of good jobs for everyone and keeping veterans and their families in the middle class.

VETS. We provide expertise and assistance to assist and prepare veterans to obtain meaningful careers, to maximize their employment opportunities, and to protect their employment rights. We do that in close partnership with stakeholders and other government agencies like those

represented here at the table, HUD, VA, HHS, and DOD.

Three words symbolize the approach we are taking at VETS to help end veterans' homelessness. Excellence, innovation, and transformation. I would like to share four examples of those.

The first example is prevention. Our transition assistance program currently has a module on preventing homelessness where for those 142,000 members who go through TAP, we do a diagnostic to help assess their risk factor for being at risk and then connecting them with resources if they are at risk to prevent them from being homeless.

I am currently doing a review of that module to see how it can be strengthened and improved as part of our TAP modernization process.

Number two, let us talk about action. We have our Homeless Veterans' Reintegration Program. The only federal nationwide program that focuses on the employment of homeless veterans.

Right now with our budget for fiscal year 2010 of \$36 million we are serving around 21,000 homeless veterans through that program. What we do is we provide them with the training and services to prepare them to obtain meaningful careers.

A significant new undertaking is identifying the best practices to serve homeless women veterans and homeless

veterans with families. The old models and ways of doing that are not effective. We have learned that from the 60 listening sessions that the Women's Bureau has done with homeless women veterans.

So we are taking \$5 million to fund about 25 grantees this year to determine what are the best practices to serve homeless women veterans and to get them into meaningful careers. Next year we will continue funding those same 25 grantees.

Additionally incarcerated veterans. This is a population that is at tremendous risk of becoming homeless when they transition from incarceration back into the workforce.

We are taking \$4 million to serve 1500 incarcerated veterans through 12 sites this year to prepare them to make a successful transition back into the labor force and we will continue funding those grantees next year as well.

The final thing which I would like to talk about is the importance of connecting the supply with the demand. Connecting our formerly homeless veterans, veterans who are transitioning through these programs with employers.

We are developing relationships with the largest private sector organizations in the country to have access to those CEOs and senior executives who make the hiring decisions so that they are aware of the reasons to hire a

veteran and how to hire a veteran so that our VETS team members, the local veterans' employment representative in the field, have access to more opportunities for homeless veterans and can help expedite and accelerate their return to meaningful employment.

We feel that this recent cover on Fortune magazine, the New Face of Business Leadership in America, a veteran, is indicative of where we are going and how we are going to get there. It is effectively communicating the message of what veterans offer to companies and employers in America.

We are grateful to be here as a part of this hearing and look forward to your questions.

[The prepared statement of Mr. Jefferson follows:]

DRAFT

Chairman Akaka. Thank you very much, Mr. Jefferson.  
Now we will hear from Mr. Johnston.

DRAFT

MARK JOHNSTON, ASSISTANT SECRETARY FOR COMMUNITY  
PLANNING AND DEVELOPMENT, U.S. DEPARTMENT OF  
HOUSING AND URBAN DEVELOPMENT

Mr. Johnston. Chairman Akaka, Ranking Member Burr, Senator Murray, I am pleased to be here on behalf of Secretary Donovan and the US Department of Housing and Urban Development. I oversee the department's efforts to confront the housing and service needs of homeless persons and of veterans.

As President Obama has said, "Too many who once wore our Nation's uniform now sleep in our Nation's streets."

As we know Secretary Shinseki has announced the Department of Veterans Affairs plans for ending homelessness among veterans. HUD fully supports these efforts.

In fact, in HUD's 2011 budget HUD has just four priority performance goals. One is veterans' homelessness. This performance goal is shared with the Department of Veterans' Affairs to end homelessness among veterans.

To help achieve this goal, HUD will provide housing and needed supports to homeless veterans through the following initiatives. I will briefly summarize.

First of all are targeted homeless grants. In December of 2009, we awarded nearly \$1.4 billion to well over 6400 projects locally to serve homeless persons including veterans.

It is important to note that veterans are eligible for all of HUD's homeless assistant programs, and HUD emphasizes the importance of serving veterans in our grant application. As a result, one in ten persons served by HUD targeted homeless programs is a veteran.

HUD-VASH. The Congress has provided \$75 million in 2008, in 2009, and in 2010 for this program. The HUD Veteran Affairs Supported Housing programs.

Through this partnership, HUD and VA will be providing permanent housing and services for approximately 30,000 homeless veterans and their families, including veterans who have been returning from Iraq and Afghanistan.

HUD and VA want to focus this year on making the 30,000 vouchers already appropriated to be used very effectively and very efficiently. The stimulus's Homelessness Prevention and Rapid Re-housing program which we refer to as HPRP is a great resource that can be used to prevent homelessness including for veterans.

It is a \$1.5 billion program that can do two things. It can prevent homelessness for persons, including veterans, by providing resources such as rental assistance, security deposits, and case management and can also assist people who have fallen into homelessness by rapidly re-house them into conventional housing.

The HPRP program can and does serve homeless veterans.

Funds can be used for these various resources, and one thing that we have been touting is to connect this with HUD-VASH so that when a veteran is having a tough time having the funds for a security deposit, for instance, or utility assistance, they can use the HPRP program and we have been actively touting that with our various grantees around the country.

The recently enacted Homeless Emergency Assistance and Rapid Transition to Housing Act, or HEARTH Act, provides unprecedented flexibility to confronting homelessness.

This Act consolidates HUD's various competitive programs into a single, streamlined, flexible program which we will be implementing in 2011. The program requires that all stakeholders, including veterans' organizations, determine how the funds should be used.

HUD's 2009 Appropriation's Act provides the department with \$10 million for a demonstration program to prevent homelessness among veterans. HUD is working with the VA and the Department of Labor on this initiative. We will be conducting evaluation on this demonstration, and the three agencies will be sharing the results widely with organizations that serve veterans.

HUD's Secretary Donovan, in addition to being the Secretary of our department, is also currently the chairman of the US Interagency Council on Homelessness. He has met



with Secretary Shinseki, the former chair of the Council, to discuss the needs of homeless veterans and how our agencies can work collaboratively to solve this problem.

The Council is developing the federal plan to end homelessness which is due to Congress on May 20. The Council has been reaching out to a variety of stakeholders of which there have been many participants, including those who are homeless veterans. This effort will further ensure a federal-wide focus on ending homelessness among veterans.

Finally, each year HUD collects information from communities nationwide on homelessness, develops a detailed report and submits this to Congress as the Annual Homeless Assessment Report.

Similarly HUD is working closely with the VA this year on collecting data and developing a special report on veteran homelessness which will be issued later this year.

In closing, I want to reiterate my and the department's desire to truly end homelessness among veterans.

Thank you very much.

[The prepared statement of Mr. Johnston follows:]

Chairman Akaka. Thank you very much, Mr. Johnston.

When we started talking ending homelessness among veterans, it is important to know the size of the problem. However, VA and HUD have two very different figures for how many of our Nation's veterans are homeless at any given night in a year.

Would you, Mr. Dougherty and Mr. Johnston, please explain your departments' numbers and why there is such a large difference?

Mr. Dougherty, we will start with you.

Mr. Dougherty. Mr. Chairman, I do not think the numbers are really as far apart as they may appear. Sometimes it is the reporting cycle that we are reporting in.

One of the things I think Mark will back us up on as well, what we are doing as we are moving forward, and our secretaries have talked about this as well, is to just simply have one single reporting system.

The Department of Housing and Urban Development has a requirement to go out and identify homelessness in America and to identify veterans among that population. So we have been working collaboratively with HUD so that as we do this in the future we are going to use simply one number.

The number that we use is really largely based upon what HUD reports through its continuance of care along with

some additional information that we have. What we want to do, as Mark mentioned a moment ago, is we want to make sure that we have all the "t"s crossed and all the "I"s dotted in the right places to make sure we have a good count.

But I think our numbers are within a very small percentage as we report year to year in the last few years.

Chairman Akaka. Mr. Johnston.

Mr. Johnston. Just to briefly elaborate on that, the figures that HUD has for homeless veterans is 135,000. That is based on January 2008. The data that is provided by Pete Dougherty and the VA is a little bit more recent.

Our numbers for 2009 will be submitted in the annual report to Congress in June. So that will be an update. Then later in the year, in other words, later this summer, we will have the 2010 figures. I certainly agree with Pete that the difference is relatively minor and it really is a reporting period difference I think.

Chairman Akaka. Thank you.

This question is for all of the panelists. What is your department's perception of the housing first approach to assisting the chronically mentally ill, homeless veteran population?

Mr. Johnston. I will begin.

Chairman Akaka. Mr. Johnston.

Mr. Johnston. HUD absolutely supports the concept. We

have been using it across the country for a number of years. In fact, one of our first permanent housing programs, Shelter Plus Care, which was created in 1992, was based on housing first.

That is the model that we see being implemented across the country for most of our projects. The notion, of course, being you take a homeless client where they are at wherever that is and help move them into housing and address the various issues that they have got.

We did a study about two years ago on this and found about 84 percent of persons who were chronically homeless, who moved into permanent housing were there a year later.

It is not to say there is not an effort to make sure that happens by having good, strong supportive services in place but it certainly can and should happen.

Mr. Dougherty. Mr. Chairman, both our secretaries, the Secretary of HUD and the Secretary of Veterans' Affairs, have met. We have talked about this.

It is certainly a significant change for our department from where we were years ago. When we first had some vouchers with HUD, it was really predicated on a veteran who had already been in a long course of treatment and probably would be what we might refer to as patient compliant before they would be able to get in.

We do not have that kind of restriction today. We are

looking more and more on how we can get that placement faster because we do agree there is an effective way to provide this service to veterans but it is a corporate shift change for us to get to that point.

Mr. Jefferson. Chairman Akaka, I would just say one of the Labor Department's commitments, sir, is just to make sure that for these service providers that they have easy access and frequent access to our employment representatives and our disabled veteran outreach program specialists.

So whether these homeless veterans in housing first need case management or access to the employment opportunities in their area that our DVOPs, our LVRs, our employment representatives are there to provide the employment piece of that transformation.

Chairman Akaka. Thank you very much, Mr. Jefferson.

Let me go call on ranking member, Senator Burr, for his questions.

Senator Burr. Thank you, Mr. Chairman.

Mr. Dougherty, will we be here five years from today only talking about prevention programs?

Mr. Dougherty. Mr. Chairman, I do not think we will be only talking about prevention programs because I think just, as we would face in any other health problem, there will be veterans who will, because of mental illness and substance abuse problems and other things and not having enough

support, will show up and become homeless.

Senator Burr. Do you believe that the Secretary's blueprint provides the flexibility as time goes on for us to change the programs to reflect any changes in population?

Mr. Dougherty. Mr. Burr, you are asking an excellent question, and Lisa Pape and I regularly talk and one of the things we talk about is there is not a five-year plan at this point. There is a fourth-year and six-month plan. That requires that every monthly we are looking at what we are doing, how effective we are at getting the services out there and what we can do to make shifts if we are not meeting that.

Senator Burr. Let me encourage both of you. Where you can share that thought process, that matrix with Congress, it would be extremely helpful because, as I said in my opening statement, we have been starved with information on this plan.

We would like to be a full-fledged partner. I know Senator Murray invested a tremendous amount of time and passion into the issue. I think to leave us out and then to suggest, well, just trust us.

Mark, you made a statement that one of the programs was to take the money, consolidate it, and let everybody decide how to use it, the stakeholders.

Well, I am not sure that is necessarily the right way.

And I take for granted, I only heard you at face value for what you said. But I think everything we say, we have got to understand it here in a different fashion, and the goal here is not about process. It is about outcome. It is about reaching the goal which, as I said, is going to be very difficult for us to do.

Let me ask you, Mr. Dougherty. From a standpoint of your numbers or HUD numbers, is there any outside validation of those numbers?

Mr. Johnston. I will start. These numbers are not from HUD. These numbers are from the communities. So we aggregate them from every city and county in America.

Senator Burr. Okay.

Mr. Dougherty. We rely a lot on that. Also as we report through each of our sites, we also look at if there are good local studies. Sometimes universities and others do some studies like that.

The other is that the process that we use is called the challenge meeting process. This past year we had about 15,000 people who came, including more than 10,000 currently and formerly homeless veterans. So we think we are getting good information as to what is needed and what kinds of services. That really is helping to drive us as to where we need to go. We are listening to the consumer who needs our help.

Senator Burr. Let me ask about the plan in a slightly different way. How many programs, if any, are not going to be funded that have been funded in the past?

Mr. Dougherty. The only program that we had had before that we are no longer actively pursuing is the Multi-Family Housing Loan Guarantee Program. We simply tried that. It was passed by Congress. We tried that for a number of years. We found that it just did not meet the need. It did not serve the veterans that needed to be served. We wrote Congress last year saying we were no longer going to pursue that program.

Senator Burr. So incorporated in the blueprint are how many new programs that did not exist last year?

Mr. Dougherty. There are several new programs. I do not know if I can tell you off the top of my head all of them. But obviously we have a call and referral center we think is very important.

Obviously our continued efforts with HUD is a very important way to address this issue because we have to address that veteran, as I said in the opening statement, where they are. Some of them need an emergency sort of assistance.

So increasing contract care. We are increasing contract care in places that we did not have it before because, as Senator Tester pointed out as well, if you are



in rural America, you may not have a big homeless program somewhere. But that does not mean that a veteran who needs to get off the street, that we should not be able to provide some service to get that veteran off the street.

Senator Burr. That is extremely helpful. The question is what then supports that effort to make sure that this becomes a permanent experience versus only a temporary triumph.

I guess I am looking for specific measures that you have identified that are incorporated in these programs that would lead me to believe we are going to have a different outcome versus just a deep commitment which is typically a financial commitment to the problem.

Mr. Dougherty. Right. I think the answer to that in large part is that you have to be responsive to the veteran when they first need our care services. Otherwise, they are never going to come to us until they are so sick and so disabled that the ability to treat them is much more significant, much more intense.

That is why the effort at prevention and going for supportive services before that veteran ever becomes homeless is where we really need to be more focused on.

We are going to do the things we have done in the past and do them effectively but we are also going to do a better job of trying to stop that from ever happening in

partnership with the folks at this table.

Senator Burr. I appreciate that answer and my time has expired. But let me say this that I think it even starts earlier than when you get it and it is a debate that we have in this Committee with VA overall, and that is when you look at our veterans that have medical needs, not all of them physical, their willingness to participate at the earliest possible point is not always there, and we accept the fact that we offer it; and if they do not utilize it, then that is their responsibility, until they end up as a focus of you.

I think that we collectively have to begin to look at how we provide those early programs on the health care side in a different way that attracts participation, does not allow us to have individuals that a year later, two years later end up with you trying to deal with all the manifestations that they are dealing with; and the lack of a roof over their head is one of the major contributors then.

I thank the chair.

Chairman Akaka. Thank you very much, Senator Burr.

Senator Murray.

Senator Murray. Thank you very much, Mr. Chairman. I appreciate your having this hearing today.

Mr. Dougherty, in your testimony, you noted that homelessness is primarily a health care issue. Given that

the VA is planning to expand access to more non-service-connected disabled veterans with moderate incomes and to actually increase the number of presumptive diseases like agent orange, can you tell us whether or not the VA actually has the capacity now to address the needs of all those veterans or do we need to be looking at additional resources?

Mr. Dougherty. I am not sure I know the total answer to your question. I do believe that when it comes to veterans who are homeless that we think we are well positioned to take care of those veterans as they come to us.

One of the things, as we look toward going to prevention, we are looking more and more to align the Benefits Administration with this because I think, as Senator Burr just noted a moment ago as well, one of the things that we think is very important is we need to be more in the wellness business and less in the serious health care problem business.

The wellness issue is going to be addressed by catching it at the earliest stage.

Senator Murray. Right. I know that we are going to be increasing the number of veterans which I applaud you doing. I just want to make sure you are staying in touch with us to make sure that we have got the resources to be able to deal

with that issue and see that happen.

Mr. Dougherty. The 2011 budget I think addresses that adequately, yes, ma'am.

Senator Murray. Does the VA have an estimate of how many of these veterans tried to or accessed the VA for care before they return to homelessness?

Mr. Dougherty. No, we do not have a very good estimate of how many of them tried and did not. One of the things that the call center and this registry we are working on is going to be able to do that for us. It is going to tell us when veterans are doing that, and one of the things that we are doing with HUD in trying to align more of the information that they have is trying to get a better handle on who is out there and who has not been served.

Senator Murray. When will we be able to see information back on that?

Mr. Dougherty. I think summer we are going to work on this report.

Ms. Pape. We hope the registry starts phasing in in the summer and hopefully full operation sometime before the beginning of the fiscal year of fiscal year 2011.

Senator Murray. Okay. I also wanted to ask you, Mr. Dougherty, how the VA validates a program out in the community before allowing them to provide service to veterans?

Mr. Dougherty. In our traditional housing program, what we do is we not only run you through a grant application process but then before you actually provide services to veterans we come on-site. We meet with you. We look at your financial ability to provide services. We look at the physical facilities that you have. We look at the service plan that you have for veterans.

And then and only then do we approve you for payment. Then we come back on an annual basis and do that in a formal way and we are informally in those programs year around.

Senator Murray. Okay. Secretary Jefferson, in the next panel a veteran is going to testify about how he fell on to a life of drug dealing and later using while he was trying to get a job as a mechanic. We have a lot of veterans transitioning home to a tough economy and falling into the same kind of traps.

How are we going to work better with our communities to help create partnerships or apprenticeships or other ways for our veterans to get back into the workforce?

Mr. Jefferson. One of the things that we are doing is engaging with our DVOPs and LVRs. So Making sure our employment representatives around America as they are working with veterans, when they identified that there is a need for mental health support and services, that they can

effectively refer them to the VA or to other health providers. That is one.

Number two, we think, is just making sure that we increase the opportunities that this community has available to it.

So we are developing some employer engagement and outreach partnerships now that will increase substantially the opportunities that we can provide for veterans and that is an area which I am placing a very high priority on during my tenure.

By increasing the demand for veterans, we can accelerate them finding meaningful careers, not just jobs.

Senator Murray. Because that is a really important part of this.

Mr. Jefferson. Absolutely, Senator Murray.

If we can have all of the best HVRP grantees, the best preparatory programs, that if when these veterans step out to find meaningful employment there are not jobs for them, then they are going to become demoralized, you know, and they will move into that downward spiral.

Senator Murray. Mr. Johnston, I am almost out of time. But I do want to submit some questions to you about the HUD-VASH program. As we put that out there, communities are using it really well, others are not, and as a result, veterans are not getting access to that.

So I want to ask you about that and especially how it is being implemented here in DC with some of the private contracts, making sure that HUD stays in touch with them, and the veterans are continuing to get that despite that it is being contracted out.

So I will submit those questions to you because I have run out of time.

Mr. Chairman, before I yield I did just want to say to the world in general that I am a little frustrated with the bureaucracy and the delay surrounding the release of the suicide rates for female veterans by the VA.

My office has been in touch with the VA. We are trying to get a better understanding of the depth of this really serious issue facing female veterans today and the lack of transparency that we have been able to get is really frustrating to me.

We have the suicide rate for male veterans and are getting hopefully accurate information on that. But we also need to know what is happening to women and how they are being affected and I have asked for this information and I have not been able to get it yet and I am going to be pursuing that.

Chairman Akaka. Thank you very much. We will pursue that with you.

Senator Tester.

Senator Tester. Thank you, Mr. Chairman.

Secretary Jefferson, I appreciate what you said about making sure that veterans at risk of homelessness have access to the offices of DVOP and the local veterans's reps. I want to give you an example of how hard it is in a place like Montana.

We have six DVOP and LVR staff in Montana to serve a state with 147,000 miles. That means less than one full-time staffer for each of the eight biggest cities, and there is a whole lot more to Montana than just the eight biggest cities where veterans reside. And no full-time staff for any of the seven Indian reservations in the State.

Would you want to address that issue from your perspective and its adequacy?

Mr. Jefferson. Yes, sir. After the November 18 hearing, one of the things we talked about was getting out into rural America to learn more about the issues firsthand. We reached out to your office and Senator Begich to go ahead and set that. We had a trip to Alaska which was very informative.

But, sir, at the last hearing I talked about a concept that we had to provide boots on the ground in rural America and to provide better services.

Although we are not ready to announce anything publicly, we have made some significant progress on a way to



get more capacity to actually provide greater services to rural America, a rural outreach initiative.

So in next few months, I am optimistic that we will be able to share something more about that. We have identified the gap and are working to finalize a demonstration project to deal exactly with the issues that you have raised, sir.

Senator Tester. So you would agree that there are now gaps and we are not serving to the level even close to what needs to be served in rural America?

Mr. Jefferson. Sir, I feel that there is a significant gap between the services which are needed to provide coverage to rural America and what we have now.

Senator Tester. We look forward to the proposals in the next few months.

You know, when we talk about homeless vets, I had a hearing in Montana with Secretary Peake a couple of years ago, and we had a veteran come to the hearing who said he just came out of the woods. He had been there for 20 years.

After further questioning, we found out that he literally just came out of the woods. He had been there for 20 years.

We have a lot of folks out there in rural America living in abandoned farm buildings, in the woods. The question is and, Mr. Dougherty, you have said you have standouts. You have the DVOP folks and the LVR folks.

How do you find them? I mean there is a lot of homeless folks who are not all veterans. How do you find them? How do you get to the folks who need help?

Mr. Jefferson. Sir, one element of this demonstration project that we are working on is engaging with individuals, groups and communities in that local area who would know where the veterans are, what parts of the town, what parts of the environment where folks aggregate even if they are individuals.

So that is an element. This demonstration project is to actually get into the heart of rural America to access those veterans.

Senator Tester. That is exactly right. That question reverts back to your other answer. I mean I think we have got a big issue. Rural America has a high percentage of folks who sign up for the military. A lot of those folks go right back to rural America when they get done with the military.

The same thing with Indian reservations. A high percentage of those folks sign up, and they go back. Many of them were in leadership. There has got to be some way for all three of the folks here to address the issue that is not being addressed.

I really do look forward to the pilot project. I want to talk a little bit about the numbers that were put forth.

135,000, and then if my memory serves me correctly, one of you three had written and said that the number of homeless is going down.

Is that correct?

Mr. Dougherty. Correct.

Senator Tester. By how much?

Mr. Dougherty. Our estimate for last year was 107,000 on any given night. The year before the estimate was a 131,000.

Senator Tester. Do you anticipate that number continuing at that rate?

Mr. Dougherty. Yes, sir. It will have to.

Senator Tester. Mr. Johnston, you talked about, you got the numbers from communities and counties. Who gives you the numbers?

Mr. Johnston. We have an approach called continuum of care where all of the stakeholders within any community, and for Montana, it is the entire state working together. It includes city agencies that relate to homelessness such as health agencies, employment agencies, housing agencies. It includes nonprofits, foundations, any organization or person that touches the issue of homelessness. They get together on a regular basis to identify where homeless people are and what their needs are.

Senator Tester. My time has expired but I am just

going to ask one question. Do you feel comfortable that you are getting the numbers? A lot of these agencies do not do much work in rural America. We are talking about places where there is far more cows than there are people.

Do what you feel comfortable you are getting the numbers you need out of those areas?

Mr. Johnston. It is not a science clearly. I have been working on this issue for several decades.

Senator Tester. Because a lot of those agencies do not do much in rural America.

Mr. Johnston. Right. The nonprofits are really the backbone of HUD's programs. About 90 percent of our funds go to local nonprofit organizations.

Part of the consolidated program I referred to, there is a new rural housing stability program we are also launching because of the frustration that you are citing that in rural communities they feel like HUD's homeless dollars do not always get to where they need to go.

So in 2011 communities will have a choice about using the consolidated program or a rural housing stability program to focus on rural America.

Senator Tester. Okay. I think the key is finding them and getting them help.

Thank you all for your testimony.

Thank you, Mr. Chairman.

Chairman Akaka. We will have a second round of questions here.

Mr. Johnston, in your testimony you stated that the HUD-VASH program combines HUD housing choice voucher rental assistance for homeless veterans with case management and clinical services provided by VA at its medical centers in the community.

This builds on what Senator Tester said on this. My question is what happens if there is not a VA medical center in the veterans community?

Mr. Johnston. To be honest, I think the best answer is going to come from Pete on this. We allocate the Section 8 vouchers and the VA provides the case management. But it is not just through the VA medical hospital.

Do you mind if I defer part of that answer to Mr. Dougherty?

Chairman Akaka. Mr. Dougherty.

Mr. Dougherty. Mr. Chairman, although it is connected to the VA medical center it is not that it has got to be connected to a VA hospital. Many of these staff work out of community-based clinics and others. It is to have a person who is part of the medical care system who is providing the case management.

So I think what you will find from year one to year too in the vouchers is that it is getting into a lot of more

smaller communities, and I think what you will find when HUD comes out with round three is that we are getting into more communities as well.

It is not just that the vouchers are concentrated in or near VA medical centers. Many of them are far distances away.

Chairman Akaka. Secretary Jefferson, are there any obstacles to working with homeless veterans once they have been accepted into the HUD-VASH program? If so, how do you believe the obstacles can be removed?

Mr. Jefferson. Senator, I think one of the things that we have learned from the listening sessions with homeless women veterans is recognizing that the best practices for serving the women veterans are different from the male veterans, and we need to incorporate those best practices.

Some specific examples are counselors who are female who are trained in military sexual trauma, who are trained in domestic violence and physical abuse, who are trained in substance abuse but who are female counselors.

And also the need to incorporate child care and then also access to educational opportunities once those children are of age to go to school.

So as we look at the services need for the homeless women veterans, we need to incorporate those best practices into the larger veteran service providers, what they are

offering.

Chairman Akaka. Mr. Dougherty, your testimony states that we know from past experience that homelessness among veterans peaks seven to ten years after military service. Can you elaborate on VA's plans to prevent homelessness of current service members seven to ten years from now?

Mr. Dougherty. Yes. Mr. Chairman, that is, in fact, historically what we have seen. Of course, that is before we got into the present conflict and before we are working on an active intervention.

As I remind myself all the time, Vietnam veterans are probably one in ten in the first few years after he came to VA for any kind of services on the health care side. Now we are seeing about 40 percent of veterans who served in Iraq and Afghanistan.

We are making a deliberate attempt to, as you know because you have done this, to help us provide medical services and services for them, and we are actively reaching out to do that.

The collaborative that we are working on with the Department of Housing and Urban Development for those at risk of recently discharged veterans, we think is going to do a much better job because our care coordination staff and our VET center staff are going to be, before that veteran becomes homeless, able to hook that veteran into services

that we can provide, and housing and support assistance that HUD will be able to provide for them.

So although historically that has been the case, I am looking for that trend to change radically moving forward.

Chairman Akaka. Secretary Jefferson, how does DOL evaluate and measure the effectiveness of HVRP grantees and how are the results used in determining subsequent grants?

Mr. Jefferson. Thank you, Senator. We look at the entered employment rate as well as the retention rate; and choosing 2009 as an example, we served about 15,500 homeless veterans and had an entered employment rate of about 67 percent. So roughly two-thirds of those veterans going through the program, you know, were able to find meaningful careers, meaningful employment.

We also monitor all of our grantees, and when grantees are not performing at the level of which they are, they are first put on a performance plan. We try to work with them to get them back up to high level of performance.

But there is a monitoring component. We currently have about a 67 percent success rate of entered employment for the community we serve.

Chairman Akaka. Do you believe there is any value in using HVRP grants in conjunction with efforts to prevent homelessness among veterans or in assisting veterans who just recently are no longer homeless?



Mr. Jefferson. Yes, Senator. And we are collaborating already with Housing and Urban Development and Department of Veterans' Affairs in working on the initiative to prevent veterans' homelessness.

One of the ways we will provide that is by making sure employment representatives are involved with the sites where we are doing this demonstration projects.

Chairman Akaka. Thank you.

Senator Burr.

Senator Burr. One question, Mr. Chairman and Mr. Dougherty. What key legislative provisions will need to be enacted to incorporate the Secretary's five-year plan?

Mr. Dougherty. Senator, most of the legislative authority we think we already have. There is one thing that we are looking to try to do, and that is around sober living housing.

One of the things we have found is that many veterans who have been homeless have substance abuse problems. Many of them are returning to gainful employment but they are limited in their income and their ability to live independently in communities.

There was some legislative authority back in Public Law 102-590. We think that what we need to do is also try to figure out how we can get more of that kind of housing out there because. For many of those veterans, sobriety is

something that if I maintain it over a period of time, I get stronger and then I have the ability to live independently. And their income is the same way.

Many of these veterans when they first go back to work have very limited income, and overtime their income level rises. So we think that one of the things that we are looking to work with you and the committee on is how do we get more of that kind of housing availability which is very low cost and does not have an ongoing sort of VA presence and funding that goes to it.

Senator Burr. Thank you, Mr. Chairman.

Chairman Akaka. Thank you very much, Senator Burr.

Senator Tester.

Senator Tester. Thank you, Mr. Chairman.

Assistant Secretary Jefferson, in the last round of questioning, you intimated that there would be in the next few months a rural outreach program announced. Do you anticipate that to be before the Fourth of July?

Mr. Jefferson. Sir, I cannot make that commitment. I will just tell you that we are working very hard to bring the relevant partners to that together. We are looking at everything from metrics, operationalizing it, execution. It is one of my top priorities.

Senator Tester. If it is one of your top priorities, I anticipate, I mean, I think it is something that is

critically important and would go a step further to say, when you make that announcement, I would love to have you do it in Montana where you would have a willing audience.

Mr. Jefferson. Sir, we are always excited to work closely with your office.

Senator Tester. I want to talk about competitive grants just for a second. Each of you is responsible for running large competitive grant programs to service homeless vets. I want to know how do you compare, and this is for each one of you, how do you compare grant proposals with regard to rural states versus urban areas?

Who wants to start? Pete?

Mr. Dougherty. Yes. Senator, what we do is we look at what the need is. When our transitional housing grants first came about, it was deliberately designed to give rural communities an advantage or at least not to have a disadvantage in applying.

There is what I like to refer to as an intensity of need. You are from a very rural state. If you have 20 homeless veterans in New York City probably no one would care. If you have 20 homeless veterans in Missoula, people are really concerned and want us to do something about it.

So the idea of having small grants, one of the things that our program has is many of our programs are small. So you do not have to have a 50-bed program in order to get

funding from us.

In rural areas as well, because we have a current notice of funding availability, and you mentioned before about tribal programs. One of the things that we have done is we have targeted tribal lands, programs on tribal lands to help meet that need.

So in that case, you only have to meet the passing grade, if you will, so that you are not at a competitive disadvantage by having a significant grant writer.

Senator Tester. Secretary Jefferson, would you want to respond to that question?

Mr. Jefferson. Sir, just a few quick thoughts. One is very candidly with the resources we had, we did not have the ability to create a grant program that would target just rural communities which is how this demonstration program came out, and through partnerships I believe we are going to be able to get capacity to provide services there.

Based upon the awareness we have of the needs in rural America, I want to thank you for sharing a lot of those over the past few months, we will be looking at that when we make grant decisions for the current grants that we have.

Senator Tester. Mr. Johnston.

Mr. Johnston. In our competitive programs, by law need is one of the selection factors. We have performance as another key element. We have found and we have compared

this over years that rural communities do just as well in the competition as all areas do in the country.

But nonetheless, given the perception, concern that rural areas are not getting enough, this new rural housing stability competitive program will provide more resources in rural areas.

Senator Tester. I appreciate your answers. I would also say that rural, I mean the numbers in rural are not there because it is rural. So when these grants go out, and I have just as much empathy for the veteran that is living in an urban center as I do out in the woods in Montana. They both have their issues. They both have their problems. I just want to make sure that we do not forget about them.

Mr. Johnston.

Mr. Johnston. Just one quick observation. We have another program that is not competitive. It is a formula program and it can be used flexibly for homeless prevention so that in rural communities where you may not be living on the streets because it just would not happen there or there is not a shelter there, you can use homeless prevention funds to serve that person.

Senator Tester. Do the folks in rural America know about it?

Mr. Johnston. They do. The problem in the past it has been limited. It has been a very, very small program. Our

request this year significantly increases the size of that program.

Senator Tester. Thank you, Mr. Chairman.

I want to thank the work each and everyone of you do. I appreciate it.

Chairman Akaka. Thank you very much, Senator Tester.

I want to thank this first panel. I urge that you continue this discussion on the homeless amongst yourselves and to be in touch with us as we look into it and discuss the details of the VA's five-year plan.

We also want to join together with you to bring this about. As Senator Burr has mentioned, we are looking at outcomes and that is very, very important to all of us.

So thank you. This has been a valuable hearing for us. Thank you for your contributions.

Now I would like to welcome the witnesses on our second panel.

Arnold Shipman, U.S. Air Force Veteran.

Dennis H. Parnell, President/CEO, The Healing Place of Wake County.

Sandra A. Miller, Program Director, Homeless Veteran Residential Services, Philadelphia Veterans Multi-Service & Education Center.

Patrick Ryan, Vice Chair, Board of Directors, National Coalition for Homeless Veterans.

Sam Tsemberis, Ph.D., Founder and CEO, Pathways to Housing, Inc.

Mr. Shipman, would you please begin with your testimony.

DRAFT

STATEMENT OF ARNOLD SHIPMAN, U.S. AIR FORCE  
VETERAN

Mr. Shipman. Good morning, Senator Akaka, Ranking Member, Mr. Burr.

My name is Arnold Shipman and I am a 49 year-old Air Force veteran and homeless. I live in Baltimore, Maryland. I joined the Air Force in June 1978 right after high school. My specific job assignment in the Air Force was as a Security Police Custom's Inspector. I went from Eglin Air Force Base in Florida to Okinawa, Japan and finally to Dover Air Force Base in Delaware.

It was at Dover Air Force Base where the realities of life took a heavy toll on a then twenty-one year old young man. Part of my job was inspecting the body bags of women, children and babies who died under the hand of Reverend Jim Jones in Jonestown. There were women, children and babies who died in this horrible and tragic chapter of our history. Their lives had not even begun. This had a powerful and profound affect upon me.

After my military career was over, I returned to my home in Baltimore. Thus began a series of menial jobs while waiting to pursue a career as a diesel mechanic. It was during this time that my life began to seriously spiral out of control.

Cocaine was becoming very popular. Several of my



friends were selling cocaine. Because there was nothing else happening for me, I began to sell this. The money was rolling in and I thought this could make me forget my experiences at Dover AFB. I thought this could make me happy. It was a momentary respite.

Outwardly, I portrayed someone who was happy, someone who had his life together and was functioning as a normal person. Inwardly, I was a mess. Nothing fulfilled me no matter what I did.

It was at this point that I began to use drugs. Not the cocaine I had been selling, but heroin. This is a more deadly drug and its most devastating effects soon became very apparent to me.

Now began the endless incarcerations and the increased drug use. It seemed each time someone close to me died, my mother, my father, my two sisters and my brother, it only whetted my appetite for more drugs. As I reflect upon that period in my life, any excuse would have done. It was as if I was on a runaway train taking me to the darkest places of life.

It was during this time in a damp jail cell, alone, at night, by myself I remembered a place I had heard of earlier. A place called MCVET-Maryland Center for Veteran's Education and Training. A place where help could be had if one wanted it.

I thought about how life had not gone very well for me so far and anything might be better than what I had been used to. Thinking I had nothing to lose and maybe everything to gain, I decided to enter the program and was accepted.

That was one of the best decisions I have ever made in my life. The structure which was sorely missing immediately was found. The support I needed I accepted. The guidance I sought was provided.

Since being in the program, I have begun to clean up the wreckage of my past, piece by piece and inch by inch. I am also working on my degree in radiology. I am also a part of the "Back On My Feet" running program and recently completed my first marathon in October of 2009 which was 26.2 miles. I am in training for the annual 5k/10k race in May and was featured in the national magazine which focused on my training for the marathon and the recovery that I am going through. And now I have the opportunity of a lifetime to address a United States Senate committee. I could not have imagined the changes my life would take.

I feel truly blessed. None of these accomplishments would have been possible for me without the MCVET program. They have provided me structure along with a positive support system which has allowed me to excel. They have helped me to address the issues which fed my addiction which

I am overcoming. They have inspired me to be the best.

So I thank the committee. Thank you, Senator Akaka.  
Thank you ranking member, Mr. Burr.

In conclusion, I would also like to thank Colonel Charles Williams and the staff at MCVET. The opportunities they provided for me and other homeless veterans and other veterans in need have been unsurpassed. Thank you.

[The prepared statement of Mr. Shipman follows:]

DRAFT

Chairman Akaka. Thank you very much, Mr. Shipman.  
Ms. Miller.

DRAFT

STATEMENT OF SANDRA A. MILLER, PROGRAM DIRECTOR,  
HOMELESS VETERAN RESIDENTIAL SERVICES,  
PHILADELPHIA VETERANS MULTI-SERVICE & EDUCATION  
CENTER

Ms. Miller. Good morning, Mr. Chairman, Ranking Member Burr. I am Sandy Miller, and I am the Program Director of Residential Services for The Philadelphia Veterans Multi-Service & Education Center. On behalf of our Executive Director, Marsha Four, our Board of Directors and our entire staff, I would like to thank you for the opportunity to provide comment here today.

Our executive director and I were present at the summit when Secretary Shinseki unveiled the VA's Five-Year Plan to End Homelessness. We respect the attention and energy that both he and President Obama have committed to this cause.

We at our agency, however, do have some serious concerns, and again it may be cynical on our part but we see a very real obstacle. Remember we were here 10 years ago when the ten-year plan was introduced and so we are still today.

The obstacle I mentioned is a large bureaucracy of the Department of Veterans Affairs. On one hand we have the Central Office, the VISNs, and the medical centers. On the other we have directors, managers, supervisors, a myriad of chiefs program staff, triads, quadrads, and on and on.

If every person at the Department of Veterans Affairs at every level is not held accountable to these tasks, we will never accomplish it. There must be program measures in place at every level from the lowest person working in the kitchen of the VA medical center all the way up to the highest-ranking members at central office. Every level of the VA must be held accountable.

Resources must find their way to those of us who are in the trenches, boots on the ground. Receiving our first VA homeless grant per diem awards in 1996, we established the foundation for our comprehensive homeless veteran programs.

These programs include the perimeter, a day service center, LZ2, a 95-bed transitional facility for male veterans, the Mary E. Walker house a 30-bed facility for female veterans, in addition to HUD and DOL grants which have resulted in 40 housing units under HUD and number HVRP grants.

We are here to restate our concerns so they are not lost in the shuffle.

Day service centers reach deep into homeless veteran population still on the streets and in the shelters of our cities and towns. They are the portal from the streets and shelters to substance abuse treatment, job training and placement, VA benefits, VA mental and medical health, placement in jobs and transitional facilities. These day

drop-in centers are the first step to ending veteran homelessness.

At the Armat multi-service center for our day service center, we received--are you ready for this?--\$4.30 per hour to provide services for these homeless veterans and that is only for the period of time that that veteran is physically on site.

The services and assistance that we have to provide to these veterans go long after that veteran leaves us. It is for this reason alone that many service centers have either closed or never opened after receiving their funding through grant and per diem.

We would like to suggest the creation of service center staffing and operational grants much like those special needs grants at the VA. Senators, we have been holding onto this mission for far too long by our fingertips. We need help.

Nonprofits have long struggled with the process used to justify the receipt of per diem payments through the VA. Although the amount of per diem has increased over the years, the documentation requirements have created a significant burden on these small nonprofits.

We argue that without the upkeep and solvency of the parent agency, the per diem programs could not function because they are inexplicably part of the parent agency.

Grantees are paid based on past accounted and audited expenses, not on anticipated expenses for the operating year in which the per diem will be paid. We suggest that the VA consider payment in much the same way, for example, that HUD does whereas funds are allocated and drawn down throughout the year with reconciliations done at the end of the year.

We cannot enhance services or hire additional staff if we are unable to access the dollars of the increased per diem to pay for them. The current process leaves the agency in a situation where we do not have the money to do any advanced or realtime enhancements to our programs.

In the past some very successful programs identified a need for increased bed capacity. These existing programs requested additional beds under the per diem only grant process and were able to increase their bed capacity.

The original grant and the PDO were issued under separate times so therefore they have separate project numbers. These two project members are attached to the same program with the same expenses, utilizing the same staff. The only difference is the increase in bed capacity.

We believe that these programs must be treated as one and the two project numbers emerged. As with any change, we understand oversight is key.

With the requirement for intensive annual inspections by the VA on all grant and per diem programs, we do not see



any diminished ability if the VA to provide this oversight and we feel that oversight of these programs should have no effect on how we are funded.

HUD-VASH and MHICM. HUD-VASH truly is a perfect marriage. We at the local level have seen one very large gap and that is the gap that some of our veterans are not able to access VASH. They are too sick for one program but yet not sick enough for another.

With not being eligible for the MHICM program, the Mental Health Intensive Case Management, and again this is something we are seeing locally. These veterans who are not qualified for one or too sick for one and not sick enough for the other will slip through the cracks.

We believe that a coordination of MHICM and HUD-VASH for these special veterans could benefit them in providing them with a fighting chance at obtaining independent housing and happiness too.

In closing, can we end veterans living on the streets or in boxes, cars, shelters, vacant buildings? We do not know the answer but we know that we are going to keep on trying to do the best to be part of any solution. Eventually this does make a difference. It certainly does to the veteran who finds her way home.

Thank you.

[The prepared statement of Ms. Miller follows:]

Chairman Akaka. Thank you very much.  
Now we hear from Dr. Tsemberis.

DRAFT

STATEMENT OF SAM TSEMBERIS, PH.D., FOUNDER AND  
CEO, PATHWAYS TO HOUSING, INC.

Mr. Tsemberis. Thank you very much, Mr. Chairman and Senator. It is an honor to be here and hope my testimony is helpful to informing this conversation.

I am the founder and CEO of a nonprofit called Pathways to Housing, started in New York City. We currently operate programs in Washington, DC, Philadelphia, Burlington, Vermont. We are providing technical assistance to about 20 cities across the country now.

One of the reasons our program has expanded so quickly is that we initially pioneered the housing first approach. It has received a lot of attention and there is a lot of evidence on the usefulness of this approach both in studies by HUD and the Veterans Administration, formally studies published in 17 cities.

And in my testimony I hope to provide some information about how housing first as a program practice and philosophy could maybe address some of the components of the proposed five-year plan of the Veterans Administration.

I have to say that it is commendable that the VA has come up with a five-year plan as opposed to a ten-year plan, shows a kind of an urgency to it and also signals that it is actually doable, that this conversation about the multiple needs of veterans with psychiatric disabilities, addiction

disorders, employment and, of course, the homelessness in some ways has been an elusive and every complex challenge.

The way that we have found our way through it was not through our own resources but it was really good when we engaged in the people we were surveying in order to come up with a solution.

Housing first is essentially a ground up solution where the homeless person drives the program. When you look at the myriad of problems that we are looking at, the sequencing of these problems, the time frame in which they are handled is hugely important.

For example, when you are looking at homelessness, mental illness, addiction, just those three, the solution for homeless this is quite different than the solution for mental illness and addiction. They are not on the same time frame.

Homelessness can be ended immediately. Addiction and mental illness require a much longer time frame. People who are homeless know this. People who suffer in these conditions know this. The system that has served these complex needs for years has not really completely adopted this approach yet.

There is still an enormous investment in transition, getting people cured of their addiction or mental illness a priori receiving housing that has kept people in a homeless

service system, expensive, multiple uses of acute-care services with no solution to their homelessness.

So the time frame is important and the sequence in which you provide services and housing is key.

We, of course, have taken the direction from our clients and said what is it that you want? Every client we deal with says I want a place to live, a place of my own first. And that is the direction that we take. Housing first is really that person's first choice in service.

The next sequence of services, whether it is mental health or family re-connection or employment, is also driven by that person.

What we provide is the case management support so that once the person is housed they are continuously able to direct their own program to recovery.

The way in which, here is what we have learned in doing it this way. People are much more capable than we ever imagined possible.

Seeing someone on the street who is vulnerable and disheveled, poor, desperate, afraid, that person looks completely different the day after they are put into housing. That person surviving on the street requires the resourcefulness to know where they can get a meal, where services are available, who they can trust on the street, all of those skills invisible to the passer-by are actually

there and intact and serve the person well once they move into housing.

One of the fears I think in adopting a housing first approach is that how can this person possibly manage in housing. The answer is over and over again they manage extremely well. They need the support.

Let me emphasize that housing first is not about housing. It is about the relationship with the homeless person in a way that engages them with the services that they want first. Housing first. Then all of the other services follow.

One of the challenges I think in the Veterans Administration is that it is a hierarchical organization. While running a military requires a hierarchical approach and following orders, excellence in mental health services, and most of the evidence-based practice suggest that the best way to do a mental health service is to have the client drive the service.

This is an enormous culture change challenge to the VA in terms of allowing veterans to dictate the sequence and intensity of the services they seek.

But to offer them in any other way would mostly generate refusals on behalf of the veterans. Someone who has served as a veteran is not going to accept services that are an insult to their dignity, their honor or their

capabilities of what they have proven already to demonstrate for their country, and then have to come and accept social services at a level that are demeaning and in a way an insult to their capability.

So the philosophy and culture is important in terms of how successful you are in engaging these services.

The investment has been another part of the surprise. Investment in transitional preparatory services is expensive and does not lead to permanent housing very often. In studies that we have done in randomized controlled trial studies published in the American Journal of Public Health--all of this is on my testimony and on our website--people who are going through the treatment first approach end up being permanently housed about 40 percent of the time.

When you house someone directly from the street and offer services to support their staying in housing, that percentage jumps up to 80 percent of the time.

In the HUD studies, sponsored by HUD, and the VA study as part of the chronic homelessness initiative in 2003, that 85 percent housing stability number is the same number that the researchers who conducted those studies found.

[The prepared statement of Mr. Tsemberis follows:]

Chairman Akaka. Thank you.

Ladies and gentlemen, I am very sorry but I must interrupt this hearing here. Committees are allowed to meet while the Senate is in session based on the unanimous consent of the members.

This is a standard procedural agreement that is always permitted. However, there has been an objection on the floor to allowing most committees, including our Committee, to meet.

I am very disappointed that we are forced to so abruptly close the opportunity to voice your concerns and priorities. I hope that we can soon return to work we all support, and that is helping veterans.

But I want to thank you very much for appearing today for sharing your insights with us. We will have post hearing questions.

Senator Burr. Mr. Chairman, could I be recognized for a unanimous consent request that the two witnesses who have not had an opportunity to speak that their full testimony be included in the record and that upon adjournment of this hearing we go into a roundtable discussion with the remainder of our panelists so that we can offer in an unofficial capacity questions. The roundtable is not in breach of I think the meetings of any of the committees.



The Committee can hold a roundtable at any point and I would make a unanimous consent request that we do that.

Chairman Akaka. Senator Burr, I feel like you do but I do not think we should do that. I am sorry to say. It is not a hearing so we will not be on the record.

This hearing is adjourned.

[Whereupon, at 11:05 a.m., the Committee was adjourned.]

DRAFT