

Mr. Robert Shaw, Legislative Chairman, National Association of State Veterans Homes, Rifle, CO

TESTIMONY OF

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NATIONAL LEGISLATIVE CHAIRMAN
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AND

ADMINISTRATOR, STATE VETERANS CENTER
RIFLE, COLORADO

LEGISLATION TO SUPPORT VETERANS' CARE
IN STATE VETERANS HOMES

COMMITTEE ON VETERANS' AFFAIRS
UNITED STATES SENATE
WASHINGTON, DC
MAY 11, 2006

Chairman Craig, Ranking Democratic Member Akaka and other Distinguished Members of the Senate Veterans' Affairs Committee, thank you for inviting the National Association of State Veterans Homes (NASVH) to testify at this legislative hearing. As the Legislative Chair of NASVH, I am honored to be here with you this morning to express our support for legislation that we believe would significantly contribute to strengthening the delivery of long term care services to veterans.

Our Association is an all-volunteer, non-profit organization founded over a half-century ago by administrators of State Veterans Homes to promote the common interests of the Homes and the elderly, disabled veterans and their family members that we serve. The membership of NASVH consists of the administrators and senior staffs of 119 State-operated Veterans Homes in 47 States and the Commonwealth of Puerto Rico. We will soon add a new home in a 48th State, which happens to be the State Veterans Home in Hilo, now under construction on the Big Island of Hawaii.

State Homes provide nursing home care in 114 homes, domiciliary care in 52 locations, and hospital-type care in five of our homes. Our State Homes presently provide over 27,500 resident beds for veterans, of which more than 21,000 are nursing home beds. VA supports State Homes through payment of a per diem allowance for each veteran VA certifies to be in need of the types of care we provide.

Earlier this year on January 9th, I was honored to testify at a field hearing the Committee held in Hawaii looking at that State's particular health care needs for veterans. Since that time, we have been working with Senator Akaka's staff and the Committee's staff to assemble a bill that would address many of the concerns we raised at that hearing. I will not repeat all those concerns in detail here, but I invite the Committee to review our legislative goals discussed during that hearing; goals that were recently confirmed by resolutions adopted unanimously at our association's Mid-Winter conference held here in Washington, DC this past March.

Mr. Chairman, we have always appreciated the bipartisan spirit of the Veterans' Affairs Committee, and we are pleased to see that longstanding tradition continue under your leadership. In that spirit, we are grateful to Senator Akaka for introducing the "Veterans Long Term Care Security Act of 2006." This legislation offers three important changes in VA long term care policy that we hope the Committee will favorably consider:

- ? Essential communications and planning with stakeholders;
- ? Equity of access to VA resources and benefits; and,
- ? An alternative model to traditional construction of new State Homes.

The State Home program is a partnership between the Federal government and the States, both of whom have made major and lasting investments in providing benefits and services to veterans. The Veterans Long Term Care Security Act respects that commitment, enhances it and extends continuing support for the work our Homes do for elderly and disabled veterans and their dependents. The bill certainly confirms what the Senate itself expressed in passing S. RES. 417 earlier this year, a bipartisan resolution introduced by Senator Lautenberg with 35 cosponsors, and we want to thank you, Mr. Chairman, Senators Akaka, Isakson, Hutchison, and Salazar, as well as Majority Leader Frist and several former Members of this Committee for your cosponsorship of this resolution. We sincerely appreciate that support and expression of trust in what we do for veterans.

Mr. Chairman, let me briefly explain the major provisions of the Veterans Long Term Care Security Act, which we believe will help to stabilize and strengthen the State Home program.

The first policy enhancement would protect the per diem program from sudden cuts that could prove extremely disruptive to providing care to elderly veterans. This provision would require the Secretary of the Department of Veterans Affairs to consult with stakeholders and report to Congress before implementing any reductions of Federal support for per diem payments. The bill would require VA to consult directly with those most responsible for the management of State Home programs ? the Governors of the States, the State Homes themselves, and other national veterans' service organizations with expertise. The Secretary would then have to submit a report to the Veterans Affairs' Committees in the Senate and House explaining the reasons for, and affect of, such proposed reductions at least twelve months prior to their taking affect.

Mr. Chairman, as you will recall, last year the Administration made several budget proposals to dramatically reduce Federal support for the State Home program; cuts that would have had severe and lasting negative consequences for long term care services for veterans. Those ill-fated proposals, which were wisely rejected by Congress, would have drastically altered the current system of State Home care as authorized in Chapters 17 and 81 of Title 38, United States

Code. Given the significant and growing long term care needs of veterans, as well as the significant investment in the State Home program by the States, we believe it is prudent to ensure that significant reductions of support for the State Home program should be made in coordination with the States, and with the full and informed consent of Congress. The proposed consultation and reporting requirements contained in the legislation would help ensure just that and we strongly support these provisions.

The second policy would help to provide equity of access to VA resources for service-connected veterans residing in State Homes. Currently, VA is not authorized to place or pay for service-connected veterans in State Homes, nor provide them with prescription medications. For several years we have discussed with VA officials our interest in both these issues, but VA has not taken any actions to remedy these inequities. The legislation would authorize ? but would not require ? VA to place service-connected veterans in State Home facilities; specifically those who need long term care due to a service-connected disability or who have a service-connected disability rating of 70% or greater. The bill would also require VA to reimburse State Veterans Homes the same amounts VA pays to private nursing homes when VA places veterans in those facilities under the authority of section 1720 of Title 38, United States Code.

To correct a similar inequity, the bill would authorize VA to furnish prescription medications to service-connected veterans residing in State veterans homes who need such medications for those service-connected conditions, and for any conditions of veterans with service-connected disabilities rated at 50 percent disabling or higher. These service-connected veterans are denied that benefit today in State Homes, even though nonservice-connected veterans who reside in our Homes for whom VA has granted a ?housebound? adjudication or who are in receipt of VA regular aid-and-attendance benefits, do receive their continuing VA medications. We believe service-connected veterans should receive equitable benefits compared to nonservice-connected veterans and strongly support this change in policy.

The third policy change in the bill is designed to address gaps in State home care coverage, particularly in rural and remote areas such as the Neighbor Islands of Hawaii, or parts of Idaho, Alaska, Montana, Wyoming, Kansas and other large rural States. Given the current system for funding construction of new State Homes, care is too often unavailable to many veterans as a practical matter due to sparse populations, long travel distances, remoteness and even cultural barriers. In order to fill in these gaps and provide additional options to veterans and flexibility to States, the bill would allow VA to deem a preexisting health care facility to be a State Home for purposes of participation in the VA per diem program. This would allow a State to create smaller long term care units within larger health care facilities when this would better serve the needs of veterans in that State. The bill contains safeguards to ensure that no State could use this deeming authority to exceed its allotted ceiling of State Home beds under the Millennium Act regulations.

Mr. Chairman, you will recall that we offered extensive testimony supporting this concept at your January 9, 2006 hearing where we reported this model had been successfully employed in Alaska through Alaska's ?Pioneer Homes.? I testified then, and want to reiterate now, that this concept could be applied directly to the Hawaiian Neighbor Islands and possibly to other remote areas in other large, rural States. This provision would allow some States to pursue innovative

collaborations with existing health care systems in order to provide long term care services for veterans where they are needed, and we strongly support this provision of the bill.

Mr. Chairman, NASVH is committed to doing our part to help meet the long-term care needs of veterans, whether they live in major metropolitan areas or in geographically dispersed, rural and remote places such as Idaho, Hawaii, Alaska, and States. Although a rural State may not be able to cost-effectively justify the establishment of large, stand-alone State veterans' nursing home, other creative solutions such as the "Pioneer Homes" model we have described are worth pursuing in existing health care facilities that meet all other VA standards for State Home care. If enacted this legislation could be an effective tool to bring about innovative new ways of meeting these veterans' needs.

Mr. Chairman and Members the Committee, we look forward to working with you to strengthen veterans' long-term care services administered by the State Veteran Homes network. The quality care provided by our member Homes is an indispensable, cost-effective, and successful element of the Nation's provision of comprehensive health care to veterans. We want to continue the very successful partnership between our State Veterans Homes and VA in order to meet the needs of veterans who are going to need long-term care in the years ahead. We want to be sure that the State Veterans Home program remains an important partner and viable option to help VA meet their obligations and the Veterans Long Term Care Security Act would move us forward in that direction.

Mr. Chairman, this concludes my statement. Thank you for permitting me to testify today on behalf of the National Association of State Veterans Homes. I will be pleased to answer any questions.