

National Coalition for Homeless Veterans

Statement of the

National Coalition
for Homeless Veterans

Before the

Committee on Veterans' Affairs,
United States House of Representatives

Hearing on VA Budget Request
for Fiscal Year 2009

February 7, 2008

The National Coalition for Homeless Veterans (NCHV) appreciates the opportunity to submit testimony to the House Veterans Affairs Committee regarding the U.S. Department of Veterans Affairs (VA) budget request for Fiscal Year 2009.

Established in 1990, NCHV is a nonprofit organization with the mission of ending homelessness among veterans by shaping public policy, promoting collaboration, and building the capacity of service providers. NCHV is the only national organization wholly dedicated to helping end homelessness among America's veterans.

The majority of NCHV members, which includes nearly 280 organizations in 48 states, the District of Columbia, Puerto Rico and Guam, provide the full continuum of care to homeless veterans and their families, including emergency shelter, food and clothing, primary health care, addiction and mental health services, employment supports, educational assistance, legal aid and transitional housing.

In 2007, VA reported that about 196,000 veterans are homeless on a given night and 400,000 veterans experience homelessness at some time during the year. The VA reports its homeless veteran programs serve 100,000 veterans annually, and NCHV member community-based organizations (CBOs) serve another 150,000.

VA officials report that the partnership between the VA and community-based organizations has substantially reduced the number of homeless veterans each night by more than 25 percent since 2003 - a commendable record of achievement that must be continued if this nation is to provide the supportive services and housing options necessary to prevent homelessness among the newest generation of combat veterans from Operations Iraqi Freedom and Enduring Freedom (OIF/OEF).

! FY 2009 VA Budget - Homeless Veteran Programs

Congress has established a number of programs within VA to address homelessness among veterans. The primary goal for these programs is to return homeless veterans to self-sufficiency and stable independent living. The major homeless veterans programs administered by the VA include the Homeless Providers Grant and Per Diem (GPD) program, which includes transitional housing, supportive services centers, special needs grants, GPD program liaisons, and Stand Down support; the HUD-Veterans Affairs Supported Housing (HUD-VASH) program; the Multifamily Transitional Housing Loan Guarantee Program; and the Compensated Work Therapy Transitional Residence program. Homeless veterans also receive primary medical care, mental health and substance abuse services at VA medical centers and community-based outpatient clinics (CBOCs) through the Health Care for Homeless Veterans (HCHV) program.

The landmark Homeless Veterans Comprehensive Assistance Act of 2001 (P.L. 107-95) established new program authorities and reauthorized long-standing homeless programs within the VA. While the authorization law set explicit funding levels for many of the VA homeless programs and authorities, actual annual spending levels are set by the VA Secretary via allocation of funds from the VA medical services account, which are appropriated by Congress.

VA homeless veteran programs function not only as a safety net for homeless veterans unable or hesitant to access emergency shelter, transitional housing or supportive services organized for the general population, they also function as a safety valve when other VA programs fail to reach veterans at a high risk of homelessness, such as veterans with chronic mental illnesses, addictions and extreme economic hardships.

Our testimony will focus on these homeless veteran assistance initiatives, most of which owe their effectiveness and successes to the leadership of this committee. We have testified many times about the need for transitional housing and services for veterans in crisis, and celebrate the reduction in homelessness among these deserving men and women during the last five years. As we continue that legacy, we must also provide supports that will prevent homelessness among OIF/OEF veterans returning from war.

Homeless Provider Grant and Per Diem Program

The Homeless Provider Grant and Per Diem Program (GPD) is the nation's largest VA program to help address the needs of homeless veterans and supports the development of transitional, community-based housing and the delivery of supportive services. The program's goals are to help homeless veterans achieve residential stability, increase their skill levels and income, and achieve greater self-determination. The GPD Program provides competitive grants to community-based, faith-based and public organizations to offer transitional housing and service centers for homeless veterans. The GPD program is an essential component of the VA's continuum of care for homeless veterans, assuring the availability of social services, employment supports and direct treatment or referral to medical treatment. The program also funds GPD liaisons who provide program oversight, inspections and outcomes reporting essential to the success and efficiency of grant recipients.

In September 2007 the General Accountability Office (GAO) presented testimony before the Subcommittee on Health of this Committee regarding homeless veterans programs, and reported that an additional 11,100 transitional housing beds are needed to meet the demand presented by

current VA estimates of the number of homeless veterans in need of assistance. This need does not yet include the increased requests for services expected from OIF/OEF veterans over the next three to five years.

The Consolidated Appropriations Act of 2008, which became Public Law 110-161 on December 26, 2007, provided for \$130 million, the fully authorized level, to be expended for the GPD program. Based on GAO's findings and VA's projected needs for additional GPD beds, NCHV has concerns about the \$138 million authorization for FY2009 and believes a \$200 million authorization is needed. An increase in the funding level for the next several years would help ensure and expedite VA's program expansion targets. It would provide critical funding for service, or drop-in, centers - the primary portal that links veterans in need with the people who can help them. It would guarantee continued declines in veteran homelessness, and provide for scaling back the funding as warranted by the VA's annual Community Homelessness Assessment, Local Education and Networking Group (CHALENG) reports. The GPD program has evolved into a homelessness prevention network as much as a proven intervention care and treatment collaborative partner with the VA.

Special Needs Grants

The VA provides grants to VA health care facilities and existing GPD recipients to assist them in serving homeless veterans with special needs including women, women who have care of dependent children, chronically mentally ill, frail elderly and terminally ill veterans. Initiated in FY 2004, VA has provided special needs funding to 29 organizations totaling \$15.7 million. The VA Advisory Committee on Homeless Veterans 2007 report states the need and complexity of issues involving women veterans who become homeless are increasingly unexpected. Recognizing women veterans are one of the fastest growing homeless populations, the Committee recommended future notices of funding availability target women veteran programs including special needs grant offerings. P.L. 109-461 authorizes appropriations of \$7 million for FY 2007 through FY 2011 for special needs grants. The increased risks of homelessness among each of these populations warrants funding for special needs grants above the currently authorized level. Additional funding for the Grant and Per Diem Program would address this need.

HUD-VASH

The joint HUD-VA Supported Housing Program (HUD-VASH) provides permanent housing and ongoing treatment services to harder-to-serve homeless veterans with chronic mental health, emotional and substance abuse issues. NCHV was pleased that P.L. 110-161 included \$75 million to be used for 7,500 Section 8 vouchers for homeless and disabled programs. Under this program, VA must provide funding for supportive services to veterans receiving rental vouchers. The FY2009 VA budget must reflect a significant increase in funding these services.

We believe the \$7.8 million in the FY2009 VA budget proposal was agreed upon before the dramatic increase in HUD-VASH vouchers became law. Based on historical data that shows each housing voucher requires approximately \$5,700 in supportive services - such as case management, personal development and health services, transportation, etc. - we estimate approximately \$45 million will be needed to adequately serve 7,500 or more clients in HUD-

VASH housing units. Rigorous evaluation of this program indicates this approach significantly reduces the incidence of homelessness among veterans challenged by chronic mental and emotional conditions, substance abuse disorders and other disabilities.

Multifamily Transitional Housing Loan Guarantee Program

This initiative authorizes VA to guarantee 15 loans with an aggregate value of \$100 million for construction, renovation of existing property, and refinancing of existing loans to develop transitional housing projects for homeless veterans and their families. First authorized in 1998, only two projects have survived beyond the initial planning stages - in Chicago and San Diego - and only St. Leo's in Chicago has been developed.

While we believe this program seemed promising in its original design and intent, the real-life difficulties in long-term coalition building, planning and economic hardships developers have encountered to date strongly suggest a much more practical and streamlined program should be developed to address the critical supportive housing needs of homeless veterans and those at serious risk of homelessness due to chronic health problems and poverty.

A congressionally mandated analysis of 2000 U.S. Census data in FY2006 revealed approximately 1.5 million veterans are living below the federal poverty level. The GAO and VA's own reports indicate an immediate need for more than 11,000 additional transitional housing beds for homeless veterans. And combat veterans from Iraq and Afghanistan - now in the fourth year of their repatriation - are requesting assistance in increasing numbers at VA and community-based service providers. The need for increased service capacity is immediate, and many community-based providers have successfully developed additional transitional and longer-term residential opportunities for their clients. We believe the resources earmarked for the Multifamily Transitional Housing Loan Guarantee Program might be better allocated to support projects that can be developed and brought on-line more swiftly.

Compensated Work Therapy/Transitional Residence (CWT/TR) Program

In VA's Compensated Work Therapy/Transitional Residence (CWT/TR) Program, disadvantaged, at-risk, and homeless veterans live in CWT/TR community-based supervised group homes while working for pay in VA's Compensated Work Therapy Program (also known as Veterans Industries). Veterans in the CWT/TR program work about 33 hours per week, with approximate earnings of \$732 per month, and pay an average of \$186 per month toward maintenance and upkeep of the residence. The average length of stay is about 174 days. VA contracts with private industry and the public sector for work done by these veterans, who learn new job skills, relearn successful work habits, and regain a sense of self-esteem and self-worth. We are pleased to see the additional funding provided for in the FY2009 proposed budget.

Mental Health Programs

Virtually every community-based organization that provides assistance to veterans in crisis depends on the VA for access to comprehensive health services, and without exception their clients receive mental health screenings, counseling and necessary treatment as a matter of course. These services are well documented, and case managers report this information to the

VA as prescribed in their grant reports. Follow-up services - counseling, substance abuse treatments, outpatient therapies, medication histories and family support initiatives - are also monitored closely and reported in client case files.

Despite significant challenges and budgetary strains, the VA has quadrupled the capacity of community-based service providers to serve veterans in crisis since 2002, a noteworthy and commendable expansion that includes, at its very core, access to mental health services and suicide prevention. The development of the VA Mental Health Strategic Plan from 2003 through November 2004, and its implementation over the last three years with additional funding this committee fought for, has increased the number of clinical psychologists and other mental health professionals at VA medical centers, community-based outpatient clinics (CBOCs) and VA Readjustment Counseling Centers (Vet Centers). We believe the VA budget proposal would facilitate further implementation of the Mental Health Strategic Plan.

We strongly recommend, however, that more attention be directed to simplifying and expanding access to community mental health clinics for OIF/OEF veterans in communities not well served by VA facilities. Current regulations allow a veteran to apply for authorization to access services at non-VA facilities, but the process is often frustrating and problematic, particularly for a veteran in crisis. Protocols should be developed to allow the VA and community clinics to process a veteran's request for assistance directly and immediately without requiring the patient to first apply at a VA medical facility. In the interest of maximizing the immediate benefit of mental health supports and minimizing the risk of harmful and even suicidal responses by a veteran to debilitating pressures - perceived or real - this initiative should be universal and well publicized.

Conclusion

The National Coalition for Homeless Veterans thanks this committee for its service to America's veterans in crisis. It has been a long and difficult campaign, but hundreds of thousands of lives have been restored and thousands of lives have been saved. We are honored to work alongside the Congress, the Administration, our federal partners, and the service provider network that has transformed policy into hope and redemption for these deserving men and women. What we have learned in the last 20 years is the greatest promise we can offer the new generation of combat veterans coming home from Iraq and Afghanistan - we are prepared to honor your service, help heal your wounds, and ensure you enjoy the blessings of the freedom you have preserved.