

**A NATIONAL COMMITMENT TO
END VETERANS' HOMELESSNESS**

HEARING
BEFORE THE
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES
ONE HUNDRED ELEVENTH CONGRESS
FIRST SESSION

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A NATIONAL COMMITMENT TO END VETERANS' HOMELESSNESS

WEDNESDAY, JUNE 3, 2009

U.S. HOUSE OF REPRESENTATIVES,
COMMITTEE ON VETERANS' AFFAIRS,
Washington, DC.

The Committee met, pursuant to notice, at 10:12 a.m., in Room 334, Cannon House Office Building, Hon. Bob Filner [Chairman of the Committee] presiding.

Present: Representatives Filner, Snyder, Michaud, Hall, Halvorson, Perriello, Teague, McNerney, Walz, Adler, Kirkpatrick, Brown of South Carolina, Lamborn, and Roe.

OPENING STATEMENT OF CHAIRMAN FILNER

The CHAIRMAN. Good morning. I apologize for being late this morning for this important hearing.

While I am saying a few words, if the first panel would take their seats, it would save us a few minutes. Thank you all for being here.

I ask unanimous consent that all Members may have 5 legislative days in which to revise and extend their remarks. Hearing no objection, so ordered.

I want to thank everyone on the Committee, our witnesses and those who are in the audience for being here to discuss an issue which a lot of people in our country do not want to face and that is the issue of homelessness.

I have decided, and many of us here have decided, that if people will not look at homelessness in general, maybe they will look at homeless veterans. Depending on what statistics you use, veterans are anywhere between 40 to 50 percent of the homeless.

If our Committee and the VA can deal with that issue, we will have dealt with almost half the homeless issues that the local communities will no longer have to deal with.

I know that our Secretary of the U.S. Department of Veterans Affairs (VA), General Shinseki, has taken on this battle himself. Working together, we want to eliminate veterans' homelessness.

Whether that number is 200,000 veterans or 130,000 veterans does not matter. There are too many and it is our responsibility as a Nation to deal with it. We will hear about how those numbers have been arrived at when the VA testifies, but we know it is a major problem and one that may increase with the worsening economy and with the new veterans that are coming back from Iraq and Afghanistan.

What we have tried to do with our panels is to bring people who have confronted this issue directly in their communities. We want to hear some of the best practices that are being done and what local communities are doing because we feel you can give us help in deciding policy at the national level. You know what works. You know what does not work. You know what we have to do. You know what kind of help you need.

Just be very direct with us. Tell us what you are doing. Tell us how we can help you because, as I said, the Secretary and this Committee have made it a major priority to say that the two words—"veterans" and "homeless"—should not be in the same sentence for this Nation.

Mr. Lamborn, I see you are Ranking Member today. We welcome you and you are recognized for an opening statement.

[The prepared statement of Chairman Filner appears on p. 51.]

OPENING STATEMENT OF HON. DOUG LAMBORN

Mr. LAMBORN. Thank you, Mr. Chairman. I will be sitting in for the time being for the full Committee Ranking Member, Mr. Buyer from Indiana.

And at this point, I would like to ask that his statement be included for the record.

The CHAIRMAN. Without objection. So ordered.

[The statement of Congressman Buyer appears on p. 88.]

Mr. LAMBORN. Thank you.

Mr. Chairman, each night approximately 131,000 veterans, the men and women who have served our country, are among the Nation's homeless. This number is alarming, but we have seen a steady decrease in this number over the past few years, including a decrease of 15 percent from the 2007 estimate and 33 percent lower than 2006.

This reduction is encouraging, but we must take time to examine how to reduce this number even more and consider how to improve the effectiveness of the billions of dollars spent by our Government every year to fund programs to end homelessness for veterans.

Future funding for homeless veterans' programs must continue to focus on providers that offer and provide job skill training and transitional services and new programs that focus on the needs of rural veterans.

That is why I was proud to support H.R. 1171, as amended, the "Homeless Veteran Reintegration Program Reauthorization Act of 2009," which was sponsored by Dr. Boozman and passed the House earlier this year.

H.R. 1171, as amended reauthorized the successful Homeless Veterans Reintegration Program (HVRP) that provides grant money to local homeless veteran providers who offer job skill training.

I was also happy that the Committee accepted the amendment offered by Ranking Member Buyer to create a new HVRP grant program for providers offering services to homeless veterans with children and to homeless women veterans.

Many of today's witnesses discuss the needs of this emerging homeless population and I look forward to hearing more about what we might do to help them and other homeless veterans.

Thank you, and I yield back the balance of my time.
[The prepared statement of Congressman Lamborn appears on p. 53.]

The CHAIRMAN. Thank you, Mr. Lamborn.

I will quickly introduce the panel. John Driscoll is the Vice President for Operations and Programs with the National Coalition for Homeless Veterans (NCHV). Mr. Radcliff is the President and Chief Executive Officer for U.S. VETS. Marsha Four is the Chair of the Vietnam Veterans of America (VVA) Woman Veterans Committee. Chief Warrant Officer James Fann is the Director of the Manna House in Tennessee. And, Phil Landis is the Chief Executive Officer of Veterans Village in my hometown of San Diego.

We thank you all for being here. We will start with Mr. Driscoll. Each of you will have 5 minutes for your oral testimony and your written testimony will be part of the record.

I know, Mr. Roe, that when we get to Chief Fann that you will have a few words to say about him.

Mr. Driscoll.

STATEMENTS OF JOHN DRISCOLL, VICE PRESIDENT FOR OPERATIONS AND PROGRAMS, NATIONAL COALITION FOR HOMELESS VETERANS; DWIGHT A. RADCLIFF, SR., PRESIDENT AND CHIEF EXECUTIVE OFFICER, UNITED STATES VETERANS INITIATIVE, U.S. VETS; MARSHA (TANSEY) FOUR, RN, DIRECTOR, HOMELESS VETERANS SERVICES, PHILADELPHIA, PA, VETERANS MULTI-SERVICE AND EDUCATION CENTER, INC., AND CHAIR, WOMAN VETERANS COMMITTEE, VIETNAM VETERANS OF AMERICA; CHIEF WARRANT OFFICER JAMES S. FANN, USA (RET.), DIRECTOR, MANNA HOUSE, JOHNSON CITY, TN; AND PHIL LANDIS, CHIEF EXECUTIVE OFFICER, VETERANS VILLAGE OF SAN DIEGO, CA

STATEMENT OF JOHN DRISCOLL

Mr. DRISCOLL. The National Coalition for Homeless Veterans is honored to participate in this hearing, to herald and to serve the legacy of this Committee and our partners in the campaign to end and prevent homelessness among veterans.

For two decades, largely due to the leadership in this chamber, the partnership NCHV represents has built a community of service providers that has turned the tide in this campaign. Where once we considered the magnitude of our mission with caution and hope, we now celebrate phenomenal success in reducing the number of homeless veterans on the streets of this Nation by more than half in just the last 7 years.

VA officials have testified before Congress that the Department's partnership with community and faith-based organizations is the foundation of this success. The NCHV believes it is also the incontrovertible evidence that we can succeed in this battle.

The campaign to end veteran homelessness is now handed to the 111th Congress and with the Nation ready to respond to your leadership as never before in its history.

The VA Grant and Per Diem (GPD) Program is the foundation of the VA and community partnership and currently funds more than 14,000 beds in every State. Under this program, veterans re-

ceive services that include housing, access to health care, dental services, substance abuse and mental health supports, family and personal counseling, education, and employment assistance.

The program provides funding for about 500 community-based programs across the Nation and to its credit, the VA has increased its investment in this program more than five-fold in just the last decade.

The Grant and Per Diem Program now provides funding for Special Needs Grants for under-served populations, women veterans, the frail, elderly, those with terminal illness.

The need to add service beds despite considerable budget constraints has impacted grantees' ability to provide outreach services which is an integral part of this program.

We offer two recommendations. The first is to increase the annual authorization of appropriations for Grant and Per Diem to \$200 million. H.R. 2504 introduced by Representative Teague of New Mexico would do that.

We believe this documented need for expansion of the program, its successful outcomes, and the VA's emerging emphasis on prevention justifies this request.

The second is to change the mechanism for determining per diem payments. Under the Grant and Per Diem Program, service providers are reimbursed for expenses they incur on a formula based on the reimbursement provided to State veteran homes. Those rates are then reduced based on the amount of funding received from other Federal sources. The current ceiling is about \$33.00 per day.

We feel the reimbursement formula should reflect the actual cost of providing services to help veterans rebuild their lives based on each grantee's demonstrated capacity to provide those services rather than a flat rate based on custodial care.

We also believe that decreasing an organization's per diem rate due to funding from other Federal agencies contradicts the fundamental intent of the program. To compete for funding under Grant and Per Diem, applicants must demonstrate they can provide a wide range of services in addition to the transitional housing they offer.

The Department of Labor (DOL) Veterans Reintegration Program awards fundings to government and private organizations that provide employment preparation and placement assistance to homeless veterans. It is one of the most successful programs in the Department of Labor. It is successful because it does not just fund employment services. It guarantees job placement and retention.

Administered by Veterans' Employment and Training Service (VETS), the program is responsible for placing 12,000 to 14,000 thousand homeless veterans into gainful employment each year at a cost of under \$2,000 per client.

We ask this Committee to prevail to the extent possible to fully fund HVRP at its authorized level.

The return to focus on prevention, and we have the full prevention platform on our Web site at www.nchv.org, and I know many of the other presenters are going to be talking about some of the programs that would address prevention initiatives.

The analysis of 2000 census data performed by Representative Robert Andrews of New Jersey showed that about 1½ million veteran families live at the Federal poverty level, including 634,000 below 50 percent of the Federal poverty threshold.

So we certainly advocate expansion of the U.S. Department of Housing and Urban Affairs Veterans Affairs Supportive Housing Program (HUD-VASH), which you will hear about.

Pass the "Homes For Heroes Act," please. We learned yesterday that it was dropped in Senate by Senator Schumer of New York.

And we also in terms of increasing access to health services, one thing NCHV believes very strongly in is an open-door policy for veterans, particularly combat veterans, in areas that are underserved by VA. Do not make these people go 80 and 100 miles down the road. Bring together U.S. Department of Health and Human Services (HHS) and VA health services so that every combat veteran has access to these.

Mr. Chairman, in closing, I would like to say that the work of this Committee has been an inspiration for me for 10 years. And much of the success that we celebrate right now has occurred in just the last 5 to 7 years. And I would like to say personally thank you for your service.

[The prepared statement of Mr. Driscoll appears on p. 53.]

The CHAIRMAN. Thank you, Mr. Driscoll.
Mr. Radcliff.

STATEMENT OF DWIGHT A. RADCLIFF, SR.

Mr. RADCLIFF. Mr. Chairman and Committee, I am certainly honored to be here this morning and to participate in providing information and feedback from the field to this Committee, especially in relation to such a passionate topic as our Nation's homeless heroes.

As a veteran who has once walked in their shoes and now as the leader of the community-based organization (CBO) whose sole mission is to provide housing and service to homeless and at-risk veterans and their families, responsible for the operations of housing and services to more than 2,200 veterans in 5 States and the District each night, I hope to bring a broad insight from a provider's perspective.

U.S. VETS operates currently 727 Grant and Per Diem beds and a service center. As an active Member of the National Coalition for Homeless Veterans, we realize the value of government working with community and their existing network that can solve and eradicate the problem of homelessness among its veterans.

Since 1992, U.S. VETS programs have served more than 18,000 homeless veterans, with more than 65 percent making successful transitions into permanent housing and into the community while achieving self-sufficiency.

These veterans are receiving a wide array of services according to their needs. The services we provide include outreach, transportation, secure and sober housing, food, nutritional advice, counseling, mental health treatment, alcohol and substance abuse treatment, case management services, permanent housing placement, assistance in education and job training, including veterans' benefits.

All of our programs are a collaborative effort with local providers, including VA medical centers, bringing the community as a whole into the solution.

Since the initial opening of our VA Grant and Per Diem Program in 1997 and now currently operating 727 beds in 5 States, making it one of the largest single recipient of Grant and Per Diem fundings as a community-based organization.

We have programs that include Veterans in Progress Employment Reentry Program. We have a Noncustodial Fathers Program. We have an Advanced Women's Program, which includes a module for serving female veterans who are suffering Post-traumatic stress disorder (PTSD). We have the Social Independent Living Skills for senior veterans, Critical Time Intervention for mental health veterans and we also have the service center, a drop-in center for homeless veterans seeking information, resources, and employment needs.

Our current predicament, while the Department of Veterans Affairs, which we applaud, is designed to help homeless veterans, specifically the Grant and Per Diem Program, utilizes what we view as the most effective model in that it supports collaboration with community-based organizations.

Community-based organizations to me represent the most efficient means of service provision in that they are able to do more with less.

Currently the Grant and Per Diem regulations allow for a payment of \$34.40 per day. And this is based upon the cost reimbursement model which is paid approximately 60 to 75 days after the service has been delivered to the homeless veterans.

The cost reimbursement model adds an administrative burden leaving up to 15 percent of the cost, which leaves \$29.24 for service providers to provide a daily service to these veterans.

Typically salaries, housing, and food costs consume most of our operational expenses. This compels the CBOs to seek other resources and collectively patchwork programs together with additional funding oftentimes resulting in pursuit of funding that is not driven toward or specifically targeted toward our mission.

Grant and Per Diem funding is distributed over a 12-month period with a reconciliation funding at the close of the grantee's fiscal year. Each year, Grant and Per Diem grantees are required to reconcile the funds and reimburse VA costs for overruns. At \$29.00 a day, Mr. Chairman and Committee Members, we feel like it would be very effective to provide a fee-for-services contract that allows VA to pay a recipient at least \$35 to \$65 a day.

None of these CBOs are thriving off of this. All of us are struggling to keep our cash flows going and to keep the doors open in the provision of services.

Additionally, we are asking that the per diem rate be higher. Geographically it is not the same cost in Phoenix, Arizona, as it is in Los Angeles.

In the event of natural disasters, which we have witnessed over the past 4 years, we operate programs in Houston, Texas, where we have been impacted by Hurricane Katrina, Hurricane Rita, and Hurricane Ike. None of the programs are allowed to keep a reserve

of Grant and Per Diem or a reserve fund that allows us to execute a disaster relief plan.

I have watched programs in New Orleans close as a result with veterans sleeping in housing and on buses until they can be reached.

Oftentimes we operate programs in Hawaii, California, and Texas where disasters are likely to occur. We would like to be able to have reserves each year so that if a disaster hits, we are able to relocate those veterans temporarily and house them.

Additionally, disallowance of match, currently VA, there are three major funding sources that are utilized for our programs. Department of Labor, DOL-VETS funding, Department of Housing and Urban Development, and VA Grant and Per Diem are pursued in order to put together much needed funding and resources to operate successful programs. Currently VA funds are not eligible to be used as a match for HUD programs.

We would ask for our solutions to include an increase in appropriations of the Grant and Per Diem to allow VA to pay providers up to \$65 a day utilizing current per diem Federal guidelines which provide consideration to geographic and location.

We would ask that VA utilize a fees-for-services model. We would ask that VA be allowed to reimburse grantees at the close of each fiscal year when eligible expenses exceed the Grant and Per Diem rate. We ask that VA allow Grant and Per Diem recipients' programs to maintain disaster relief reserves. Again, we would also ask that VA be allowed to use as a match to other homeless services' money.

Unless the Federal Government demonstrates a political will to tackle this problem in a substantial way, there will continue to be veterans who are falling through the cracks and end up on our streets.

Homeless prevention requires early intervention to include rental subsidies, domestic violence, substance abuse counseling at an outreach stage.

We advocate also that this Committee recommend approval and appropriation for the "Homeless for Heroes Act."

Thank you.

[The prepared statement of Mr. Radcliff appears on p. 58.]

The CHAIRMAN. Thank you very much, sir.

Ms. Four, please proceed.

STATEMENT OF MARSHA (TANSEY) FOUR, RN

Ms. FOUR. Good morning, Mr. Chairman and distinguished Members of the Committee. Thank you for giving Vietnam Veterans of America the opportunity to provide testimony.

I think that it is very well understood that the Homeless Grant and Per Diem Program (HGPD) is one of the major investments that has been made by Congress and by the VA in approaching the issue of homeless veterans, and I think it is also well understood that the nonprofit agencies are the life blood of this program.

In fact, I can reiterate some of the comments that Mr. Radcliff made because there is a resounding concern over what the nonprofit are facing and it is threatening them; the financial difficulties that are facing them today.

If these are not addressed, VVA feels that you will diminish the ability of these nonprofit agencies to provide quality service and you may actually lose these valuable assets. VVA believes legislation really must be considered to address these program issues.

One is the reimbursement method. If we look at the 2 to 3 months that are necessary for the reimbursement to come back to the nonprofits, if they have a line of credit, they have to use that in order to keep functioning and pay their staff until reimbursements are made. And in this case, they incur interest rates that cannot be written off in any fashion.

Another challenge, of course, is the justification for an increase in per diem when the previous year's audit is utilized to prove that agencies need more per diem to operate. Nonprofits cannot overspend in the previous year in order to justify a request for increased per diem.

One of the things VVA is looking at is the idea of a fee-for-service rather than the per diem reimbursement process. This is, in fact, could be considered much like that money that goes to the State home programs now, where money is put in the bank for the per diem for all the beds they have and, on a monthly basis, they draw down from that on the beds that actually are occupied. And it is a very simple process. It makes it more efficient and effective not only for the nonprofits but for the VA in the accounting process.

Another topic that has not been mentioned, though, is the issue of the service centers. They are, in fact, one of the greatest outreach tools that we have under Grant and Per Diem. However, because agencies only get service centers rates of \$4.30 an hour for every hour that a veteran is actually on the premises, many of the service centers that have opened have been closed and many of those that have been awarded have never opened. They simply do not have the money to function. Staff is required to work 8 hours, sometimes longer, on the needs of veterans, but they only get \$4.30 per hour for the time the veterans are actually on-site.

VVA believes there needs to be a consideration for possible legislation that would address service center staffing/operational grants so that these front-line outreach programs are not lost to this very valuable system.

I would like to spend the rest of my time talking about homeless women veterans. There certainly is a question, of course, on the actual number of homeless veterans. It has been fluctuating dramatically in the last few years.

When it was reported at a 250,000 level, 2 percent were considered females. This was roughly about 5,000. Today, even if we use the very low number that VA is supplying us with, 131,000, the percent of women in that population has risen up to four to 5 percent. In some areas, it is larger so that even a conservative method of determining this has placed the number conservatively at 65,000.

The VA actually is reporting that they are seeing that this number is as high as 11 percent for the new homeless women veterans. This is a very vulnerable population. There is a high incidence of past sexual trauma, rape, and domestic violence. They have been used, abused, and raped. They trust no one.

Some of these women have sold themselves for money; been sold for sex as children. They have given away their very own children. They are encased in total humiliation and guilt the rest of their lives.

In order to survive on the streets, moving from home to home, bed to bed, they become calloused, aggressive, and develop attitude. This behavior can often be a means, however, to remain safe and it can keep predators at bay. For others, though, they wither within themselves. The women who find their way to the Grant and Per Diem Programs have great advantage.

The Homeless Special Needs Grants that were provided by Congress are a tremendous asset. The first came online in late 2004, early 2005. Although I will be speaking about the women's special needs programs, some of the considerations can be generalized in all the special needs grant populations.

While I speak on behalf of Vietnam Veterans of America, I am employed by the Philadelphia Veterans Multi-Service and Education Center, a nonprofit agency with a 30-year history of working exclusively with veterans. I am its Program Director for Homeless Veteran Services and also serve as the daily Program Director for the Mary E. Walker House. It is a 30-bed transitional residence for homeless women veterans under Grant and Per Diem and it was awarded one of the first Special Needs Grants.

The Walker House opened its door in January of 2005 and it is the largest women veteran specific program funded under Grant and Per Diem. It accepts applications from anywhere in the country. To date, applications have been received from 13 Veterans Integrated Services Networks (VISNs) and women have been admitted from 10 VISNs. To date, 145 women veterans have been at the Walker House with an average length of stay of 305 days. Thirty-six percent are service connected.

The reality of the day-to-day operation of this program is complex beyond imagination. This is due in part to the quality and characteristics of this gender population, women.

And just as a side bar, women are much more verbal than men. In part, the complexity is due to multiplicity of the presenting issues, histories, medical problems, debt, legal and court issues, employability, and mental health diagnosis for each woman.

Factor into the equation the fact that so few gender specific program locations are available for the women. These are women who fit nowhere else in the system; women who are considered too sick for general homeless programs, not sick enough to be admitted to psych units, and those who cannot survive in mixed-gender programs.

For some of the demographics of our program, childhood sexual trauma, 37 percent; pre or post military sexual trauma, 24 percent; military sexual trauma, 63 percent; multiple categories of sexual trauma, 48 percent; combined military sexual trauma and other sexual abuse, 80 percent; domestic violence, 46 percent. Mental health issues include, PTSD, 51 percent; bipolar, 26 percent; adjustment disorder, 10 percent; personality disorders, 12 percent; self harm, which are cutters and burners, 12 percent. And the list goes on and on, borderline personalities, suicidal ideation, paranoia.

The foresight of the Special Needs Grant Program to include the ability of the local VA medical centers to request additional funds for itself has allowed a very expansive infusion of dedicated staff and treatment components. This element is vital to the special needs grant and it hopefully will not be lost in the future.

But this element needs to also provide accountability for its funding just as we are held accountable for the funding that we receive from the VA.

The Special Needs Grant gives recognition and an understanding to the challenges faced by these special program populations. It has allowed for the development of intensive treatment opportunities vital to this population, one necessary if we are going to actively address the issues of these veterans.

Per diem alone could never meet the demand for staffing these programs. What we are looking at is the fact that without the special needs grant, there would be an enormous gap in the system for women veterans and the other special needs populations. The programs would fail these veterans. They would ultimately be lost, perhaps forever.

And we hope that in the renewal process in 2011, Special Needs Grants will be reconsidered and that renewals for existing programs that are productive and successful be considered separate from new requests for Special Needs Grants.

I also want to mention the VA military sexual trauma specific residential programs detailed in my written testimony because this is another issue that I believe plays a very active role in the prevention of homelessness.

The CHAIRMAN. Ms. Four, we need you to wrap up quickly.

Ms. FOUR. Yes. We believe that there should be more of these residential programs across the country, perhaps in every VISN.

And I thank you very much for the opportunity.

[The prepared statement of Ms. Four appears on p. 60.]

The CHAIRMAN. Thank you so much.

Mr. Roe, I know you want to say a few words about Chief Fann.

Mr. ROE. Thank you, Chairman, for the opportunity to introduce Mr. Fann and thank the Chairman and Ranking Member for inviting Mr. Fann to testify here today.

James Samuel Fann is the Director of the Manna House, a transitional housing and recovery facility for homeless veterans in my hometown of Johnson City, Tennessee.

Chief Fann is himself a veteran of the Vietnam War, having retired from the United States Army as a Chief Warrant Officer. Chief Fann has valuable experience helping homeless veterans. I want to welcome him to Washington and look forward to his testimony.

And, Sam, thank you for your service to our country and also your effort to end homelessness for veterans. And as you know, we have the traveling wall that will be in Johnson City tomorrow through Saturday. I will see you tomorrow morning. Thanks, Sam.

The CHAIRMAN. Thank you, Chief Fann. You have a fan here.

**STATEMENT OF CHIEF WARRANT OFFICER
JAMES S. FANN, USA (RET.)**

Chief FANN. Thank you very much. I appreciate the opportunity to be here.

I was going to wear my rolling thunder vest and all that, but I thought you all had enough of that last weekend. So, some of the folks that were here with rolling thunder up here at the wall, Dr. Roe and myself will be at the wall in Johnson City this coming week. So, if any of you are down in that area, please come by and see us.

As Dr. Roe said, at Manna House, we are collocated with Mountain Home VA Center. It is just up the road from us. We have a lot of veterans. It is a 21-bed transitional facility. About 50 percent or better of our men who come there are veterans.

We are funded through the Department of Housing and Urban Development and the VA Center with some funds in the past. Right now we are funded through HUD Continuum of Care Grant and we are working closely with the VA Center in helping our veterans.

We have all talked about how many veterans are homeless at this point in time. The Appalachian Regional Coalition on Homelessness, which is our regional coalition, we did a 24-hour survey, our last survey. A count of the 8-county region of upper east Tennessee reported nearly 30 percent of the 1,600 homeless that were counted were veterans.

Homelessness is not just a problem of middle-age and elderly veterans. Younger veterans from Iraq and Afghanistan are now showing up in our homeless shelters. At this time, we have more than 20 men on our waiting list in Manna House. Ten of those men are veterans. Four fought in Iraq.

Mental illness, especially post-traumatic stress disorder, and substance abuse have long been seen as the major causes of homelessness among our veterans. While those are certainly factors, they are not the only reason veterans are left homeless.

Affordable housing, medical care, mental health counseling, case management, education and employment assistance to transfer the military jobs into marketable civilian positions need to be expanded in an aggressive outreach program for our veterans.

The HUD and VA Continuum of Care grants and other Federal and State grant programs have certainly helped to expand our ability to provide services for our homeless veterans. However, we need to dedicate even more services to help these men, women, and families.

I personally believe that people who do not have shelter are houseless, not homeless. Homelessness has nothing to do with the lack of shelter. We can define homelessness as an inadequate experience of connectedness with family and/or community. This fact is now recognized by Habitat, the United Nations Human Settlements Program.

Think of the illness, poor nutrition, exposure to the elements, and even the elective crime some of our homeless may be involved in just to be able to eat or to have a roof over their head.

Also imagine only having contact with people in the community who are paid to have contact with you. That is what I call chronic homelessness.

In my opinion, the vet suffers from all the same problems that other people or other persons who may be homeless, but add one more factor. Finding a job that you can do as a civilian that you were trained for in the military. This creates a problem for the vet. He is trained to fight the enemy and do a job, but there are none of those jobs available in the civilian world. We need to reeducate and retrain our veterans for reentry to the civilian world.

We are looking for a quick fix solution to the problem, housing first. Let us give them an apartment or a room, but who are they going to invite to their apartment? Other homeless people. And how long will they last isolated from our community?

If the problem was a lack of shelter for the homeless, why aren't all the homeless shelters always full? During the winter months, yes, they are more busy, but more shelters will not solve the problem.

Give them an address that they can get their mail, a telephone number for messages, a place to get services that they need. They apply for services, but we cannot reach them. They have to change the dates or bring them back to obtain the services.

Even at the VA, if you miss an appointment, you may be dropped from the treatment rolls. We need a way to better communicate and case manage the veteran.

Get to know some of the homeless in order to understand what they need to change their lives. Make the homeless a priority. We can feed the world, but we let some of our own go hungry. We can rebuild countries. We cannot make housing affordable for a person who is homeless.

Our veterans cannot get a job, work for a temporary service, or even open a bank account because they have no State identification card. In order to get a card, they need proof of physical address, their birth certificate, Social Security card, and another picture ID. The VA ID card is not acceptable because it does not have the veteran's Social Security number on it for privacy reasons.

Even if they have all this, they may not have the transportation to get to the driver's license station. Without a bank account or physical address, they cannot receive the benefit check or other checks designed to help them, which is required to be direct deposited.

Consolidate services that can be effective for the average homeless person as well as our homeless veterans.

We at the Manna House believe that the majority of persons falling through the cracks of society are middle-aged males who are perceived to be drunk and lazy bums. These individuals have the most difficulty accessing and navigating the system because the system is designed to defeat them.

Manna House is attempting to be a safety net for those persons who society has deemed criminal, worthless, or even expendable. Our residents, especially our homeless veterans, are real people with real problems that can be solved. We can and do set them on the path to becoming productive citizens in our community. Our discharge history will bear this out.

The programs we have in place are effective, but could be more effective if we were to expand our transportation, education, and communication services for the veteran.

Some of our veterans have given all for the freedom of our returning veterans. Are we as a country giving all to ensure our returning veterans have what they need to be a contributing part of our community and country?

I thank the Committee of Veterans' Affairs, especially my Representative, Dr. Phil Roe, for inviting me to add my comments to this hearing.

[The prepared statement of Mr. Fann appears on p. 66.]

The CHAIRMAN. Thank you, sir.

Mr. Landis.

STATEMENT OF PHIL LANDIS

Mr. LANDIS. Mr. Chairman, Members of the Committee, I am honored and somewhat humbled to be before you today to talk about the veterans' issues and specifically that population that we serve in San Diego through Veterans Village of San Diego, formerly known as Vietnam Veterans of San Diego.

I would like to take a moment and just tell you a little something about what this population looks like. We all have heard of safety nets. Well, the safety net starts way up here and it takes time normally for a human to fall through these safety nets. By the time that they have fallen through the last safety net and hit the concrete and then fallen about 12 feet below the concrete, that is where they found Veterans Village of San Diego.

We have over 400 veteran-specific beds scattered throughout the county. We currently, at our main campus, have over 140. I think the population this morning was 142 men and women that are in our treatment facility for homeless, dually diagnosed veterans, some of whom have chronic mental illness. This is probably the toughest population to serve in the country.

Many of our newer veterans coming from the current conflict also suffer with mild Traumatic Brain Injury, TBI. When you couple that with PTSD, you have a real issue for treatment.

We have been in this business of treating homeless veterans, working with homeless veterans for 28 years. I think we know a little something about it.

Veterans Village of San Diego created what is now known as stand-down. In 1988, we conducted the first stand-down in San Diego. It is now replicated in over 200 locations around the country.

We created something called Homeless Court. If you are homeless and you have court issues, where do you go? Well, now there is a Homeless Court, which is very effective in helping formerly homeless individuals get back on the street, having first demonstrated to the court that they have, in fact, done something to help themselves.

Our program is a pretty tough place to be. It is based on an ARD 12-step model. It is zero tolerant. And when you graduate from our program, you really want to do it. You are very motivated.

It takes more courage, and some of us all know of the different kinds of courage, it takes more raw courage to graduate from our

program than anything I have ever seen before because it takes the courage to face your demons and do something about it. That is what you are asking to do in a program such as ours. We are looking at prevention.

We have a Warrior Traditions Program which is designed specifically to outreach to the current group of warriors. It is a tough sell, I will tell you that. We are trying it in two locations around San Diego County. We have been at it now a little over a year. We are just beginning to earn their trust. It is a tough sell.

But outreach is the name of the game. You want to prevent homelessness, you have to get to them before they become homeless. That sounds axiomatic. It is not as easy as it sounds.

I want to speak just a moment about per diem. Our program could not exist without it, but it covers less than 50 percent of the cost of treatment and we scramble on a monthly basis to keep our doors open to find that other 50 percent. It would be very helpful to us if there was a cost-of-living, if you will, adjustment. As was said earlier, it costs more money in San Diego than it might in Kansas to run a similar program.

How do we end it? I am not sure I know. When we started this over a quarter of a century ago, everybody thought we would be doing it for a few years, we would clean up the mess, get everybody off the beaches, from underneath the bridges, and then we would all go home. It did not work out that way and I do not think that it will.

Permanent housing, I will say it again, permanent housing with services linked to an organization like ours is the answer, folks, permanent housing with services. The services will help bring a number of those folks into treatment over time.

Statistics tell us that the combination of permanent housing with services will create the portal for a number of folks to finally decide wait a minute, I just do not want to live like this anymore and do something about it and get involved in a treatment program. And that, of course, is the whole reason why we are doing this.

I want to thank you for the opportunity to testify this morning and look forward to your comments.

[The prepared statement of Mr. Landis appears on p. 67.]

The CHAIRMAN. Thank you.

We thank all of you for your commitment and your energy. We also understand your frustration with trying to do a job that requires more resources.

Mr. Hall, do you have any questions?

OPENING STATEMENT OF HON. JOHN J. HALL

Mr. HALL. Thank you, Mr. Chairman and Ranking Member Lamborn.

And thank you to our panel for the work you do for our veterans and your service to our country.

It is a shame on the face of this country that on any given night, somewhere upwards of 130,000 veterans, the numbers have changed a little bit as we hear the testimony and estimates are obviously just that, but at least 130,000 of our veterans who served this country in uniform and risked their lives and gave parts of their bodies and sacrificed a normal, what we would consider to be

a normal life and comforts of home to defend our country and follow their orders find themselves on the streets and the alleyways of this country whether it is the beaches of San Diego or the heating grates of New York City or anywhere else.

I would just say I do have a statement to enter for the record, Mr. Chairman.

I just want to mention that because approximately 45 percent of homeless veterans have, in some instances higher from your experience, have mental illnesses that I have introduced legislation to try to alleviate the burdens currently placed on veterans trying to gain disability benefits, particularly for PTSD.

And the Subcommittee on Disability Assistance and Memorial Affairs will be marking up this legislation, the "Combat PTSD Act," H.R. 952, later on this afternoon to try to make it automatic that a man or woman who serves in uniform and subsequently at any time after returning home has a diagnosis by a psychiatrist or a doctor that they do, in fact, have the symptoms that comprise a PTSD diagnosis will automatically be eligible not just for treatment but for compensation and not have to connect it to a particular incident or a particular battle or a particular attack or a particular medal.

We know that the conflicts we are facing today are different than the ones we had in the past and I think that the VA should be and the country should be of the attitude that our veterans have done enough and should not have to prove that they are suffering and prove that they are traumatized after some of the things that they have done and seen and experienced that the rest of us who have not served may only be able to imagine, may not be able to imagine.

So I thank you for your work.

I have no questions and I will submit my statement. Yield back, Mr. Chairman.

[The prepared statement of Congressman Hall appears on p. 52.]

The CHAIRMAN. Thank you, Mr. Hall.

Mr. McNerney.

Mr. MCNERNEY. Thank you, Mr. Chairman.

I do not know where to begin. The testimony was fairly stark and I appreciate your honesty. I appreciate your hard work.

One of the themes that was recurring was that the per diem needs to be increased. I think every single person on the panel said that much. So we will be looking at how to do that.

A couple of things also stood out. Mr. Radcliff, I would like to ask how you advertise your programs, and maybe everyone on the panel can answer this, how widely known are the programs available to homeless vets? If you go out to a place where you see homeless vets, do they know what is available to them or how widely known is that and how easily can we get to them?

Mr. RADCLIFF. As we know, they do not know typically. In fact, one of the dilemmas that exists is the returning veteran has no idea of this network of service. Marketing is a huge issue and, you know, there is really not a lot of money to pay for marketing.

We try to connect with the veteran based upon where there is an active crisis that is happening. Typically it is a jail or it is a court

hearing or it is a substance abuse dilemma or, you know, we are seeing the veteran during active crisis.

Our marketing is very limited. We typically, as I mentioned before, we are barely thriving, we are barely surviving, let alone not thriving as community-based organizations. And we are used to living there. We are on the edge.

Mr. MCNERNEY. So how do you get in touch with a veteran that is having a crisis? Do the police contact you or—

Mr. RADCLIFF. We usually work with local government entities to be referred veterans, yes. And in this case, we would have veterans who are in crisis, who are in jail.

We are actually doing outreach now where we are seeing those veterans. We are referred. Local VA have homeless centers where veterans are referred to different programs depending on the veteran's needs.

We do have a 1-800 number and we try to advertise that through street outreach. But typically the veteran finds us.

Mr. MCNERNEY. Is there a way we could be more effective? Does anyone want to take this? It does not have to be you, Mr. Radcliff. How can we be more effective in reaching out? And if we did contact veterans, would that be effective and would they respond to outreach on the street?

The CHAIRMAN. Ms. Four.

Ms. FOUR. I think one of the real integral parts of this is there is a connection between the VA and the city and municipalities, the government entity under which these programs fall, and that we also as nonprofits have a direct communication with those at the city level who are dealing with social services and their address of the homeless.

Most social service arenas do not know the benefits and entitlements for veterans. They do not know what to do with the veterans and they certainly do not know how the VA works. That is one major thrust that is very important.

I also see the VA enhancing the outreach of its programs and Grant and Per Diem as they communicate with other VAs and other VISNs on what programs are available for homeless in their area.

In the case of Special Needs Grants, I will mention the women's program, that the VA actually has communication with all mental health directors and other directors of the mental health and domiciliary programs within the VA so that their homeless outreach team Members know of specific specialized programs for veterans that are homeless.

Mr. DRISCOLL. I would like to add, if I could, when I talk about the VA community organization partnership, and I have seen this develop over 10 years, it is pretty incredible. Ten years ago, there were vet centers who would refer walk-ins to community resources as they existed at that time. But that number has increased dramatically over the last 10 years.

The VA vet centers, every VA medical center has a homeless liaison who knows who in their communities provide transitional housing or lesser services.

What is missing in my estimation, because once you have reached out and asked for help, there are referral systems that will

get them to the organizations that can help them, what is missing in my mind is the person who realizes he has got stressors at work. He does not know what to do.

And so the idea of public service announcements, you know, we see all of these advertisements about join the Army and join the Marines, and so obviously there can be Federal dollars spent to put out public announcements. And I believe that is what is missing.

If I am marginal and I know I have stressors, but I am not sure exactly who I should turn to, it would be nice to see a message saying no matter what the need, you have earned this right, call this number, and then the VA resource call center takes over. And they are putting that together now and I meant to mention that in my testimony. That is a tremendous resource.

Mr. MCNERNEY. If the Chairman will allow Mr. Landis.

Mr. LANDIS. In San Diego, Veterans Village truly has become a community resource. Of course, we have been working at this for a very long time. One of our partners, and we think in terms of the VA in San Diego as a partner truly with us, works with us on a daily basis. The VA representative from the hospital actually has an office in our facility and is there on a weekly basis.

Outreach, outreach, outreach. It really falls to us as the providers of the services to create the avenues within the community.

San Diego has created something called the United Veterans Council. The United Veterans Council is a group of all of the service providers, all of the veterans' organizations within San Diego that meet on a monthly basis. And, of course, our organization, outreach is through them as well to the homeless community.

If you are a veteran and you live in San Diego and you are homeless or you are about to become homeless, I guarantee you you know about our organization. And then we are referred, we have referrals from every conceivable avenue within the community to our organization as well.

Mr. MCNERNEY. Thank you.

I have exceeded my time. I thank the Chairman for allowing that.

The CHAIRMAN. Thank you, Mr. McNerney.

Mr. Teague.

Mr. TEAGUE. Yes. Thank you, Mr. Chairman and Ranking Member.

I also thank the panel for what I thought was some very interesting comments.

I am Harry Teague from New Mexico and while I was home on the Memorial break, we actually had dedication of a 20-room facility for homeless veterans, a transition home of sorts. So I am glad to see that more people and especially the nonprofits are coming to help us take care of this. You know, the VA cannot do it alone.

But what I wanted to ask the Members of this panel, how do you feel that your individual programs define success in getting the veterans off the street and how do you measure that?

Mr. LANDIS. Sir, if I can, it is pretty easy, sir. First you have to graduate the program and then we do follow-up. And we look 6 months and a year out and we try and contact our graduates at that point in time. We are fairly successful.

And what we look for are benchmarks, no nights of homelessness, no days in prison. And I want to add that 50 percent of our population at any one time comes to us from prison, which is a whole different subject. These are veterans.

We want this individual to have a life-sustaining job, employment, and we help with that as well so when they leave us after a year of staying with us, they have a job, it is enough to support themselves. And we want them to engage with us and with our alumni groups as well.

About 70 percent of those that graduate from the program have remained viable at the 6 month and a year mark.

Chief FANN. If I could add to that, at Manna House, we basically do the same thing. We have a 2-year program, that they can stay there up to 2 years, but the average is about 6 to 8 months.

But we do a 2-year follow-up program with all of them for 2 years after that in order to see that they are remaining in an apartment, permanent housing is the key, or they are back with their family, which is in a lot of cases at Manna House, we end up with many going back to their families. Once they have their lives back together, they can go back with their families and be in permanent housing. So we measure it that way.

Mr. RADCLIFF. I would like to say also, Congressman, there are measurable objectives and goals that are provided with the funding that we certainly look at. You know, I would think that a veteran who is able to—we are finding out statistically that a third of those veterans are noncustodial fathers. As we start finding out the needs and the dilemmas that these veterans have, we try to identify and source programs to meet that need.

So I would define success as long-term, you know, and various benchmarks, including income, housing, stability, you know, the ability to interact with their family, social support networks, and a long-term outcome that really says that the quality of life of that veteran has improved. That is done qualitatively and quantitatively.

So those measurements exist. I think we are working with universities and research providers to really look at how much we are helping and how much we are impacting those lives.

Mr. TEAGUE. Yes.

Ms. FOUR. Yes. We are all sort of working in the same arena and do those same kinds of things. But the other thing that we also track is their ability to remain within their treatment regimes, their ability to stay on their medications, their ability to handle their own daily living construct.

Someone would say this may not be very positive, but even when we do have veterans who leave the program for one reason or another, especially if it is a recovery issue, we find that they come back into a program much quicker. They do not fall as far because they have seen life from the other side. So, in fact, in our minds, this is also a positive outcome of the program.

I would add that, too, not all of them make it and some of them will ever make it. It is their choice. Our programs emphasize that all actions produce consequences, whether that is positive or negative, and they understand that.

Mr. TEAGUE. Okay. Thank you for your response.

Thank you, sir.

The CHAIRMAN. Thank you, Mr. Teague.

Mrs. HALVORSON.

Mrs. HALVORSON. Thank you, Mr. Chairman.

And, panelists, thank you so much for being here.

During our break, I held several roundtables and one of them I held were with not only some veterans' assistants, not for profits or people that helped, but also my area agencies on aging and people that help with homelessness in general, and they all want to help.

And some of the problems they see are the veterans that do not want to be helped. They cannot get them to come into their places, their shelters. They want to be homeless. They do not trust anybody.

How do we help those who do not want to be helped and do you have any sort of things that you would suggest that we do?

Mr. DRISCOLL. I would like to answer that and then yield to the direct service providers.

This is the one of the things in the Grant and Per Diem Program that has maybe not flourished the way it might were there more funding and why we asked for the \$200 million.

Allowable under Grant and Per Diem is the drop-in center, and Marsha had mentioned that. Not everybody is ready to go into a housing program. In a lot of places, there is no capacity. Even once you present yourself and ask for help, there is no bed for you.

And then, yes, questions of trust. When somebody has lost everything and they are not sure who to turn to, it takes a long time to get that trust back sometimes.

The drop-in center is ideal for that outreach because it allows the client to start the resocialization process at their pace and each time they walk in that door and get a meal, get a shower, or get a counseling session, that they are not even aware that is what is happening, that trust starts to build. That is the center for referral to more stable services and housing and other supports.

So that is one of the functions that needs to be increased under Grant and Per Diem, I would submit, and also the other allowable thing is the vans, mobile service vans that go into rural areas or into encampments where veterans feel comfortable with each other but nobody on the outside. Once you develop that trust on that mobile center coming out and talking to you on your terms, that is another way to bring those folks into the service delivery system.

Mr. RADCLIFF. I would also like to express that that dilemma exists with the returning veterans also. They do not want to be identified as having problems and oftentimes kind of live on the periphery in kind of this rebellious state. And that is probably the hardest veteran to interact with and engage into a process that is going to help them, you know, get housing, to get quality of life issues addressed. Those are difficult.

We do have outreach that is performed by veterans who, you know, that the adage that there is nothing more therapeutic than another one helping another one. Certainly that applies in this case.

Service center is one of the best interventions that I know of that exists, but at the same time, it is veterans outreaching to other vet-

erans and kind of that connection, that trust factor that grows, and then having resources. You know, sometimes it is just giving a lunch. Sometimes it is banding together at stand-downs. Sometimes it is banding together at functions where veterans gather.

Mrs. HALVORSON. But these are people living on the street, have no place to go, and they have to find that.

Mr. RADCLIFF. Yes. And our street outreach is probably the best connection to doing that.

Mrs. HALVORSON. And that is everywhere?

Mr. RADCLIFF. No, it is not everywhere. No. I would suggest that in your area that there would be a community-based organization that would do street outreach to those veterans and utilizing veterans. I think that the vet peer-to-peer type counseling is the best intervention.

Mr. LANDIS. If I may, with the younger veteran population which we are beginning to treat at our center, we find that not surprisingly they hit and then bounce out. And a lot of what was just spoken is certainly true.

And in discussing this with other veteran providers across the country, it seems to be a trend. Part of it, I think, is the fact that they are just young. You know, they are in their early twenties. They do not want to admit to themselves or anybody else that they have a problem. They are not really homeless because they have a car, right? They are not really homeless because they can sleep under a bridge. It is a mindset.

Plus this generation brings with them their own unique set of issues which are going to be different than my generation.

Our model at Veterans Village was established over a long period of time and designed specifically for the Vietnam veteran, my generation, you know, with the cluster of issues that we brought to the table.

They bring the same cluster of issues plus. They have TBI, different generation. They have a completely different way of communicating than we had. We had to adjust that.

They live in a world of instant gratification, of gains. You win or you lose. You are playing the game. It goes quickly.

They also have a sense of entitlement which is a little bit out of whack with reality and a sense that it can be fixed. I can fix anything. I can do it right now. There is nothing wrong with me. I am here 3 weeks. I am ready to get out of here.

What we feel we are going to see is this going on for a number of years and then perhaps 5 years from now, 10 years from now, 15 years from now when these men and women, I want to add women, are in their thirties and forties and have run out of excuses, run out of friends, run out of money, run out of relatives and living on the street, in and out of shelters, cannot hold a job, that is when we are going to see them.

I would hate that 10 years from now when the service providers begin to see a flood of folks like this that there is no money for it because it will not be popular anymore. Nobody is going to want to hold hearings about it, talk about it. That is when I think the service providers around this country are going to start to be hit.

Mrs. HALVORSON. Thank you all.

I yield back.

The CHAIRMAN. Thank you.

Mr. Lamborn.

Mr. LAMBORN. Thank you, Mr. Chairman.

We have touched on success earlier in response to a previous question. Can any of you tell me what the long-term success rate is for your graduates?

Mr. RADCLIFF. I will comment on that because it varies and it varies depending on the population we are looking at.

We have some fixed-income veterans who have remained at some of our facilities for more than 7 years. Their quality of life and their income is such that they will not be transitioning to other places. They like being there with other veterans. They for some reason like telling war stories. They trust the environment in which they live and they do not want to transition.

So those veterans remain with us and their income is not going to go up very much, you know. So with those veterans, we would measure quality of life issues. Are they engaging? Do they have a social support network? Is there family? Do they have activities in their life? Are they giving back to veterans that are in the process?

So those measurements are different from the veteran who is looking at gaining employment. Employment and I think any one of our agencies can say that we have probably an 80 to 85 percent placement rate into employment of the veterans that we see.

If you are looking at, you know, a younger veteran, that is going to change because they are going to go through career changes. The average person loses employment or changes employment every so often. So we measure that based upon, you know, retention, placement, wage at placement.

We do follow-up services a year, 18 months afterward. And so those figures drop off a little bit as you look out long and as you start really reviewing longevity.

Additionally, you know, we have female veterans who require extremely long lengths of stay. And you measure that. Are they reuniting with their children if they have children that are in the system? Are they reengaging in housing that is outside of our housing and getting into permanent housing? So there are various ways to measure based upon the veteran's desires and outcomes and needs.

Mr. LAMBORN. Okay. Thank you.

Mr. RADCLIFF. Yes, sir.

Mr. LAMBORN. Does anyone else have a figure or statistic on that?

Ms. FOUR. Yes. I have a 95-bed male veteran program also. And somewhere around 72 percent actually leave the program having completed it and the other 28 percent have left either because they were not able to follow the policies and procedures of the program or because they had used drugs or alcohol.

Even of those who left having used drugs or alcohol or for not following program protocols, less than 4 percent have not had a job. Most are able to find a place to live because they had been employed, they had been saving money because it is part of the program to have a savings plan. We begin the process of discharge as soon as they come into the program.

So a successful discharge is an ongoing process.

Looking at the employment issue, residents are all employed if they are employable. If they are not and have a disability or have no income, we work with them to get either service-connected disability, VA nonservice-connected pension, or Social Security interventions. And so they all leave the program with some type of income.

Mr. LAMBORN. Okay. Thank you.

Now, can I assume that all of you have separate facilities for homeless women veterans?

Mr. RADCLIFF. We do not necessarily have separate facilities, but they are encompassed in some of our programs. So depending on the stage, you know, transitional or long-term permanent housing, oftentimes you will see women veterans in a co-ed facility.

Early on when they are going through the treatment process, you probably want to separate out the women veterans. Their needs are unique and the resources are unique. So we do have female veteran programs that are both at permanent housing and program-matically.

Ms. FOUR. I believe, sir, that there are very few programs in the country that are set up and designed specifically for homeless women veterans that are separate. One of the problems that we have run into in a mixed-gender setting is sort of twofold.

One, the women veterans do not have the opportunity to actually be in a separate group therapy environment because there are many issues that they simply will not divulge in mixed-gender populations. And so those issues are never attended to.

The other is, we believe that in a program, you need to focus on yourself. And this is the time and place to do your issue deal. In a mixed-gender program, there are too many, let us say, other interfering factors. Relationships are one of them.

Many of the veterans, too, come from the streets and so there is a lot of street behavior going on. Some of the women and men, have participated in prostitution and so this is a difficult setting for any of them to actually focus on themselves without having all of these other stressors come into play. So we feel that is an important issue.

Mr. LAMBORN. Okay. Thank you.

And with the Chairman's indulgence, could I ask one more question?

The CHAIRMAN. Yes.

Mr. LAMBORN. Okay. Thank you.

Do any of you charge any type of service fee or co-payment to those who are receiving service-connected compensation?

Mr. RADCLIFF. Yes, sir. We talked about sober housing, zero tolerance. We talked about kind of the regulatory discipline environments which we have and operate at each of our programs.

One of the key factors is the sense of community and ownership in your own recovery. Most of these veterans want to participate.

In fact, we operate a 500-bed program in Inglewood, California, near the airport. Veterans who are going through our programs when they are required to pay their program rents, I think this is the first time that they are beginning to pay any part of a productive process. And they cannot wait to come and pay and then tell

our staff what to do. You know, there is a sense of pride and ownership that comes with that and dignity that comes with that.

The issue is clearly for me that someone who can should.

Ms. FOUR. I think the other side to that, too, is, and I agree with everything that Mr. Radcliff says, but the real dollar and cents part of it is that the nonprofits could not live if there was not some other income coming to them in order to hire the staff that is necessary for these complex programs. That is another added issue.

Mr. LAMBORN. Okay. Thank you all for your answers and for your testimony and even more than that for the work that you do. I appreciate it.

Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

Just some quick questions, if I may. Do I understand correctly that in the Grant and Per Diem Program, you are only eligible if you have a majority of veterans in your facility? Is that correct?

Mr. RADCLIFF. That is correct. I think Grant and Per Diem allows for up to 25 of the beds to be used for nonveterans.

The CHAIRMAN. Should that follow the veteran rather than the facility?

Mr. RADCLIFF. Possibly.

The CHAIRMAN. Okay, thank you. We have some major providers in San Diego who may only be serving a 25 or 30 percent group of veterans. They do not get any other per diem as I understand it.

Mr. RADCLIFF. That is correct.

The CHAIRMAN. Can you all give me your gut reaction? We all know the NIMBYism [Not In My Back Yard] that comes to housing homeless people. Mr. Landis talked about when his operation was established in the eighties. I was on the City Council then and it was hard to find a place to establish the facility.

Has anyone thought about building permanent or transitional housing on VA property, perhaps near a medical center? In general the NIMBY issues would be greatly reduced, and you would have the medical attention right there on the campus. Has anyone dealt with that issue, or tried, or thought about it?

Mr. RADCLIFF. Well, you know, Mr. Chairman, I have. And our organization elected to not. The VA was in an RFP process and I think they have awarded that to provide permanent housing on-site in a building that would require almost \$300 a square foot of renovation in a historical building, on a historical setting, on those historical grounds.

I think it is a good use of the land. I am not sure that it is the most easiest thing to do in that type of arena where you have to pay for, you know, all the historical retrofitting and preservation. It was too expensive for us.

The CHAIRMAN. In that setting, okay.

Mr. DRISCOLL. I know the VA has an enhanced use lease, mission-driven policy that they put into effect in the last couple years. The idea was to streamline the enhanced use lease program which some of you already have those things. But they identified about 45 VA campuses that have surplus properties suitable for use for homeless services and they are bringing those RFPs up online and requesting—

The CHAIRMAN. How many actually have been let?

Mr. DRISCOLL. So far, I believe the number is eight or nine. I am sure the VA team will address that. But up to 45, I believe, are going to be in the works.

The CHAIRMAN. That is good.

Have you had success in taking some of the VA benefits folks into the streets with you to help those people? Is that easy or hard? Is that done or not done?

Mr. RADCLIFF. Not done with us. We typically do not perform side-by-side outreach or in-reach for that matter. The benefit staff, you know, I just hear they are overwhelmed and I know that there are some dilemmas there.

And what the Veterans Service Organizations (VSOs), the Disabled American Veterans (DAV), and Vietnam Veterans of America and American Legion, you know, there is almost a dying breed of the VSOs doing that intervention for you. There is a need to really buff it up.

The CHAIRMAN. I do not know. The homeless liaison that somebody mentioned, is that generally a full-time position?

Mr. RADCLIFF. That is a full-time position.

Ms. FOUR. I believe it is a full-time position.

The CHAIRMAN. At each of the medical centers?

Ms. FOUR. In Philadelphia, sir, we have a very close relationship with the Regional Office Homeless outreach person. I mentioned earlier, a day service center. We have a fairly large one under Grant and Per Diem in Philadelphia. That representative comes to the service center once a week and also goes out onto the local streets and the shelter areas actively looking for the veterans also.

The CHAIRMAN. Again, I thank you all for your commitment. I know you have a lot of frustration.

I was at the first stand-down that Mr. Landis mentioned in San Diego and I will tell you what you see there is incredible cooperation and a sense of commitment but also knowledge that this is a comprehensive solution. You have to bring everything to bear.

I will tell you that at the last five or six stand-downs I have been to, I give the same speech. I tell everyone that I am sick of coming to stand-downs. We know what to do. Why are we not doing it 365 days a year?

I do not understand why we focus all of our attention on just 3 days when we should be using our resources every day of the year. We are the richest Nation in the history of the world. This problem is not insoluble. You all do so much and, you have little successes relative to the big problem, but we should be able to solve this in my opinion.

The VA Secretary has said to me that it is a top priority with him and we are going to set a goal of zero just so we have that goal. And I hope that working with all of you, we can get as close to that as possible.

Thank you so much.

Ms. FOUR. Thank you, Mr. Chairman.

Mr. RADCLIFF. Thank you, Mr. Chairman.

Mr. DRISCOLL. Thank you, sir.

The CHAIRMAN. We appreciate your being here.

Panel two, if you will come forward. We have the Secretary of the Illinois Department of Human Services (DHS), Carol Adams; the Commissioner of the New York City Department of Homeless Services, Robert Hess; accompanied by Ronald Marte, a veteran from the Iraq War, who has benefited, in fact, from the New York City Homeless Program.

We thank you for your testimony, for you being here, and we look forward to hearing from you. Dr. Adams, please proceed.

STATEMENTS OF CAROL L. ADAMS, PH.D., SECRETARY, ILLINOIS DEPARTMENT OF HUMAN SERVICES; AND ROBERT V. HESS, COMMISSIONER, NEW YORK CITY DEPARTMENT OF HOMELESS SERVICES, NEW YORK, NY, ACCOMPANIED BY RONALD MARTE, BRONX, NY (VETERAN)

STATEMENT OF CAROL L. ADAMS, PH.D.

Dr. ADAMS. Good morning, Mr. Chairman and Honorable Members of the Committee. I bring greetings from Honorable Patrick Quinn, Governor of Illinois, and the State's 13 million citizens.

It is an honor to appear before you today to speak about the efforts of the Illinois Department of Human Services to serve homeless people in the State, including our veterans of whom we are very proud.

These data that I present today represent numbers from the State fiscal year 2008, our most current accounting.

In 2008, the Illinois Department of Human Services Emergency Food and Shelter Program served 45,418 people who were actually living in shelters. This number does not include people who do not access shelters, people who are living with friends and relatives, nor does it include people who receive services in other facilities.

That same year, there were 12,441 households served by the Illinois Department of Human Services Homeless Prevention Program. Sixty-five percent of all households served that year were families defined as any household with children under the age of 18.

The total number of homeless veterans served was 2,562 people or 5.64 percent. Ninety-four percent of homeless people served were not veterans.

Our Homeless Prevention Program is designed to help stabilize people and families in their existing homes, decrease the amount of time that they live in shelters, or help individuals and families secure affordable housing.

Our program includes rental and/or mortgage assistance, security deposit assistance, payment of utility bills, to bring legal services to people who are involved with illegal evictions, rental or mortgage arrears paid in the amount established as necessary to defeat eviction or foreclosure. This payment must not exceed 3 months of rental or mortgage arrears, security deposits not to exceed 2 months' rent, and bringing utility payments current, also supportive services where appropriate for the prevention of homelessness or repeated episodes of homelessness.

Prior to 1999, people who were at risk of homelessness with us would have been referred to a shelter or to a short-term stay for a hotel. But we found that it was much more cost effective for us

and preserve family self-respect and help keep families intact if we could invest our resources in homeless prevention rather than assistance after the fact.

So the "Illinois Homeless Prevention Act" was signed into law in December 1999 and it allowed for maximum flexibility of the various localities within the State, minimum income restrictions, and various kinds of assistance, broad definitions of allowable uses.

People eligible for assistance from our Homeless Prevention Program includes again-households that are in imminent danger of eviction, foreclosure or homelessness, or currently homeless.

Applicants for this service must document temporary economic crisis beyond their control such as loss of employment, medical disability or emergency, loss or delay of some form of public benefit, a natural disaster, substantial changes in household composition, victimization by criminal activity, illegal actions by a landlord, displacement by government, private action, or some other condition.

Homeless veterans or veterans at risk of homelessness can apply for homelessness prevention funds. The State of Illinois does not have a specific set-aside for veterans. Our Homeless Prevention Program is also administered by a network called the Illinois Continuum of Care Systems. This was developed by HUD and it is a network that helps people who are or who have been homeless or who are at imminent risk of homelessness.

In Illinois, there are 21 Continuum of Care and they serve the State's 102 counties and work to fulfill the needs of homeless people.

The network addresses problems of homelessness by providing comprehensive service delivery from emergency shelters to permanent housing. Its strong prevention strategy provides seamless services to help people achieve independent living.

When this program first started in 2000, it was funded through TANF dollars to the tune of only \$1 million. This past year, it was funded to the tune of \$11 million through a dedicated fund called the Affordable Housing Trust Fund.

In 2000, a mere 221 households were serviced at an average cost of \$450. But by, say, fiscal year 2008, 12,500 households were served with the average cost per household of \$883. That represents about 8,100 families.

Fiscal year 2007 was a peak year with the highest number of services provided when nearly 10,000 households received rental assistance. Twenty-five hundred households received utilities assistance. Security deposits were paid for 2,500 and supportive services related to illegal evictions were provided to over 100,000 families.

By 2008, rental assistance had declined a little, but we are again experiencing in 2009 an increase in the numbers of people who are looking for this assistance.

Without question, our Homeless Prevention Program has been successful. Prevention is cost effective. The program services an average of 700 households per continuum and there are 21 continua in the State.

The program has promoted permanent housing options. Eighty-six percent of all households served in 2008 were still housed 6 months later at the end of the fiscal year.

On average, 70 percent of participating households retain their current housing while 22 percent move into other permanent housing. Nine percent of those served are able to move from emergency shelters into permanent housing.

The Illinois Department of Human Services conducts an annual evaluation measuring the effectiveness of the Homeless Prevention Program and its overall impact on reducing homelessness via a comprehensive follow-up strategy. It requires a 6-month follow-up to be conducted with every household served to help determine if participants are maintaining independent living and self-sufficiency.

In addition to the families that are served through our Homeless Prevention Program, the Illinois Department of Veterans Affairs also provides permanent beds at the veterans home in Manteno.

They also serve through a lottery ticket called Vets Cash. We raise additional money to provide services for veterans. In 3 years, that has been close to \$7 million and about a sixth of that has been used for homeless prevention, the rest for a range of other services for veterans. So that also has been very helpful.

We think we have a unique opportunity to collaborate and coordinate our prevention funds with those that we will receive from HUD through the "American Recovery and Reinvestment Act" (ARRA) for the 2009 program. Working with the Illinois Department of Commerce and Community Affairs, we think we can fill in gaps that are not covered by that program.

Specifically HUD's ARRA prevention funds cannot be used for mortgage assistance, but our funds can. People who may have fallen behind on their mortgage for up to 3 months can get assistance through DHS.

Very often we see participants that fall behind on their mortgage due to illness or a loss of a job or any other condition. And we can step in and assist them. And once this assistance is provided, they can continue to pay their mortgage.

By coordinating with the ARRA prevention funds, participants can also receive rental assistance for an extended period of time. So we think that working together, we can help to fill in gaps and service more people.

So on behalf of the people of the State, we are grateful to have had this opportunity to share information with you about the Homeless Prevention Program in Illinois and the successes we have managed to achieve.

[The prepared statement of Dr. Adams appears on p. 69.]

Mr. SNYDER [presiding]. Thank you, Dr. Adams, and thank you. Before we go to Mr. Hess, what was your Ph.D. in?

Dr. ADAMS. Sociology.

Mr. SNYDER. Sociology?

Dr. ADAMS. Yes.

Mr. SNYDER. I should have guessed that maybe. Thank you.

Mr. Hess.

STATEMENT OF ROBERT V. HESS

Mr. HESS. Good morning, Chairperson and Members of the Committee on Veterans' Affairs. My name is Rob Hess. I am the Commissioner of the New York City Department of Homeless Services.

Thank you for inviting me here to share with you innovative strategies that New York City is using to end veterans' homelessness.

I am pleased to join my colleague, Secretary Carol Adams of Illinois, and Members of the other panels from around the country. And I am heartened by their dedication to serving the unique needs of homeless veterans.

Joining me here at the table is a true hero, Ronald Marte. Ronald returned to us after a tour of duty in Iraq where he served as an Army Communication Specialist. He recently moved from a shelter to a home of his own with the assistance of the Veteran Affairs supportive housing voucher and is living a life of independence. I am more proud of him than I can say with words.

As a veteran myself, I speak from personal experience when I say that we have to do everything we can to ensure that the men and women who served their country receive the housing, the services and supports they need, and are treated with the dignity and respect they deserve.

I would like to take this opportunity to applaud the leadership of President Obama, Secretary Shinseki on this issue. As you know, they have set the ambitious goal of preventing and ending veterans' homelessness for the approximately 150,000 homeless veterans living in this country on any given day. And this is the right goal for our country.

I believe this because in New York City, we are already starting to see the success that is possible when there is a strong partnership between the United States Department of Veterans Affairs, the local VA offices, and local leaders. This is an issue that I am passionate about. As someone who has spent my entire career advocating for creating policy and talking one on one with homeless veterans, we cannot stand by and allow our fellow veterans who have served and fought for our country to live on our streets or to call a shelter a home.

In New York City, we are continuously moving toward meeting our goal of ending homelessness for veterans. In fact, from December 2006 to May 2009, we have reduced the number of veterans living in our city's shelters by 60 percent. We have done this by creating new short-term housing models and other innovative strategies to better serve homeless veterans.

However, I would not be able to stand before this Committee today and tell you of this great success had it not been for the shared commitment of New York City Mayor Michael Bloomberg and then U.S. Department of Veterans Affairs Secretary James Nicholson.

In December 2006, they created the Operation Home Task Force and charged it with creating the blueprint for a new veterans' service system, a dedicated service system outside the traditional homeless service system to meet the unique needs of homeless veterans and tie them to the rich array of resources already provided by the VA.

We were ultimately successful in creating our new veterans' service system because of the partnership between the Federal and local VA and the city that this fostered. However, another key to our success was the creation of specific and measurable goals that

would transform services for homeless veterans, ones that we continuously held ourselves accountable for.

One tangible first step was an intense effort to house 100 veterans in 100 days. We did not waste a second. As we worked to develop the blueprint, we took the immediate action to permanently house homeless veterans. Much of the lessons we learned during this time helped shape our vision and focus for the new system.

I am happy to report to this Committee that we not only exceeded our goal by housing 135 veterans during the first 100 days, but since then, we have helped to move over 1,900 veterans from temporary shelter into permanent housing, into their own homes.

The system we created now includes a multi-service center, which serves as a single point of intake of access for homeless veterans and for those at risk of becoming the homeless. The center has been up and running since May 2008. It integrates DHS intake services exclusively for homeless veterans with access to medical, mental health, and substance abuse treatment available through the VA medical system, as well as housing and other support and benefit services. The center also makes available preventative services needed to divert those veterans who are at risk of becoming homeless.

To date, over 1,066 homeless veterans have been served by this program. We will soon open the first veteran-specific safe haven, a low-threshold, harm-reduction housing model that has proven to be the most effective tool for engaging street homeless clients.

Once veterans are placed in the safe haven, they will have access to on-site social services and other supports offered through the VA and various nonprofit partners.

New York City's efforts to end veterans' homelessness have also been strengthened by the U.S. Department of Housing and Urban Development's Veterans Affairs Supportive Housing Program or HUD-VASH. New York City received \$9.4 million of this funding to permanently house 1,000 homeless veterans with HUD-VASH vouchers. I am happy to report that as of May 1st, 2009, the city has distributed 701 of these vouchers.

I would like to take this opportunity to thank you and your colleagues, Mr. Chairman, for their past commitment to this important funding stream. Ending veterans' homelessness is the right goal for New York City and the right goal for our Nation. We all can do this. But as in the case of New York City, it will take a strong partnership between both the Federal and local VA and jurisdictional leaders.

I realize that what works in New York City will not work everywhere. There cannot be a one-size-fits-all approach. What works in New York City may not work, for example, in Killeen, Texas. And so those Federal, local relationships will need to be developed with flexibility to the needs of each individual locality and allow them to create their own specific and measurable objectives to drive their success. The key component here is that as a locality, we need a strong Federal partner to help us bring our initiatives to scale if we are to truly end veterans' homelessness. Our continued progress in housing and better serving the needs of homeless veterans is a true testament to our strong partnership with both the local and

national VA. Without their collaboration from the beginning, the system transformation would not have been possible.

Once fully implemented, we believe that this system will serve as a national model for permanently ending veterans' homelessness.

I thank you for the opportunity again to be here today and to answer any questions you may have. Thank you.

[The prepared statement of Mr. Hess appears on p. 72.]

The CHAIRMAN [presiding]. Thank you so much.

Mr. Marte, I understand you served a tour in Iraq in the Army.

Mr. MARTE. Yes, sir.

The CHAIRMAN. We appreciate your service. You were mentioned as a success story. Would you tell us a little bit about what—

Mr. MARTE. It was quite a journey—

The CHAIRMAN [continuing]. How you—what happened to you?

Mr. MARTE [continuing]. To have a problem and now I am living proof of the solution. I am very grateful for the opportunity and it is priceless. Like I told Mr. Hess, you know, it gives you confidence, you know, to have your own place, and to go do your priorities in life.

The CHAIRMAN. Could you tell us what was the key thing in turning your life around?

Mr. MARTE. You have to get over the pride, it is a big factor, you know, and ask for help. Being in that situation is not quite comfortable. And after that, you know, you have to go and do one better for yourself. And it plays a big factor. Go over those steps, you know. And after you achieve that, then it makes it kind of easy. It is easier from there.

The CHAIRMAN. Habla Espanol?

Mr. MARTE. Yes, sir.

The CHAIRMAN. Si. Waguyo, si?

Mr. MARTE. Yeah. Waguyo play a big factor.

The CHAIRMAN. How did you even know about the program that was described here?

Mr. MARTE. Well, when I came from Iraq, I became homeless and I went through the shelter process and eventually ended up in their residence in Queens, New York. And that is how I met Mr. Hess, through an interview they did over there. And after that, I am here.

Mr. SNYDER. Mr. Chairman.

The CHAIRMAN. Please.

Mr. SNYDER. May we ask. You said I became homeless. I would like to hear just one veteran's story about—

The CHAIRMAN. Ask him.

Mr. SNYDER [continuing]. What happened that led you to become homeless if you are willing to share that story?

Mr. MARTE. I have a lot of family. I just did not want to ask for help then. You know, I wanted to do it on my own and one thing led to another, you know, bad choices I did while I was in the military, saving and doing, you know, what I was supposed to do. And eventually—

Mr. SNYDER. Once you got back, you did not have some money to sustain you?

Mr. MARTE. Exactly.

Mr. SNYDER. And difficulty finding a job?

Mr. MARTE. Exactly.

The CHAIRMAN. We thank you again for your service and for your courage and talking about what is going on here.

Are there additional questions, Mr. Snyder?

Mr. SNYDER. Dr. Adams, I am going to pick on you because you told me you have a Ph.D. in sociology. Chairman Filner likes people with Ph.D.s, by the way, so you are in good company.

We have heard from several people today and others to come of different programs. Put on your scientific researcher hat here. How do we evaluate what is successful beyond anecdotal reports that we are helping a lot of people? How do we evaluate what works more effectively than doing nothing? How do we evaluate what works, that gets the best bang for the buck? How do we evaluate comparing one program to another when there are such a variety of programs that are set in such different geographic areas?

Dr. ADAMS. Okay. That is several questions. But, first of all, just to evaluate the efficacy of a single program, what is most important is the follow-up because it is not just the help, but does it really do the job. If we find that over and over again we have to keep doing the same thing, something is missing in the array of services.

So we do follow-up on the people who participate in our program to make certain they have continued to be homeless, that the short-term help that we gave was enough to keep them housed and so forth.

Ongoing evaluation is what lets you know if there are problems in your program that you need to tweak. For example, our program in order for us to give the assistance for you to stay in your home, we have to be assured that after our assistance you can continue to stay there. So we have other supportive services like financial counseling and what have you associated with it.

Now, to your other point, how do you tell if one program works better than the other, that is going to require some comparative research where you look at the kind of family or the kind of individual that has a similar kind of issue and see which track seems to work best for that setting and you have to sort of look at it over time.

Most of the time——

Mr. SNYDER. We do not do that.

Dr. ADAMS [continuing]. There is a little money. Most of the time, the dollars are such that——

Mr. SNYDER. We do not do comparative research——

Dr. ADAMS. Exactly.

Mr. SNYDER [continuing]. Because it is not cheap research. I mean——

Dr. ADAMS. It is expensive and it is longitudinal.

Mr. SNYDER. And it is longitudinal. But over the long term, it might save us money if we were to do good comparative research.

I am a family practice doctor and when we talk about preventive care, we have figured out that we are better at research in this country on what is the latest gadget or what is the latest drug. We are not so good on what is the best delivery system for getting things out there. But that requires some longitudinal comparative research.

Dr. ADAMS. Right.

Mr. SNYDER. And it is not cheap either.

Dr. ADAMS. No doubt about it. It saves us money in the long run. But when you have challenges around budgets, I mean, I am looking at my agency with the challenges that we have and the first thing that is going to get cut is evaluation and training because you have to stick to the core mission of providing the service.

Mr. SNYDER. All right. Thank you, Mr. Chairman.

The CHAIRMAN. Do you want to add anything?

Mr. HESS. I would just say, Mr. Chairman, that I think one of the most important things we can do is set clear and measurable goals from the beginning. And so in New York City, the Mayor has been very clear. It is our job to see that we get to a point where no veteran needs to sleep on the streets of our city and no veteran needs to sleep in a shelter in our city, that we need to create a system that provides all the support that our veterans need and helps them move as quickly as possible, as in Ronald's case, into permanent housing and see that we provide the supports that people need in permanent housing, not in shelter and not on the street.

And so with that kind of clear and measurable objective, I think it is easier for us to determine our level of success.

Mr. SNYDER. Mr. Hess, you are very familiar with Mr. Marte and other veterans. It sounds from his brief description of where he started having problems that it was very quickly after he got back home.

Do you see things that the military could be doing that would perhaps set these folks up for a lower rate of trouble as far as homelessness or stability in the community?

Mr. HESS. I think it is difficult, Congressman. I mean, I remember as a young veteran in my last days on active duty, I really did not listen too closely to the information that people were trying to convey to me about services that would be available after I left the military.

And I suspect that that has not changed a great deal. When you get down to those last few days and hours, you are ready to move on. And it is not until sometime later that you may realize that you are in need of some support.

And so I think the key for us is figuring out how, through our outreach teams and through our general communication—in New York City, we use 311 a lot, but we also do advertising and community service and other things to convey the message to folks that if you need help, we are here to help you and this is how you can access services.

And so I think it is more on us at the local level than it is on the military side. I think the military does a better job today than it did 30 years ago and the VA certainly does a better job today than it did 30 years ago on communicating the services that are available and providing those services in a way that veterans are more likely to accept.

But I think it really comes down to local jurisdictions reaching out as well and making those connections in partnership with the VA.

The CHAIRMAN. I wonder if you are letting the military off too easy. There must be risk factors that you all could list that people

could be looking for before a servicemember is released from the Armed Forces.

I assume there is a correlation on mental health and homelessness, right? I could think there must be.

Mr. HESS. Yes.

The CHAIRMAN. So, I mean, if we were dealing with the issues of mental health before they were discharged, would that not be of big importance to help you all? It would prevent—

Mr. HESS. No. Good question. Good question, Mr. Chairman. To the extent that mental health issues can be identified prior to discharge and a treatment regimen started prior to discharge, that is very helpful and that would make it less likely that folks would experience some of the problems and difficulties they experience.

The CHAIRMAN. I think that is key to so many things. As I understand it, and I may be wrong in some of the details, but there is not a mandatory evaluation by competent medical personnel. There is no required—

Mr. HESS. Uh-huh.

The CHAIRMAN [continuing]. Evaluation for mental health issues or for brain injury, before most of our soldiers leave the Armed Forces. It seems to me that when you are in the Armed Forces, mandatory can be accomplished.

Mr. HESS. That is certainly true.

The CHAIRMAN. You can tell a servicemember that they are not being discharged until we have this evaluation. It would seem to me that this would not only save a whole lot of problems for families and communities from domestic violence to homicides, but it would give a head start on dealing with the situation you have to deal with.

Mr. HESS. That is certainly true.

The CHAIRMAN. By the way, everybody I see behind you is shaking their heads yes. So I am taking their cue that I am on the right track.

Mr. HESS. I think it is certainly true. The question is how early and how much treatment can you provide before the active-duty individual becomes discharged. And then what is the handoff to the VA.

The CHAIRMAN. Is your experience as I described, that we do not get an adequate evaluation, that there is a self-administered questionnaire? These servicemembers who want to go home quickly know how to check the right box or their CO [Commanding Officer] says be careful checking that one about demons and dreams because you will never get a job again.

There is this dynamic that prevents adequate diagnosis both from self-denial and from systemic denial. It seems to me we have to confront that directly.

Mr. HESS. I think that to the extent that could be done, it would be helpful.

The CHAIRMAN. Mr. Marte, do you remember when you left the Army?

Mr. MARTE. Yes, sir.

The CHAIRMAN. What kind of physical examination or mental health examination did they put you through; do you remember?

Mr. MARTE. Well, like they call it med board, medical board where they do a physical and the psychological. They basically, you know, ask you some questions, the doctor, but it is not that deep. The physical part is the more—

The CHAIRMAN. It sounds like you might not have fallen into the situation that you did if you had been able to talk about them before discharge.

Mr. MARTE. Better guidance would have been a lot better. That is definitely true.

The CHAIRMAN. You talked about how you were not really ready to listen to the Transition Assistance Program (TAP) lectures, which I understand. I think we are failing our soldiers by not doing a mandatory evaluation, again, not just a two-question questionnaire or an eight-question questionnaire, but a real evaluation. There are things you cannot see right away and we know that.

Psychiatrists tell me that a slur in speech or a memory loss can come out in a 45-minute to an hour interview. Doctors can see things like that, if they had time, things that you might not observe in normal situations.

I think we have to do that. When soldiers enter any of the services, they go through boot camp. We do not have a “de-boot camp”—or a time for decompression or a time for integration.

It should be mandatory. It should be with the family and with the unit of the soldier, maybe a company of soldiers. The isolation that comes when you leave your buddies and your comrades where the sense of belonging is there and then all of a sudden, you have to face all these issues by yourself. We should have that decompression, as it were, and a mandatory program.

Are you going to help me in getting that, sir?

Mr. HESS. We certainly would support, you know, identifying issues as early as possible and providing treatment as early as possible.

The CHAIRMAN. I appreciate you being here. You have a tough job, especially in the bigger cities, and your commitment and your work is incredible, so thank you so much.

Mr. HESS. Thank you, Mr. Chairman.

Dr. ADAMS. Thank you.

The CHAIRMAN. If the third panel will join us?

Carol Caton, is it Caton?

Dr. CATON. That is correct.

The CHAIRMAN. Is the Director of the Columbia Center for Homelessness Prevention Studies. Brendan O’Flaherty is the Executive Committee Member of that Center. We thank you for being here and look forward to your testimony.

STATEMENTS OF CAROL L. CATON, PH.D., DIRECTOR, COLUMBIA CENTER FOR HOMELESSNESS PREVENTION STUDIES, AND PROFESSOR OF CLINICAL SOCIOMEDICAL SCIENCES (IN PSYCHIATRY), NEW YORK STATE PSYCHIATRIC INSTITUTE, COLUMBIA UNIVERSITY, NEW YORK, NY; AND BRENDAN O'FLAHERTY, EXECUTIVE COMMITTEE MEMBER, COLUMBIA CENTER ON HOMELESSNESS PREVENTION STUDIES, AND PROFESSOR OF ECONOMICS, DEPARTMENT OF ECONOMICS, COLUMBIA UNIVERSITY, NEW YORK, NY

STATEMENT OF CAROL L. CATON, PH.D.

Dr. CATON. Mr. Chairman, Members of the Committee, I want to thank you for the opportunity to be here today to tell you about the Columbia Center for Homelessness Prevention Studies which is the Nation's only National Institutes of Health (NIH) funded advanced center for intervention and services research that is focused on the public health problem of homelessness. We are funded by the National Institute of Mental Health.

The Center's investigators bring expertise on many issues related to homelessness, housing, mental health and intervention development, and they represent a broad range of academic disciplines from public health to psychiatry, medicine, social work, and the economic and social sciences.

Providers, consumers, and stakeholders contribute significantly to the Center's activities and play an integral role in carrying out the center's mission.

Today I want to tell you about some of the advances the Center's researchers have made in the past few years and about the work we are doing now. We know a lot more now about how to reduce homelessness than we did 10 years ago and in the near future, we should know even more.

I hope that the Committee will be able to take advantage of these research advantages.

Let us start with what we have done already. Most of the work that we have done to date, and that represents the work that has been done in the field, is focused on severely and persistently mentally ill people, many of whom have comorbid alcohol and substance abuse. And these people tend to be the chronically homeless population of people living in streets and shelters.

Two interventions supported by the Center that have been demonstrated to help people exit homelessness and retain stable housing are Housing First which is a streets-to-home housing and services initiative that does not require sobriety or treatment engagement as a prerequisite for obtaining housing.

Many Housing First programs are modeled after Pathways to Housing in New York City, developed by Dr. Sam Tsemberis, a Member of our Center. Such programs have become a staple in numerous 10-year plans to end chronic homelessness.

Critical time intervention, another one of our interventions, was developed by Drs. Ezra Susser and Dan Herman. It was initially developed to assist long-term homeless mentally ill men to transition successfully from shelter life to community living. The men that they studied had been homeless for a very long period of time. They were, so to speak, institutionalized in the shelter system.

They had lost contact with their families, with their communities. And in order to reengage them to stable housing and connection with treatment, a new neighborhood, landlord, neighbors, et cetera, Critical Time Intervention was developed.

It is a time-limited, intensive case management intervention that is designed to transition or link people from, in this case, shelters, to living in the community. It has also been applied to other points of transition, specifically patients discharged from long-term psychiatric hospitals who have histories of homelessness and men and women with mental illness and homeless histories, who are being released from prison.

I am pleased to say that Critical Time Intervention has been incorporated into some of the VA service programs. I believe Mr. Radcliff mentioned that in his program. It had already been implemented there.

In terms of ongoing research, one of our studies currently underway involves looking at a new program that has been set up in New York City for outreach to the street homeless. This program is a little bit different from some outreach programs which just kind of go out and talk to people and maybe give them some coffee or chat and work on the process of engagement.

This program, designed to not only engage the homeless folks but also to get them into stable housing. So it is a process. It is a new model and some of our researchers are studying this model. They are looking specifically at how people living in the streets get connected and how the staff who might have been used to some other kind of a program model are able to adapt to this new intervention.

Another one of our programs is focused on frequent users of services. These are clients who have had at least four different shelter stays and four incarcerations in New York City correctional facilities, a very high-need, high-risk group.

They are being offered housing and services and our researchers are trying to look at how they do in this program, how their program works for them, their ability to remain stably housed, and how they use other types of services, et cetera.

Now, I mentioned that a lot of our research has been focused on the chronically homeless, severely mentally ill. More recently there have been some very interesting programs that have been developed that we call primary prevention programs. In other words, they are designed for people whose housing may be risky, but they are not yet homeless. And the idea is to see if it is not possible to help these folks to remain stably housed without entering shelters or ending up on the streets.

One of these programs is based in New York City. It is called Home Base and it is run by nonprofits. It is funded through city government. And because it is based in the community, the idea is to try to reach out to those folks who might be in unstable housing and at risk of homelessness.

The kinds of services that are offered, again neighborhood-based services, are job training, entitlements advocacy, assistance with legal issues, housing relocation, and financial assistance for the payment of rent arrears and broker's fees.

We are currently involved in helping New York City Department of Homeless Services to evaluate this program. And this gentleman

sitting next to me, Dr. O'Flaherty, is leading a part of that evaluation program.

We also have another research program that is focused on trying to understand the process by which people end up homeless. This question was asked just previously, can you chronicle the process by which you actually lost your housing and ended up on the streets.

This is important because we want to find out when people might have periods of greatest risk. We want to know if they have tried to seek help and the help has not been successful. And the purpose of studying this question is to inform ways of positioning programs so that they can best work on the issue of preventing homelessness.

The studies I just mentioned that are ongoing are going to be coming to fruition in the very near future.

I want to mention something that some of you probably already know; good research takes time. So we cannot promise major breakthroughs like Housing First and Critical Time Intervention every month. But with all these projects ongoing, we are confident that we will be learning new ways to make life better for people at risk of homelessness on a regular basis.

I will be happy to keep you informed about our findings. We would welcome any suggestions you may have, or any problems or questions that we should be looking at. We want our research to inform decisionmakers and to be put into practice.

I want to mention also that in one of our planned studies, we are looking at social inclusion and community reintegration. We are not just going to be satisfied that people with these serious disabilities get into housing, but how they are able to achieve some measure of life fulfilment and participate in the life of society at large.

We are studying a new program that is also based in New York City, a recovery center that is designed to work on the issue of community reintegration.

We also have another intervention that again addresses the issue of engaging people in services. This is sometimes a very difficult thing to do, very challenging.

Early on, believe early on, Congressman Teague asked if anyone had ever used a marketing approach in the field to try to inform people about the availability of services and what they might be able to get out of them. We think this is important.

Therefore, a study is planned to see if marketing improves engagement in services.

Again, thanks for the opportunity to be here. I will be glad to answer any questions you might have.

[The prepared statement of Dr. Caton appears on p. 74.]

The CHAIRMAN. Thank you.

Mr. O'Flaherty, do you have a statement?

Mr. O'FLAHERTY. Yes, I do.

The CHAIRMAN. Please proceed.

STATEMENT OF BRENDAN O'FLAHERTY

Mr. O'FLAHERTY. Mr. Chairman, Members of the Committee, thank you for inviting me to testify. I am an economist. I teach at Columbia University.

Your staff asked me to talk about homelessness prevention and primary prevention, prevention of homelessness among people who are housed now, but might become homeless in the future.

Homelessness prevention is hard. It is hard because the onset of homeless spells is unpredictable. Probably it is inherently unpredictable like guessing which stock will go up tomorrow.

For 15 years, really good scholars with really great data sets have been trying to make such predictions and the best that they can do is to isolate groups of families that have pretty high probabilities of becoming homeless pretty soon.

But risk, even in these super high-risk groups, is nowhere near a third and most of the people who become homeless are not people from these super high-risk groups. No comparable studies for single adults have been done.

Reasonable programs that humans could implement probably reduce point in time homelessness by no more than 5 to 8 for every 100 nonhomeless households they serve.

The best relevant studies here are those of various kinds of housing subsidy programs. A wide variety of methods are used in these studies and they invariably come up with numbers in the range of 3 to 7 per 100 families served.

I do not think the programs that I recommend below will do better than this. These are prevention programs that start with people who are not homeless. Some programs that start with people that are homeless do better on this metric, but they are not my topic.

So prevention is hard, but hard does not mean not worth doing. Hard means that you have to think about what you are doing.

I would like to use the analogy of fires. Fires, too, are inherently unpredictable. If you knew when and where a fire would occur, it would not occur. Unpredictability implies that fire departments do not invest a lot of effort in trying to predict individual fires. They respond in force to actual fires. But, still, they engage in fire prevention activities.

Most buildings are covered by fire protection codes like this one even if they are unlikely to have fires today. When you read that smoke detectors save lives, you do not complain that millions of smoke detectors in this country are being wasted in buildings that are not burning now.

Smoke detectors and fire codes work because they cover a lot of buildings. Fire prevention before the fact is wide and shallow. After the fact, it is narrow and deep. It is a good principle for homelessness too.

What does this mean for veterans and homelessness? I have two recommendations because I think it is a time to think a little bit differently and I come from a different kind of background.

I think these recommendations will help a lot of veterans and keep some of them from being homeless. I do not think they will cost a lot, but they are novel and I do not have direct evidence.

First, rent insurance. For over 60 years, the VA has been insuring the mortgages of veterans who buy homes. I propose that the VA expand its insurance to cover veterans who rent apartments. Detail is in my written testimony. Give veterans who rent a safety net so that they do not lose their apartments when they are down on their luck.

This program would also make it easier for veterans to rent apartments, especially leaving homelessness programs, since landlords would have more assurance that they would not get stuck with rent.

In addition, they would be an excellent outreach device. If a veteran falls behind with rent, the landlord has to contact the Veterans Administration to collect the insurance. That is the signal that can get the Veterans Administration and the programs that we heard this morning get involved. We look for an outreach device. This is an outreach device.

Rent insurance also would promote equity among veterans. In the last year, I have heard Members of Congress say repeatedly that homeownership is not for everyone. I agree. But every veteran, no matter what form of housing he or she chooses, deserves some protection against hard times.

Since the veterans who rent are generally more vulnerable to homelessness than the veterans who buy, they seem like the veterans who need the insurance the most.

Second is shared housing. Today there are lots of people who are hard strapped for cash, worried about foreclosure, and rattling around in houses that are bigger than they need. For some of them, a boarder or a relative who could pay some of the expenses would be a Godsend.

Some households would also welcome an opportunity to help veterans. At the same time, there are lots of veterans who could use a temporary cheap place to live until the economy picks up. Why not bring the two together?

This is not a program for everybody. This is not a program for the majority of people. This is not a program for 90 percent of people. But if one household out of a thousand volunteered to house a veteran temporarily, 112,000 offers would come in. A lot of veterans might find some of these offers pretty good. Some people might avoid foreclosure. No one would be forced to do anything. It would not cost a lot of money. Why can't Congress promote this option?

In summary, I suspect that this is not what you expected me to say. It is not what I expected me to say either. But the logic compelled it. When you cannot forecast who will be affected by a problem and when, the best way to prevent it is to treat many people in a cost-effective and intelligent manner. That is what fire departments do. That is how polio was eradicated. That is why every car has seat belts, not just those that are going to crash today. Wide and shallow before the fact, deep and narrow after the fact.

Preventing homelessness requires building a better safety net for all veterans. Mr. Landis talked about a safety net. Problems come when the safety net fails. The raw materials for that better safety net are already in place. They are in place in the excellent programs the VA has been running in the housing field for 60 years. They are in place in the respect that Americans have for veterans.

My suggestion is to use those resources in a new way. Thank you for the opportunity.

[The prepared statement of Mr. O'Flaherty appears on p. 76.]

The CHAIRMAN. Thank you so much.

Dr. Roe.

Mr. ROE. Just a couple of questions briefly. I am sorry I got here a little late.

When you are talking about the rent insurance, what figure? I read in your testimony \$1,000 a month.

Mr. O'FLAHERTY. Yeah. This is something to be developed. I am from New York. One thousand dollars a month for 6 months. It might not be the appropriate figure. I am thinking of an appropriate, reasonable rent for a reasonable period of time.

Mr. ROE. Okay. That is fair enough. I have to think in various areas like in New York, that is probably not a lot of rent. I know it is not where we are. I can probably find you a year's worth of housing.

Mr. O'FLAHERTY. It might be appropriately indexed to the different areas.

Mr. ROE. You know, I think one of the great challenges we have, and as Mayor of Johnson City, Tennessee, where I am from, we have in the area there that we are in, upper east Tennessee, a plan to reduce homelessness for everyone in the next several years and specifically high on our list are veterans.

And the Chairman, I will tell you, has helped. One program that we implemented last year was finding houses for veterans. We have reduced our veterans' homelessness rate a tremendous amount in our region by using this program.

Also, just affordable housing in general is difficult. And we have one thing that we have done. It took us about 7 or 8 years to finally get it done, but we took a public-private partnership and built homes that are 1,200, 1,300 square feet with garages, concrete driveways, curbs, gutters that a person making \$25,000 a year can afford.

So it can be done. This was some public land the city used and then we had a builder who came in and was willing to obviously do this at not a great profit, but we put in 15 units and we are going to have 50 units both, you know, sort of an individual home, some will be apartments, some will be assisted living.

But it can be done, but it is a challenge and probably more so because property is so expensive where you are. I am sure that that would raise that, but it is a huge issue not just for veterans but for everyone in this country, homelessness.

Interesting in your comments in your research, Dr. Caton. Have you found any particular factor that we could put our finger on, and I am sure it is regional and different in different areas, that you could go to for not a lot of expense to try to get the biggest bang for your buck? Have you identified anything in your research?

Dr. CATON. Well, I think in terms of getting chronically homeless people off the streets and into housing, we think Housing First has a pretty good track record. About 85 percent of the people placed in Pathways to Housing have remained stably housed.

That is for that particular population. I think you have to think carefully about this subgroup of homeless people that you are talking about or the people who might be at risk but not yet homeless.

For homeless families who are at risk but not yet homeless, there are a number of different strategies that the home-based program in New York City is utilizing, again to get homeless families and

some single individuals out of homelessness into housing. The housing vouchers, subsidized housing seems to be quite effective.

In some cases, we know that a mix of housing and services is going to probably be required. The people who are more disabled, psychiatrically disabled, disabled by substance abuse or physical disabilities, they need services as well as housing. But there are other constituencies of homeless people or people at risk who may just need to have some assistance to get themselves over a hump and back into housing.

So I think we have to have a lot of different options and have to keep in mind that the population of people who are either literally homeless, meaning that they are on the streets or in shelters, is only one group that could possibly be the benefit of some kind of housing assistance to prevent homelessness.

Mr. ROE. We have a program at home that is faith based, that churches do where if—these are for families and when a family becomes homeless, they will—we have a family that will live in our church at night, be fed there. During the daytime, they go to a resource for training for jobs so that they are not on the street. They have a place to live.

Do you have any programs like that in New York?

Mr. O'FLAHERTY. Yes, we do.

Dr. CATON. We do. Yes, indeed.

Mr. O'FLAHERTY. Definitely in New Jersey and quite a bit in New York too.

Mr. ROE. Okay. Thank you, Mr. Chairman.

The CHAIRMAN. Thank you.

We appreciate you keeping in touch on the research, Dr. Caton.

Mr. O'Flaherty, thank you for your bold suggestions. We have the VA coming up as the panel after you, so I am going to ask them what they think about your bold suggestions.

You will think about them, right? I think we have to start thinking a little bit differently about all these suggestions.

You have helped us with new suggestions. Some of these suggestions seem to make common sense and, yet, the government and the political system, does not have the will to do something like this which would be a lot cheaper than what we are doing now. Whatever it costs for rental insurance, I am sure it would be cheaper than dealing with people who are then homeless and we have to deal with all those issues.

Mr. O'FLAHERTY. You would be dealing with more people, but it would be cheaper.

The CHAIRMAN. Yes, an insurance policy would be an incentive option since you do not use it unless someone needs it, right? You would be spending a little bit of money for a lot of people.

We appreciate what you are all doing and we would like to keep in touch with you. Thanks so much.

Dr. CATON. Thank you.

The CHAIRMAN. We appreciate the folks from the VA listening to the testimony with us today. We have several witnesses from the Department of Veterans Affairs and the Department of Labor.

George Basher is the Chairman of the VA Advisory Committee on Homeless Veterans. Peter Dougherty is the Director of VA Homeless Veterans Programs and he is accompanied by Paul

Smits, who is the Associate Chief Consultant of the Homeless and Residential Rehabilitation and Treatment Programs. Is that the biggest title in VA? John McWilliam is the Deputy Assistant Secretary of the Veterans' Employment and Training Service at the U.S. Department of Labor.

We thank you all for being here. I know for a fact that the Secretaries of both of your Departments have a personal and deep commitment on this issue.

Secretary Shinseki said that there is going to be a goal over X number of years for you all to try to reduce veterans' homelessness to zero.

When Ms. Solis was nominated to be the Secretary of Labor, the first thing she said to me on the floor of the House was that we have to work for the veterans. I know about her personal commitment, also.

We appreciate you being here and look forward to your testimony.

Mr. Basher.

STATEMENTS OF GEORGE P. BASHER, CHAIRMAN, ADVISORY COMMITTEE ON HOMELESS VETERANS, U.S. DEPARTMENT OF VETERANS AFFAIRS; PETER H. DOUGHERTY, DIRECTOR, HOMELESS VETERANS PROGRAMS, VETERANS HEALTH ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS; ACCOMPANIED BY PAUL E. SMITS, ASSOCIATE CHIEF CONSULTANT, HOMELESS AND RESIDENTIAL REHABILITATION AND TREATMENT PROGRAMS, VETERANS HEALTH ADMINISTRATION, U.S. DEPARTMENT OF VETERANS AFFAIRS; AND JOHN M. McWILLIAM, DEPUTY ASSISTANT SECRETARY, VETERANS' EMPLOYMENT AND TRAINING SERVICE, U.S. DEPARTMENT OF LABOR

STATEMENT OF GEORGE P. BASHER

Mr. BASHER. Chairman Filner, Honorable Committee Members, and distinguished guests, I am pleased to be here today to discuss the views of the VA Advisory Committee on Homeless Veterans on various programs designed to end homelessness among America's veterans.

As Chairman of the Advisory Committee, I want to thank you for this opportunity.

Not one single VA program for homeless veterans has been improved or adjusted with our recommendations from the Advisory Committee.

Our 15-member Committee consists of direct service providers, policymakers, and program administrators who are all dedicated to the elimination of homelessness.

On VA Grant and Per Diem, VA Grant and Per Diem continues as a workhorse program largely responsible for reducing the number of homeless veterans over 40 percent to 131,000 during the past 5 years.

However, over the past several years, the Advisory Committee has recommended a number of changes to the program that we feel would improve this record even further.

The funding mechanism designed over 20 years ago is outmoded. It is not user friendly. It does not cover participation in high-cost areas and the reimbursement process is somewhat complex.

Basing a program on actual cost of services provided instead of a rigid per diem would allow agencies to tailor programs to local needs and costs. The VA's Special Needs Grants take this approach and have been very, very successful.

The Advisory Committee has also recommended the GPD Program be authorized at a level of \$200 million for fiscal year 2010 and that the sums necessary to successfully sustain the program be appropriate thereafter.

Most homeless programs, with the exception of GPD, are covered under the "McKinney-Vento Homeless Assistance Act," which allow other Federal funds to be used as matches for their program. GPD does not have the waiver allowing that, decreasing opportunities for participants to leverage a number of resources to increase their services to homeless veterans and expand their programs in ways that are common in mainstream programs.

The CHAIRMAN. Mr. Basher, I do not mean to interrupt you, but I suggested earlier that the Grant and Per Diem might follow the veteran instead of the facility.

Did your Committee look at that at all?

Mr. BASHER. We have discussed that, sir, and, you know, that is not a bad idea.

The CHAIRMAN. That is the best compliment I have ever heard from the VA. That is great.

Mr. BASHER. Well, you have to recognize I am not speaking as a VA employee. I am the Chairman of the Advisory Committee.

The CHAIRMAN. Okay, I have not had that good compliment. We will see what Mr. Dougherty says.

Mr. BASHER. Inspection of GPD providers is currently the responsibility of local VA medical center staff. With a growth of GPD to hundreds of providers over 10,000 beds, the inspection process has become very inefficient and inequitable.

The Advisory Committee has recommended a national standard be established and a national contract created for inspections.

On prevention of homelessness, the Advisory Committee has been concerned for some time about the need to increase efforts to prevent homelessness among those veterans returning to a weakened economy and less stable housing.

We have noted a slow but steady increase in a number of recent returning veterans seeking VA assistance through health care for Homeless Veterans Program, now over 3,000 individuals. Over 500 of these have been referred to GPD providers for services as well.

The current economic downturn is also affecting older veterans from Vietnam to the first Gulf War as well, exposing those on the economic edge to a great risk of homelessness.

Returning Operation Enduring Freedom and Operation Iraqi Freedom (OEF/OIF) soldiers transitioning from active duty to veteran status, while all returning combat veterans have eligibility in the VA health care system, many do not enroll or take advantage of the services offered.

The Advisory Committee has consistently recommended that separating soldiers be automatically enrolled with VA.

We also look at PTSD and TBI as potentially something creating a risk for homelessness as a result of those conditions.

The Advisory has recommended VA and DoD continue with the National Institutes of Health, Substance Abuse and Mental Health Services Administration (SAMHSA), and the Center for Disease Control to develop better screening and assessment tools and develop appropriate interventions to minimize the risk of homelessness for this population.

And research has shown that persons who enter the service from backgrounds at risk for homelessness often are the most likely to experience homelessness once separated from active duty.

The Advisory Committee recommends further research on this vulnerable population and prevention of homelessness be done as soon as it can be practically accomplished.

Outreach to veterans means different things to different people. There are as many definitions as there are advocates. In the world of homeless veterans, VA has done a good job of outreach to the chronically homeless through VA health care for homeless veterans outreach workers and their community partners in providing transitional housing.

That said, veterans in HUD or other mainstream programs frequently miss opportunities to connect to VA benefits and services because those programs do not identify veterans or opportunities available to them.

Similarly those veterans at risk for homelessness in the community are more likely to be noticed first by the community, churches, schools, and the criminal justice system, as opposed to the nearest VA medical center.

The Advisory Committee has recommended for some time that our partners at HUD and HHS identify veterans in their programs so that effective and timely access to VA services can be provided.

We have also discussed the need for VA to connect with community-based resources to develop true local access to VA services. Basic education on programs, eligibility, and points of contact for community organizations are necessary to make outreach a true community effort.

Over the past several years, the Advisory Committee has recommended to the Secretary while VA transitional housing was a good program, collective data indicated a significant number of veterans were cycling through the program a number of times. The result was HUD-VA Supportive Housing, HUD-VASH, providing Section 8 vouchers to those people on VA case management who are eligible.

The Advisory Committee will be reviewing the progress of the HUD-VASH Program and making recommendations on the need for additional vouchers in its 2010 report to the Secretary.

And as with any new program, there are issues in implementation. One difficulty with HUD-VASH is the absence of a reliable source of funds for things such as security deposits, utility deposits, and so forth for a population that typically lacks sufficient income for those charges. Because of this issue, mainstream programs that provide such assistance are reluctant to include veteran housing providers in these programs.

VA should also consider contracting with community-based agencies to provide case management where appropriate as a way to extend the reach of VA staff while providing necessary services. Current GPD providers are a logical choice for permanent as well as transitional services in many cases.

Congress and VA have done an admirable job in reducing the number of homeless veterans in the Nation. Nearly 15,000 GPD beds and 20,000 Section 8 vouchers are formidable tools to reduce the incidence of homelessness amongst veterans.

Much remains to be done, however, especially in the areas of prevention and permanent housing. The Advisory Committee believes the key to success in providing programs that are adequately resourced and sufficiently flexible to meet the very needs of this group of veterans.

Mr. Chairman, this concludes my testimony. I want to thank you for the opportunity and will be happy to answer any questions you may have.

[The prepared statement of Mr. Basher appears on p. 79.]

The CHAIRMAN. I just want to say thank you for your leadership. You do not get a lot of thanks for chairing an Advisory Committee—

Mr. BASHER. No, sir.

The CHAIRMAN [continuing]. Nor a lot of money, I wouldn't think.

Mr. BASHER. Yeah. It is one of those high paying Federal jobs, yes, sir.

The CHAIRMAN. I wish we had adopted all of your suggestions by now. We do appreciate all the work that you put in and we are going to be looking more meaningfully at the recommendations.

In fact, Mr. Dougherty can start off by saying why they have not accepted your recommendations on the Grant and Per Diem Program and its flexibility and size. I am sure there is a good reason.

We appreciate you being here. You are known around the Nation for your work and we do appreciate it.

STATEMENT OF PETER H. DOUGHERTY

Mr. DOUGHERTY. Thank you, Mr. Chairman and Members of the Committee. It is a very exciting time, as you have mentioned, for us who do this work.

Your hearing entitled, "A National Commitment to End Veterans' Homelessness" is, in fact, very timely. As you have indicated, Secretary Shinseki has announced that he wants us to eliminate homelessness among veterans within 5 years.

While the numbers are going down from an estimated 154,000 published last year to 131,000, we all know that much still remains to be done. With the help of this Congress, we have been making unprecedented strides to expand current and to create new service partnerships with others.

We will do this by actively reaching out to veterans who are homeless or at risk. We will spend about \$2.4 billion in health care services this year and another \$412 million on homeless-specific services at the Department of Veterans Affairs.

We are going to continue to do more to get veterans the benefits that they have earned because we know that income support will

get many of them out of homelessness faster and keep them out of homelessness.

We are continuing to expand, you referenced stand-down, we continue to participate in more and more stand-down activities. Last year in calendar year 2007, there were 157 events that we participated in with community programs.

Over 34,000 veterans and family members, over 30,000 veterans and over 3,500 children and spouses of veterans came to those. Mr. Chairman, I think it was also due to note that over 24,000 volunteers and VA employees participated in those outreach events.

We know the best strategy to end homelessness is to stop it at the beginning; homelessness prevention is really something that we are doing today in ways we never did before.

Over the past 4½ years, we have seen over a thousand veterans in homeless-specific programs who have served in Operation Enduring Freedom and Operation Iraqi Freedom. We have seen about 4,000, 3,800 all tolled, but we have seen about 1000 of them in homeless-specific programs.

We do know that by expanding a new effort with HUD that Congress has appropriated funds to HUD and to VA we are going to for the first time offer pilots to work with at-risk homeless veterans.

Now, Mr. Chairman, there is a lot of discussion about this, you know, those unknown, unseen. Let me suggest to you the analogy of one of the previous witnesses about a fire alarm system. No. What you want is a fire suppression system so when a small fire starts, you get to put it out now. And that is what we are trying to do.

There are numerous studies that have already been done about what high-risk factors are there, who is likely to be homeless if we do not do prevention. I think this is going to give us for the first time a real opportunity to do that. We expect to start that later this year.

The 20,000 units of HUD-VASH vouchers that are out there now are significantly aiding this. And we do expect that the next 10,000 units, the placement of them will be announced later this month.

One of the discussions earlier was about women veterans. We argued for a long time that we needed this kind of program. What we have found to date is about 12 percent of the units are being occupied by women veterans and 14 percent of the units are occupied by veterans with children. Those are traditionally populations that have been very tough for us to serve otherwise.

Our Transitional Housing Program, our Grant and Per Diem Program, we will have about 1000 new beds that we will announce sometime in the next few months. We will have over 15,000 beds across the country that will be there. We are continuing special needs assessment and we are doing more.

We have told the Congress that we do not think the Multi-Family Housing Loan Guarantee is an effective program and we are not going to continue it because it simply does not work. You asked us to try it many years ago. We have tried it repeatedly. We have not been able to do it.

I want to thank the Committee. You have reauthorized the opportunity for us to work with veterans coming out of institutional

settings. We think that is going to be a very effective not only for veterans who have been incarcerated but veterans who may come out of long-term psychiatric care.

We have authority and we are acting on the authority, even though we did not get an appropriation specifically to move forward with supportive services for low-income veterans, those at 50 percent or less of median income.

We think that that will help veterans who may be sliding toward homelessness. We also think those who are first coming out of homelessness will stay better and more healthy.

There was a lot of discussion today about what we do not know. And I certainly would fail to do my job today if I did not reference that the Secretary has agreed and we are now starting a homeless research center. We are going to do the things that look at what communities are doing and how they are doing things effectively. We at VA have been doing program monitoring and evaluation, but we are going to meld those two together to see what we can do as best practice and to see what we can do to do it even better.

Mr. Chairman, I appreciate the opportunity to be here today and certainly look forward to any questions you or the Committee may have. Thank you.

[The prepared statement of Mr. Dougherty appears on p. 81.]

The CHAIRMAN. Thank you, sir.

Mr. Smits, do you have a comment or are you just accompanying Mr. Dougherty?

Mr. SMITS. Mr. Chairman, I do not have a prepared statement. I am accompanying.

The CHAIRMAN. He needs all the accompaniment he can get. I need people too. I do not know why he has people.

Mr. McWilliam.

STATEMENT OF JOHN M. McWILLIAM

Mr. McWILLIAM. Chairman Filner, Mr. Roe, I am pleased to appear here today before you to discuss how the Department of Labor's Veterans' Employment and Training Service fulfills its mission of providing veterans and transitioning servicemembers with the resources and services to succeed in the 21st century workforce and particularly our work to help combat veteran homelessness.

We accomplish our mission through three distinct functions, employment and training programs, transition assistance services, and enforcement of programs. All these activities form an effective frontline in the prevention of veteran homelessness.

I would like to limit my remarks to one of those employment and training programs, the Homeless Veterans Reintegration Program.

This is the only Federal nationwide program focusing exclusively on employment of veterans who are homeless. HVRP provides employment and training services to help reintegrate homeless veterans into meaningful employment and address the complex problems they face.

Grants are awarded competitively to State and local workforce investment boards, State agencies and public agencies, private nonprofit organizations, and neighborhood partnerships. Grantees provide an array of services utilizing a case management approach

that directly assists homeless veterans and provides training services to help them to successfully transition into the labor force.

Homeless veterans receive occupational, classroom, and on-the-job training as well as job research, job search and placement assistance, including follow-up services.

Grantees network with Federal, State, and local resources for veterans' support programs to include the Departments of Veterans Affairs and Housing and Urban Development, the Social Security Administration, State workforce agencies, and local one-stop career centers.

VETS has requested in the President's 2010 budget submission a total of \$35.3 million for the HVRP Program, an increase of \$9 million or 34 percent. We plan to serve 21,000 homeless veterans with that money in 2010.

Last year, VETS awarded a total of 91 grants, including 16 newly competed grants and 2nd-year and 3rd-year funding for an additional 75 grants.

The HVRP also supports stand-down activities. Approximately 40 current grantees participate each year. In addition, last year, we funded an additional 46 stand-down events across the United States.

Mr. Chairman, that concludes my statement. I would be pleased to respond to any questions.

[The prepared statement of Mr. McWilliam appears on p. 85.]

The CHAIRMAN. We thank all of you.

When you throw out a figure that shows we are putting this much money in, it sounds like we are doing a lot. I hope you can tell us what you need, not just what you have. I hope the Secretary will have a plan and a budget for that 5-year goal.

By the way, \$412 million, which you mentioned—

Mr. DOUGHERTY. Yes.

The CHAIRMAN [continuing]. That is half of 1 percent of the total budget of the VA? To me, that is not a commitment. I know \$412 million sounds like a lot of money—and it is but, a half of 1 percent of the total budget is not really the kind of commitment I think we need to fulfill the Secretary's goal.

You also mentioned \$35 million. When I started on this Committee, it was like about \$5 million. It was ridiculous.

What is the Department of Labor's budget roughly?

Mr. MCWILLIAM. I cannot answer that, Mr. Chairman.

The CHAIRMAN. I will bet this is even less than one half of one percent. You have to deal with what you have, but you need to tell us that you want more. You have to be more aggressive.

Again, I hope there is going to be a budget for that plan at some point.

Mr. DOUGHERTY. Mr. Chairman, the Secretary is, as I have indicated and as you know, is pushing us to come up with a very robust plan to address this issue. And if we are going to address this issue, it will, in fact, I am assuming, will include resources, new resources, or certainly a reallocation of existing resources.

The CHAIRMAN. Thank you.

Mr. Roe, do you have questions?

Mr. ROE. Just very quickly.

First of all, I totally agree that we need to sign up all veterans, I mean, soldiers when they Expiration of Term of Service (ETS) in the military. I do not think that a bullet knows what your income level is when it goes by you. I have an objection to that.

I am one of those veterans that cannot qualify. And I would be more than happy to get in the back of the line because I can afford my insurance. But I still ought to be able to go to the VA if I want to.

I think a couple of things that I heard the Chairman say that make a lot of sense to me. We have 133,000 or so homeless veterans. And in 5 years, General Shinseki has wanted to reduce that to, obviously it will not get to zero, but to a very manageable number.

A year from now, are we going to have 26,000 less or do we have a plan out there? We have a problem. Now, do we have a plan? And obviously homelessness, you can cure that with some job skills and a job. I mean, that is how you cure homelessness.

Mr. DOUGHERTY. Yes, sir. Joblessness is one of the issues, but you do not just cure it with a job because if I have mental illness and substance abuse, getting me a job is not going to solve the problem. I am going to lose my job and become homeless again.

You have to deal with it in a complex system so that getting a job is, in fact, what the final result. But for many veterans, about 80 percent of the veterans that we see have substance abuse and mental illness problems. If we do not address that problem first, getting them a job is not going to solve the problem.

Mr. ROE. I do not disagree with that. But back to my first question. Is there a plan? The Chairman asked this. And is there a plan so that 5 years from now when we are sitting up here, we are still going to be looking at 100,000 veterans?

Mr. DOUGHERTY. Well, yes, sir. That is what I was talking about in my statement and made in my oral statement was that we now have 20,000 units of permanent housing with case management services from VA. So HUD will provide housing. We will provide case management and direct services to those veterans.

We now have supportive services, so many of those low-income veterans who are at risk of homelessness will get support services from community providers so that hopefully they will never become homeless in the first place.

Mr. ROE. I mean, 20,000 is not 133,000. Is that 20,000 a year or are we going to have 40,000 next year and 60,000 and so on? Is that the plan?

Mr. DOUGHERTY. Twenty thousand is what Congress has approved for us to get up to now. There is an appropriation that as I understand it has 80,000 units of undesignated Section 8 that is available, but the way that we got this to this point is Congress put a mark that said that we got 10,000 the year before last, 10,000 this year in HUD's budget.

The CHAIRMAN. We are asking what you need to meet the goal and are we providing enough? You need to tell us that.

Mr. DOUGHERTY. Well, certainly we do know that we would need more than 20,000 units of HUD-VASH housing. We know that we need and we are looking at doing something, I think, equivalent to

sort of the rapid rehousing. That is conceptually where we are working on it with Secretary Shinseki's plan.

Rapid rehousing means that if I do not have a place to stay now, I am going into homelessness, I am going to lose my housing, we will get you into housing and get you support services that you need to have.

The CHAIRMAN. What did you think about the rental insurance idea?

Mr. DOUGHERTY. Well, I do not know that rental insurance itself is the answer because, the way it is described is I am the landlord, this is a veteran, I am calling you up and saying he is not paying his rent, give me the money for rent. That is keeping him in housing, but there may be issues that the veteran may have.

I think rapid rehousing, that idea, which Congress has approved, does much of that, but it also makes sure that I, as the individual veteran, is being addressed.

The CHAIRMAN. Okay, but I think Dr. O'Flaherty had a more comprehensive solution.

If you will just at sometime give us an answer, Dr. O'Flaherty, to what he said. I am sure there is a more comprehensive—if you want to just briefly answer it now. I am sure you were thinking of something that could not be handled so quickly and then dismissed.

Mr. O'FLAHERTY. No. I would agree that in many cases, there will be more serious problems. And one advantage of rental housing is that when the landlord asks for the money from the VA, you find out about it. And this automatically kicks in the process of all the other supports that you have in place and all the other agencies so that you do not have to wait for a veteran to show up at your doorstep. Six months before, you are hearing about this problem developing.

And so it is an information system for the VA that VA does not have now.

The CHAIRMAN. We do not have to debate this now, but I think it is a good idea that we should explore. I think there are some bold ideas, as Dr. O'Flaherty said, that we should be looking at.

We have to get to a vote, unfortunately. I wish we could spend more time, but we are going to adjourn the hearing. We appreciate everyone's attendance, the commitment of everyone both in the community, the researchers, and those who are working in our agencies. We thank you for your commitment and we are going to do more. Between the Secretary and our Committee, we are going to get this job done.

Thank you so much.

[Whereupon, at 12:54 p.m., the Committee was adjourned.]

A P P E N D I X

Prepared Statement of Hon. Bob Filner, Chairman, Committee on Veterans' Affairs

I would like to thank the Members of the Committee, our witnesses, and all those in the audience for being here today. This hearing focuses on homeless veterans, an important issue which is a priority both for this Committee and for the new Administration.

Certainly, this is an issue which reflects the current times as our country struggles with the downturn in the economy and it is more important than ever that we, as a country, make a national commitment to end veterans' homelessness.

The VA reports that over the past 3 years, the number of veterans who are homeless on any given night has decreased from 195,000 in 2005 to an estimated 131,000 in 2008. I will be honest and tell you that I am quite skeptical of these numbers.

I hope the panel that is here today from the VA will elaborate on the process used to come to these figures, as well as discuss future plans to further pursue a more accurate picture of this population—hopefully as a way to track success.

We must also remain cognizant of the fact that there are also an unknown number of veterans who are considered near homeless or at risk for homelessness because of poverty and lack of support from family and friends.

An increasing number of veterans of Operations in Afghanistan and Iraq are falling into this category and we must be vigilant in providing support to this population.

Despite this recent reported decrease in homeless veterans, both male and female veterans continue to be overrepresented in the general homeless population.

For example, male veterans are 1.4 times as likely to be homeless as their non-veteran counterparts while female veterans are between two and four times as likely to be homeless as their female non-veteran counterparts.

Studies have also shown an indirect connection between combat exposure and homelessness. For example, combat exposure contributes to psychiatric disorders and substance abuse disorders which are directly linked to homelessness.

In the most recent health care utilization report for Operation Enduring Freedom and Operation Iraqi Freedom, of the veterans who have accessed VA health care, 46 percent have received a diagnosis categorized as a mental disorder with post-traumatic stress disorder being the most common.

These statistics are very concerning considering the reported steady increase of the number of returning veterans from OEF/OIF who are turning to shelters for their housing. As a Nation, we cannot afford to repeat the mistakes made when servicemembers returned from Vietnam. As a Nation, we cannot afford to lose another generation of veterans to the streets of our cities.

To address this problem, the VA has a number of programs in place to help homeless veterans, including collaborations with the Department of Housing and Urban Development and the Department of Labor. There is an urgent need for improved collaboration between these agencies in order to keep the promises we have made to our veterans.

Furthermore, there are concerns with the way the VA currently operates its Grant and Per Diem program, which helps public and nonprofit organizations establish and operate supportive transitional housing and service centers. Today the VA partners with more than 500 community organizations and has authorized 15,000 beds through the GPD program.

The per diem amount is critically low and uses an antiquated payment calculation mechanism which does not account for geographic differences or changes in service costs. These concerns must be addressed.

In addition, a recent oversight hearing held by the Subcommittee on Health revealed room for improvement in the area of outreach. This raises questions about the VA's targeted outreach efforts to homeless veterans, including media outreach.

Additionally, most of the VA's existing programs are targeted to veterans who are currently homeless, as these services aim to help prevent repeat episodes of home-

lessness by providing employment opportunities and housing assistance. However, a more comprehensive strategy to combat homelessness would help prevent veterans from becoming homeless in the first place.

While the President's 2010 Budget requests \$26 million to support a pilot program for the VA to partner with non-profits and consumer co-ops to provide supportive services designed to prevent homelessness, I am interested in learning more about the VA's thoughts and plans on homeless prevention to include early intervention.

We have an opportunity to learn from our past history and keep the promises we have made to our servicemembers and heroes. I look forward to addressing these issues and also look forward to hearing from today's witnesses as we join together in making a commitment to end veterans' homelessness.

Prepared Statement of Hon. John J. Hall

Thank you for yielding Mr. Chairman, and more importantly thank you for holding this critical hearing. It shows a deep commitment to our Nation's veterans and for their continued respect and well-being.

Today, in our time, we have the chance to truly make a difference. We have the opportunity to rid our Nation of one of its greatest tragedies—the scandalous amount of homeless veterans.

It is estimated that one out of every three homeless adults is a veteran. This bears repeating: one third of the adult homeless population has served in the Armed Forces. On any given night approximately 131,000 veterans find themselves on the streets and the alleyways of this great country. Over the course of a year, nearly twice that many experience homelessness for a short period of time, and an even greater number lie on the cusp of complete homelessness and poverty. I can think of no greater call to action than these irrefutable, shameful facts.

Men and women who have worn the uniforms of our Nation's armed forces, men and women who have sacrificed to preserve the quality of life the rest of us enjoy; men and women who, for various reasons, have fallen through our safety nets. As long as these men and women can be found without shelter, without jobs, and without hope on our Nation's streets, we have work to do.

Today, we have a clear window of opportunity to build a better delivery system that will provide 21st century services to 21st century veterans. This is why I am proud to be on this Committee and part of this Congress which not only holds hearings such as this one, but has gone to great lengths to provide increased funding and outreach to our Nation's veterans so that less fall through the cracks, and gives a hand up to those who already have. We have increased outreach programs, funded reintegration projects, modernized medical care, and constantly strive to do more.

Personally, because about 45 percent of homeless veterans have mental illness, I have introduced legislation to alleviate the onerous burdens currently placed on veterans trying to gain well deserved disability benefits, particularly for PTSD. My Subcommittee will be marking this legislation, H.R. 952 the COMBAT Act, later on this afternoon, and will be pushing hard for its passage before this Congress adjourns.

However, there is still a great deal of work left to be done, and the bar must be set higher. To quote Secretary Shinseki in a recent meeting with me and other Members of this Committee, he said that "eliminating all homelessness among veterans may be impossible. However if we shoot for only 1,000 homeless veterans, that will be 1,000 too many. We must aim for zero, and perhaps someday with enough hard work—we can get there."

I wholeheartedly agree with this sentiment. As long as these capable women and men go to sleep hungry, cannot provide for their families, and suffer from the physical and mental torments made even worse by their aimless wanderings, there is unfinished business that must be done.

I look forward to the discussion of this hearing and all potential solutions to one of the greatest problems facing our country today.

Prepared Statement of Hon. John Boozman

Good morning.

That any American is homeless is a tragedy, but that any veteran is homeless is doubly so and unacceptable.

Mr. Chairman, that is why I am especially proud that the Subcommittee on Economic Opportunity, chaired by the distinguished Member from South Dakota,

Ms. Herseth Sandlin, chose early in this session to pass H.R. 1171, a bill I introduced to extend the operation of the Homeless Veteran Reintegration Program for another 5 years. I am also pleased that the Full Committee saw the wisdom to report the bill to the floor and included an amendment by Ranking Member Buyer that would establish a new program targeting programs that served homeless women veterans and veterans with children.

VA now estimates about 130,000 veterans are homeless on any night. That is a reduction from an estimated 250,000 just a few years ago so we must be doing something right. Can we do more, absolutely, but with significant resources being allocated to serving homeless veterans by VA, the Department of Labor, and HUD, the basic programs are in place and, in my estimation, the right way to continue reducing homelessness among veterans.

Mr. Chairman, the Federal Government has to play a central role as a national coordinator and resource center for programs serving homeless veterans. In that role, Federal agencies must continue to foster and rely on the many local service providers, who in many areas, are the sole source of help for homeless veterans. The agencies have programs and staffs in place, and with some tweaking, such as some of the improvements suggested by today's witnesses, the Federal Government and local providers can do even more.

Prepared Statement of Hon. Doug Lamborn

Thank you Mr. Chairman.

Each night approximately 131,000 veterans, the men and women who have served our country are among the Nation's homeless. While this number is alarming, we have seen a steady decrease in this number over the past few years, including a decrease of 15 percent from the 2007 estimate and 33 percent lower than 2006. This reduction is encouraging, but we must take time to examine how to reduce this number even more and consider how to improve the effectiveness of the billions of dollars spent by our government every year to funds programs to end homelessness for veterans.

Future funding for homeless veteran programs must continue to focus on providers that offer provide job skill training and transitional services and new programs that focus on the needs of rural veterans.

That is why I was proud to support H.R. 1171, as amended the Homeless Veteran Reintegration Program Re-authorization Act of 2009, which was sponsored by Dr. Boozman and passed the house earlier this year. H.R. 1171, as amended, re-authorized the successful Homeless Veteran Reintegration Program that provides grant money to local homeless veteran providers who offer job skill training. I was also happy that the Committee accepted the amendment offered by Ranking Member Buyer to create a new HVRP grants for providers offering services to homeless veterans with children and to homeless women veterans.

Many of today's witnesses discuss the needs of this emerging homeless population and I look forward to hearing more about what we might be able to do to help them and other homeless veterans.

Thank you and I yield back the balance of my time.

Prepared Statement of John Driscoll, Vice President for Operations and Programs, National Coalition for Homeless Veterans

Chairman Filner, Ranking Member Buyer, and Distinguished Members of the Committee:

The National Coalition for Homeless Veterans (NCHV) is honored to participate in this hearing to herald and to serve the legacy of this Committee and our partners in the campaign to end and prevent homelessness among our Nation's veterans.

For two decades, largely due to the leadership in this chamber, the partnership we represent has built a community of service providers that has turned the tide in this historic campaign. Where once we considered the magnitude of our mission with caution and hope, we now celebrate phenomenal success in reducing the number of homeless veterans on the streets of America by more than half in just the last 7 years, according to the most recent estimates by the Department of Veterans Affairs (VA).

VA officials have repeatedly testified before Congress that the Department's partnership with community- and faith-based service providers and other Federal agen-

cies with veteran-focused programs is the foundation of this success. NCHV believes it is also incontrovertible evidence that this battle can be won.

The campaign to end veteran homelessness is now handed to the 111th Congress with the Nation ready to respond to your leadership as never before in its history. And once again NCHV pledges its resources, experience and vision to support your efforts in this noble cause.

VA Grant and Per Diem Program (GPD)

GPD is the foundation of the VA and community partnership, and currently funds approximately 14,000 service beds in non-VA facilities in every state. Under this program veterans receive a multitude of services that include housing, access to health care and dental services, substance abuse and mental health supports, personal and family counseling, education and employment assistance, and access to legal aid.

The purpose of the program is to provide the supportive services necessary to help homeless veterans achieve self sufficiency to the highest degree possible. Clients are eligible for this assistance for up to 2 years. Most veterans are able to move out of the program before the 2-year threshold; some will need supportive housing long after they complete the eligibility period.

The program provides funds for nearly 500 community-based assistance programs across the Nation, and to its credit the VA has increased its investment in this program more than fivefold in the last decade. That funding increase is directly responsible for the proven success of the program in reducing the incidence of homelessness among veterans.

Since its inception, the GPD program has served as a clinical intervention to help veterans overcome mental health and substance abuse barriers to successful reintegration into society as productive citizens. As it has evolved, it has increasingly been taxed to provide funding for under-served populations—women veterans, incarcerated veterans, and the frail elderly. The need to add service beds despite considerable VA budget pressures has further impacted grantees' ability to provide outreach services, an integral part of the program.

In September 2007, despite the commendable growth and success of this program, the GAO reported that the VA needed an additional 11,100 beds to adequately address the need for assistance by the homeless veteran population based on 2006 estimates. The VA has come close to half of that target in the last three funding cycles.

- Recommendations:

1. **Increase the annual authorization and appropriation for the GPD program to \$200 million, and establish this as a funding minimum, not a ceiling**—(H.R. 2504, Rep. Harry Teague, D-NM)—The projected \$144 million in the president's FY 2010 budget request will allow for expansion of the GPD program, but not to the extent called for in the September 2007 GAO report. While some VA officials are concerned about the administrative capacity to handle such a large infusion of funds into the program, we believe the documented need to do so and the VA's emerging emphasis on prevention justifies this as a baseline funding level. As the VA moves to institutionalize its homelessness intervention and prevention strategies, the agency needs access to discretionary funds beyond the current constraints of the GPD program.

Additional funding would not only increase the number of beds, it would enhance the level of other services that have been limited due to budget constraints. GPD funding for homeless veteran service centers—which has not been available in recent grant competitions—could be increased.

These drop-in centers provide food, hygienic necessities, informal social supports and access to counselors that would otherwise be unavailable to men and women who are unable to enter a residential program. Funding for mobile units to provide services to at-risk veterans in rural areas could be increased. For veterans of Operation Enduring Freedom and Iraqi Freedom (OEF/OIF) in particular, this outreach is vital in preventing future veteran homelessness.

Additional funding could also be used to increase the number of special needs grants awarded under the GPD program. The program awards these grants to reflect the changing demographics of the homeless veteran population, and are specifically targeted to women veterans, including those with dependent children; the frail elderly; veterans who are terminally ill; and veterans with chronic mental illness. These grants provide transitional housing and supports for veteran clients as organizations work to find longer term supportive housing options in their communities.

2. **Change the mechanism for determining "per diem" allowances**—Under the GPD program, service providers are reimbursed for the expenses they

incur for serving homeless veterans on a formula based on the rate of reimbursement provided to state veterans homes, and those rates are then reduced based on the amount of funding received from other Federal sources. The current ceiling is about \$33.00 per veteran per day.

This policy is outdated for two reasons. The first is the difference in the cost of custodial care and the cost of comprehensive services that help individuals rebuild their lives. Whether provided on site or through contracts with partner agencies, the latter requires the intervention of highly trained professionals and intense case management. Revisions in the reimbursement formula should reflect the actual cost of services—based on each grantee’s demonstrated capacity to provide those that are deemed critical to the success of the GPD program and veteran clients—rather than a flat rate based on custodial care.

The second reason is that discounting the amount of an organization’s “per diem” rate due to funding from other Federal agencies contradicts the fundamental intent of the program. In order to successfully compete for GPD funding, applicants must demonstrate they can provide a wide range of supportive services in addition to the transitional housing they offer. They should not be penalized for obtaining funds to enhance the services they are able to provide, regardless of the source of that funding.

Homeless Veterans Reintegration Program

HVRP is a grant program that awards funding to government agencies, private service agencies and community-based nonprofits that provide employment preparation and placement assistance to homeless veterans. It is the only Federal employment assistance program targeted to this special needs population. The grants are competitive, which means applicants must qualify for funding based on their proven record of success at helping clients with significant barriers to employment to enter the workforce and to remain employed. It is one of the most successful programs administered by the Department of Labor.

HVRP is so successful because it doesn’t just fund employment services, it guarantees job placement and retention. Administered by the Veterans Employment and Training Service (VETS), the program is responsible for placing a range of 12,000 to 14,000 veterans with considerable challenges into gainful employment each year at an average cost under \$2,000 per client.

- Recommendation:

1. **Prevail upon appropriators—to the extent possible—to fully fund HVRP at its authorized level.** The HVRP program has been authorized at a \$50 million funding level since 2005, yet the FY 2009 appropriation was only \$26.3 million. The current funding level does not allow for growth of the program to meet the demand for assistance. Fewer than one-fourth of the organizations receiving GPD funding from the VA can receive HVRP funding at the FY 2009 spending level.

The proven success and efficiency of the program warrants this consideration, and DOL-VETS has the administrative capacity, will and desire to expand the program.

Prevention

In October 2006, NCHV participated as a subject matter expert on veteran homelessness at the “Symposium on the Needs of Young Veterans” in Chicago, sponsored by AMVETS. Service providers identified their greatest obstacles to providing support to OEF/OIF veterans and made recommendations on how to address those issues. It was my privilege to prepare the report on homelessness out of the Symposium.

The recommendations in that report were reviewed by the Nation’s veteran assistance providers at the 2009 NCHV Annual Conference in Washington, D.C., May 22, and virtually all of them were endorsed as essential components of a comprehensive prevention strategy. The Veteran Homelessness Prevention Platform can be viewed on the NCHV Web site at www.nchv.org.

Both the primary causes of veteran homelessness and vital prevention initiatives can be grouped into three focus areas—health issues, economic issues, and a shortage of low-income and supportive housing stock in most American communities. The prevention recommendations requiring Congressional action are presented here in what NCHV believes is the order of most urgent need:

- **Increase Access to Housing**

According to the 2007 VA Community Homelessness Assessment and Local Education Networking Groups (CHALENG) Report, one of the highest-rated unmet needs among veterans in every region of the country is access to safe, af-

fordable housing. This has been identified as a chronic community problem by many research and public interest groups, as well as government agencies and service providers.

According to an analysis of 2000 Census data performed by Rep. Robert Andrews (D-NJ) in 2005, about 1½ million veterans—nearly 6.3 percent of the Nation’s veteran population—have incomes that fall below the Federal poverty level, including 634,000 with incomes below 50 percent of the poverty threshold.

1. Continue to increase the HUD-VA Supportive Housing Program (HUD-VASH) with another 20,000 Section 8 vouchers beyond the 20,000 funded since Fiscal Year 2008. The National Alliance to End Homelessness (NAEH) released an analysis of available data in 2008 that showed up to 65,000 veterans could be classified as “chronically homeless.” Those are veterans with serious mental illness, chronic substance abuse issues and other disabilities; and they will need supportive housing over a long period, many for the rest of their lives. At a 40,000 voucher level, only two-thirds of this special population would be served.

2. Pass the Homes For Heroes Act—(H.R. 403, Rep. Al Green, D-TX)—Originally introduced in the 110th Congress and passed without opposition, this measure would make available to low- and extremely low-income veterans and their families 20,000 Section 8 housing choice vouchers; provide \$200 million for the development of supportive housing units; fund grants to organizations providing services to low-income veterans in permanent housing; and create the position of Veterans Liaison within the Department of Housing and Urban Development to ensure the needs of low-income and homeless veterans are considered in all HUD programs. The measure is expected to be introduced in the Senate by Sen. Charles Schumer (D-NY).

3. Develop affordable housing programs for low-income veterans—Every community in the Nation should incorporate into its 10-year plan a strategy to develop affordable housing stock to prevent homelessness among its low-income and extremely low-income individuals and families, with a set-aside for veterans in proportion to their representation in the homeless and low-income population estimates. Federal, state and local governments should develop incentives to drive this essential component of a national veteran homelessness prevention strategy.

• **Increase Access to Health Services**

Mental Health—The VA reports that nearly 30 percent of the veterans of Iraq and Afghanistan who have sought VA medical care since separating from the military have exhibited potential symptoms of mental and emotional stress. Close to ½ of those have a possible diagnosis of Post-traumatic stress disorder (PTSD). Of equal concern was the GAO report that a large percentage of Iraq War veterans whose Post-Deployment Survey responses indicated they were at risk of developing PTSD were not referred to Department of Defense or VA facilities for mental health screening and counseling (GAO Report, May 16, 2006).

Primary and Long-term Rehabilitative Care—While the VA has greatly increased the capacity and services of its nationwide health care system, many communities are under-served by VA programs. Many low-income veterans cannot afford health insurance, and many small and independent businesses do not offer health insurance coverage. These veteran families are one major medical problem removed from severe economic hardship that may, and often does, result in an increased risk of homelessness.

1. There should be a national “open door” policy that ensures access to mental and primary health services to OEF/OIF veterans after discharge in (1) areas that are under-served by VA facilities, (2) for immediate family Members, and (3) for long-term rehabilitative care. Fee-for-service policies—contracts with approved community and private health care providers in under-served areas or those with insufficient VA capacity to meet demand—must not place additional burdens on veterans and their families.

2. All VA and approved veteran health service providers should have access to emergency mental health services on a 24/7 basis, whether on site or through approved community mental health programs. This critical support must be real-time, face-to-face.

3. National Veteran Health Insurance Program—Create a program based on a premium sliding scale to make health insurance available and affordable to all veterans and their families regardless of income status.

4. Congress should ensure funding for the development and operation of the VA “Resource Call Center” so that veterans—and their family Members—who need assistance receive accurate, helpful information and referrals to VA and community resources in their area on a 24/7 basis.

5. Require the VA and Department of Defense to produce public service announcements (PSA) informing veterans where they can find assistance, coined as a benefit earned through their military service to reduce the stigma associated with seeking help. Many veterans have no idea what benefits or assistance they are eligible for after their discharge.

• **Increase Access to Income Supports**

For most Americans, economic hardships usually involve employment issues and mounting debt. The current housing crisis and economic downturn conspire most aggressively against younger veterans in terms of both housing cost burden and employment security. Though many military occupations prepare veterans for the workforce, many combat arms specialties do not, and this affects younger OEF/OIF veterans more than other age cohorts.

OEF/OIF veterans are entitled to return to their pre-deployment jobs and pay scale under USERRA protection after their discharge, but increasingly many jobs are disappearing because of layoffs and business failures. Veterans who cannot find other employment quickly are in imminent danger of becoming dependent on shared living arrangements or becoming homeless. This issue is now presenting itself on equal footing as the health concerns usually associated with increased risks of veteran homelessness.

1. Increase funding for and enforcement of Jobs for Veterans Act initiatives—The Jobs for Veterans Act enables the Department of Labor to provide homeless veterans and those at risk of homelessness with employment preparation assistance and job placement services. There are nearly 2,000 employment specialists working with veterans through the Veterans Employment and Training Service (DOL-VETS), and the law prescribes veteran preferences for Federal contractors and agencies.

Additional funding would increase the number of DOL-VETS employment specialists in the field, create more job opportunities for veterans returning from Iraq and Afghanistan, and enhance the program's oversight and enforcement capabilities with respect to veteran preferences.

2. Pass emergency legislation to provide unemployment compensation to OEF/OIF veterans who are not protected by USERRA (due to business failures and layoffs) at a percentage of their base military pay for a period of up to 12 months, rather than current prevailing local rates. Employment protection is one of the guarantees that men and women consider when volunteering to serve in this Nation's military—they should not be penalized for making that sacrifice.

3. Develop a Federal certification project for certain trades and occupations that are readily accepted in all the states, and DoD and VA should share the cost of certification for OEF/OIF veterans within those disciplines for up to 1 year after their discharge. At a time of war, when nearly half of the combat forces are Members of state militias, this is a moral obligation shared equally by Federal and state governments.

In Summation

Clearly, the homeless veteran assistance programs in place today have proven to be effective, efficient interventions that can help a majority of veterans overcome the difficulties that caused their homelessness. The VA and Department of Labor deserve great credit for the development of a national partnership of government and community-based service providers. This Committee deserves high praise for the leadership that made our success possible.

The infrastructure needed to prevent future veteran homelessness is already in place. The same partnership that has turned the tide in the campaign to end veteran homelessness has the knowledge and experience to help veterans before they lose control of their lives, their families and their homes. Continued investment in that infrastructure is the key to continued progress.

NCHV wants to take this opportunity to remind the Nation that we were citizens first, *before* we were veterans. Every government agency, every community, our churches and businesses, our local veteran organization posts and civic groups have the means to make a difference in the lives of our former guardians in crisis. The VA cannot—and should not be expected to—bear the burden of veteran homelessness prevention alone. This campaign will be won in our communities, one veteran at a time.

We owe this Committee a great debt of gratitude for bringing us to this hour and place, where we can focus on prevention far wiser than we were when the campaign to end veteran homelessness began.

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**Prepared Statement of Dwight A. Radcliff, Sr., President and Chief
Executive Officer, United States Veterans Initiative, U.S. VETS**

Organizational History

United States Veterans Initiative (U.S. VETS) is a 501(c)(3) nonprofit corporation established specifically to address the unmet needs of homeless veterans and their families.

Since inception in 1992, U.S. VETS has become a recognized leader in the field of service delivery to homeless veterans and the largest operator of homeless veteran programs in the country.

Since 1993, U.S. VETS has expanded and currently operates:

- **U.S. VETS—Inglewood**, the inaugural site currently housing 485 veterans
- **U.S. VETS—Long Beach**, the largest housing facility for homeless veterans in the country, presently housing 525 veterans
- **U.S. VETS—Las Vegas**, currently housing 261 veterans
- **U.S. VETS—Texas**, housing 100 veterans and a drop-in Service Center at one site and 282 veterans at the Mid-Town site
- **U.S. VETS—Arizona**, housing 82 veterans in Phoenix, AZ, and 62 veterans in Prescott, AZ
- **U.S. VETS—Hawaii**, housing 210 veterans and operates a 300 bed State of Hawaii facility for families in Honolulu, HI
- **U.S. VETS—Washington, DC**, 3 locations within the District, housing 40 veterans
- **U.S. VETS—Riverside**, housing 112 veterans

Last night, more than 2,200 formerly homeless veterans slept at the eleven sites where U.S. VETS operates.

U.S. VETS programs have served more than 18,000 homeless veterans with more than sixty-five percent making successful transitions into permanent housing in the community while achieving self-sufficiency.

These veterans are receiving a wide array of comprehensive services according to their needs. We are assisting them to regain the skill that lead to self-sufficiency, which provides them with the sense of pride that accompanies a productive life. The services that we provide include; Outreach, Transportation, Secure and Sober Housing, Food, Nutritional Advice, Counseling, Mental Health Treatment, Alcohol and other Substance Abuse Services, Case Management Services, Permanent Housing Placement and Assistance Services, Education, Job Training, Veterans Benefits, Financial and Budget Management, Income Support, Legal Assistance and Independent Living Skills. All of our programs are collaborative efforts with local area providers, VA Medical Centers, and Local government Agencies, bringing the community as a whole into the solution for homeless veterans.

Operational Experience

Since the initial opening of our V.A. Grant and Per Diem Program in June, 1997 at the Inglewood, California Site, U.S. VETS has expanded and currently operates 727 Grant and Per Diem Transitional Housing beds in five States, making it the largest single recipient of Grant and Per Diem funding. Our experience and reach over such a large geographic area provides us with a broad view of current and varying needs of the veterans we serve and has offered an indication of emerging needs for new veterans presently exiting military service. Our program development and design has always been based on feedback from the veterans we are serving, blended with empirical and evidence based practices. This approach to program design has led to the successful outcomes demonstrated in our comprehensive services.

Our highly successful programs include:

Veterans in Progress (VIP); employment re-entry programs in 7 locations that consistently average an 80 percent employment rate for participants and assist more than 1,100 veterans secure full time employment each year. U.S. VETS has received national recognition and numerous employment awards for their efforts on behalf of homeless and unemployed veterans.

Non-Custodial Father's Program; this unique program concentrates on reuniting veterans with their children.

Advance Women's Program; which includes a module serving female veterans suffering from Post-traumatic stress disorder (PTSD) and/or sexual trauma.

High Barriers Program; designed to address additional barriers that veterans often face (such as age discrimination, incarceration, felony histories) in getting back to work.

Social Independent Living Skills; designed to assist senior veterans in their life transitions and end of life transitions.

Critical Time Intervention (CTI); a special needs program focusing on chronic mental health needs for veterans.

Service Center; a drop-in resource center for homeless veterans seeking information, computer classes and employment leads.

Current Predicament

The Department of Veterans Affairs offers a wide array of programs and initiatives specifically designed to help homeless veterans. The VA is the only Federal Agency that provides substantial hands-on assistance directly to homeless persons. VA's specialized Homeless Veterans Treatment Programs have grown and developed since first authorized in 1987.

Specifically, the Grant and Per Diem Program utilizes, what we view, as the most effective model in that it supports collaboration with community based organizations. Community Based Organizations (CBO), represent the most efficient means of service provision in that they are able to do "more with less".

- **Cost Reimbursement**—Current Grant and Per Diem regulations allow for payments of up to \$34.40 per day based upon cost reimbursement, requiring the CBOs to have the initial funding for operational start-up. The \$34.40 per diem, paid approximately 60–75 days later, is rarely enough to house, feed and case manage veterans enrolled in the program. Additionally, the cost reimbursement model necessitates additional administrative burdens leading to costs of up to fifteen percent to be subtracted from the daily per diem and therefore subtracted from services to the veteran. Programs are left with \$29.24 per day to provide services.
- **Per Diem Rate**—The maximum reimbursement rate of \$34.40 per day is hardly enough to provide a high level of comprehensive services. Typically, salaries, housing, and food cost consume most of the operational revenues. This compels the CBO to focus on acquiring other resources to collectively patchwork programs together with additional funding oftentimes resulting in the pursuit of streams of funding not specifically targeted toward the mission of "service to veterans".
- **Eligible Expenses Exceeding Cost Reimbursement**—Grant and Per Diem funding is distributed over a 12-month period, with a reconciliation of funding at the close of the grantee's fiscal year. Necessary costs of operating a successful per diem program oftentimes exceed the current per diem rate of \$34.40. Each year, per diem grantees reconcile grant funds and reimburse the VA if the costs of operating the program were less than the grant award. However, if expenses for eligible activities exceed the per diem reimbursement, the grantee operates the program at a deficit. Programs typically have to cut back services to veterans to mitigate the deficit.
- **Disaster Relief Reserves**—In the event of a natural disaster, Grant and Per Diem grantee programs continue to provide services to veterans. Sometimes, these services include the relocation of veterans from per diem housing to temporary housing or transitioning the veterans to other per diem programs. U.S. VETS operates per diem programs in Houston, Hawaii, and California, states with high probability of natural disasters, and has been impacted in the last 4 years by Hurricanes Katrina, Rita, and Ike. Program food reserves were available; however, the hurricane conditions forced us to execute our Disaster Plan and prepare to transition veterans to other locations for their safety. Fortunately, the veterans were able to stay in their per diem residences, but if the transition were necessary, U.S. VETS would have incurred expenses to operate the transition that would have far exceeded the per diem cost reimbursement model for the rate amount and for the delay in per diem reimbursement.
- **Disallowing of Match**—Typically, three major Federal sources of funding are utilized for these Programs. Department of Labor VETS (DOL), Department of Housing and Urban Development (HUD), VA Grant and Per Diem are pursued in order to put together the much needed funding and resources to operate successful programs. HUD Supported Housing Program funding requires matching funds for services for which VA funding is not eligible.

Solutions

U.S.VETS views this testimony as an opportunity to provide input from the field that could help solve many of the dilemmas that face community based organizations. Organizations like U.S.VETS struggle financially on a daily basis to provide the high level of services our veterans deserve. The following recommendations are suggested as measures the government could take to bring more assistance to veterans who have fallen into homelessness:

- Increase and appropriate the Grant and Per Diem rate to up to \$65 per day, utilizing the current per-diem rates under Federal guidelines, which provide consideration to geographic location.
- Require VA to utilize a “Fees for Services” model.
- Allow the VA to reimburse per diem grantees at the close of the fiscal year if a grantee program exceeds the standard per diem rate by utilizing the funding for eligible and necessary services to veterans.
- Allow VA Grant and Per Diem grantees to maintain a Disaster Relief Reserve in the event of a natural disaster. Either the Disaster Relief Reserve can be an additional non-competitive grant for per diem programs, or the VA can allow programs to maintain part of the per diem funds continuously and not be required to reconcile that fund relief during the fiscal year reconciliation process.
- Allow the VA to be utilized as eligible match with other homeless Federal sources of funding.
- Approve and appropriate the “Homes for Heroes Act”.

Unless the Federal Government demonstrates the political will to tackle this problem in a substantial way, there will continue to be veterans who fall through the cracks and end up on our streets.

**Prepared Statement of Marsha (Tansey) Four, RN,
Director, Homeless Veterans Services, Philadelphia, PA,
Veterans Multi-Service and Education Center, Inc., and
Chair, Woman Veterans Committee, Vietnam Veterans of America**

Good morning Mr. Chairman, Ranking Member Buyer, and distinguished Members of the House Veterans Affairs Committee. Thank you for giving Vietnam Veterans of America (VVA) the opportunity to offer our comments on the National Commitment to End Veterans’ Homelessness.

Homelessness continues to be a significant problem for veterans. Among male homeless veterans those of the Vietnam Era are still of the highest percentage, although it is decreasing. Among women veterans this percentage is highest for those of the peace time era after Vietnam and before Gulf War I. In part this is due to the fact that until the end of the Vietnam Era, woman, by law, were only able to make up 2 percent of the Active Duty Force. The VA estimates about one-third of the adult homeless population have served their country in the Armed Services. Newly released population estimates suggest that about 131,000 veterans are homeless on any given night and perhaps twice as many experience homelessness at some point during the course of a year.

Homelessness has varied definitions and many contributing factors. Among these factors are PTSD, a lack of job skills and education, substance abuse and mental-health problems. The homeless require far more than just a home. A comprehensive, individualized assessment and a rehabilitation/treatment program are necessary, utilizing the “continuum of care” concept. Assistance in obtaining economic stability for a successful self-sufficient transition back into the community is vital.

Although many need help with permanent housing, some require housing with supportive services, others need long-term residential care and some, in reality, will chose to remain in their homeless life situation. Will homeless veterans cease to exist . . . I’m not sure that is possible. But I do believe that if we continue to work on the issues together in a concerted, cohesive, and collaborative fashion, committed to the mission, and investing our energies, seeking to understand the needs of the veterans and developing programs that meet those ever changing needs, we will succeed in providing the best we can to those homeless veterans who recognize our passion and commitment to them, while holding on to a hope that may have almost disappeared. Some have not trusted in a long time and we have to prove we can be trusted with their lives and that their lives are worth the saving.

VA HOMELESS GRANT AND PER DIEM PROGRAM

The VA's Homeless Grant and Per Diem Program has been in existence since 1994. Since then, with this investment made by the VA, thousands of homeless veterans have availed themselves of the programs provided by community-based service providers. In some areas of this country, the VA, community-based service providers, and local governments work successfully in a collaborative effort to actively address homelessness among veterans. The community-based service providers are able to supply much needed services in a cost-effective and efficient manner. The VA recognizes this and encourages residential and service center programs in areas where homeless veterans would most benefit. The VA HGPS program offers funding in a highly competitive grant round. VA credits HGPS and VA outreach for the drop on the number of homeless veterans previously mentioned from 250,000 to as low as possibly 131,000. VVA also believes that the expansion of the Homeless Veterans Reintegration Program (HVRP), used in tandem with the above cited programs, has helped homeless veterans and formerly homeless veterans obtain and retain employment, thus stabilizing their financial and emotional situation, enabling them to keep off the street. HUD VASH with its VA case management will certainly provide a great asset for those veterans who need to maintain a closer connection with services.

However, VVA and providers are concerned that the long term effects of the current Global War On Terrorism will produce a significant impact on the number of homeless from this new generation of veterans. The unemployment rate will "heap on" increased difficulties adding to the spectrum of difficulties and stress that compounds life's burdens often leading to homelessness.

VVA believes that the VA Homeless Grant and Per Diem program is vital to the efforts being made to confront and attack the disgrace of homeless veterans in this country. Its impact on the reduction of the number of homeless veterans in America is profound. VVA also believes that the VA's increased partnership with local government agencies has played a significant role in bringing the plight of these veterans to the forefront in communities across this Nation. And no one can deny the powerful role that non-profit agencies have played in providing the manpower, services, and assistance that brings an added heart and soul to the programs of the VA Homeless Grant and Per Diem initiative. But small nonprofits do face difficulties along the way.

At times it is not easy for nonprofit agencies to forestall debt in attempting to accomplish the mission of its homeless programs. For some it is the financial challenge of the "reimbursement" method utilized by VA. According to the understanding of some nonprofits that use the accrual basis for accounting, the agency is expected to incur an expense and then pay the expense before it can invoice the expense for reimbursement. As an example: a \$20,000 food expense is incurred in June, the invoice is due in thirty days so it is paid in July. Then the agency can invoice VA in August for the July paid bill and get reimbursed by maybe mid to late September. In real life, nonprofits cannot front the expenses for over 2 months before reimbursement. It is impossible unless it uses its line of credit which then incurs an interest expense that can't be charged off anywhere.

Another situation that proves challenging for non-profit grant recipients is meeting the requirements of proven expenses in order to justify an increase in the per diem rate if they are not receiving the highest amount available under the law. These agencies must justify the need for an increased per diem rate based on the program expenses as indicated on the previous fiscal year's annual audit. Therefore the non-profit agency must over spend money in order to increase the program expenses so that a need for the increased per diem rate can be identified and justified. Non-profit agencies exist on nearly bare bones dollars and spending beyond their budgets is nearly impossible. All programs are budget driven and they work as close to the budget as possible in order to remain solvent. So therein lays the dilemma in attempting to increase its per diem rate. This process is limiting to program function, enhancement, and staffing levels.

Some Federal agencies and private grant funders structured their financial awards in such a way that the budgeted dollars for the coming year are projected, requested, and available on a monthly basis. This budget is then approved as the cap for the projected program year and no more than those funds are made available. It seems that this per diem payment structure should be investigated. It also appears to be more "user" friendly, less complicated, and more feasible for the grant recipient. One of the resounding questions that non-profit agencies have is, "Why aren't these programs seen as a "fee-for-service" operation instead of a reimbursement?" It would be so simple to set aside the allowable per diem rate for the number of beds in a program on an annual basis and permit the nonprofits to draw down on this amount on a monthly basis equal to the number of beds occupied for

the month. It's pretty hard to imagine that any one wouldn't think that \$34.40 per day is the best bargain in town to provide housing, care and treatment for a veteran. The amount of work and the staff time required to accommodate the current system is a drain on the entire system to include that of the VA. This request would require a change to the law but is one for which we would ask be fully investigate and considered and VVA would like to have further discussion on this topic.

OUTREACH

One of the frontline outreach programs funded by VA HGPS is the Day Service Centers, sometimes referred to as Drop In Center. These centers reach deep into the homeless veteran population that are still on the streets and in the shelters of our cities and towns. Under the VA HGPS program they receive per diem at rates based on an hourly calculation per diem (\$4.30) for the actual time that the homeless veteran is actually on site in the center. This amount may cover the cost of the coffee and food that they receive but it does not come close to paying for the professional staff that must provide the assistance the veterans need long after they leave the facility. As one can well imagine the needs of these veterans are great and demand enormous amounts of time, energy, and manpower in order to be effective and successful. It is for this reason, the lack of available funding, that many service centers for homeless veterans have closed or could never open even after being funded by VA HGPS. This is a tremendous loss to the outreach efforts so important in connecting the homeless veterans with the VA.

The reality is that most city and municipality social services do not have the knowledge or capacity to provide appropriate supportive services that directly involve the treatment, care, and entitlements of veterans. It is for this reason that these homeless veterans' service centers are so vital. These service centers need help and a re-vitalization in order to be re-instituted as the effective outreach tool that they were designed to be. VVA believes that it is possible to create "Service Center Staffing/Operational" grants, much like the VA "Special Needs" grants, already in existence. It would not be setting precedence. VVA supports and seeks legislation to establish Supportive Services Assistance Grants for VA Homeless Grant and Per Diem Service Center Grant awardees.

CONSOLIDATION OF VA HGPS PROJECTS

In the past, some successful VA HGPS residential programs identified a need for increased bed space due to the number of veterans requesting admission. These programs requested additional beds under a "Per Diem Only" (PDO) grant process and were awarded the ability to increase their overall program beds. Here's where it gets tricky. Since the original grant and the PDO grant were awarded at different times they have separate "project numbers" While it is the same program with the same expenses, though increased in capacity and costs, they are required to divide out by percentage the number of beds under each project number in all reporting process. This is also required in requesting the per diem rates for the program. Not only is this a very time consuming process on the reporting side, it can be detrimental to the program in that not only does each project number end up with two different per diem rates for the same program, all expenses for the program on the bookkeeping side of the agency have to be calculated by percentage. VVA believes that if a single program has two different project numbers based solely on an approved expansion, that program should be treated as a whole and the two projects numbers should be merged. To do so would allow an agency to function in a more efficient manner, have access to an appropriate and true per diem structure, and reduce the paper work for even the VA HGPS offices. VVA request that this issue also have further discussion because any changes may also require legislation.

WOMEN VETERANS

Women comprise a growing segment of the Armed Forces, and thousands have been deployed to Iraq and Afghanistan. This has particularly serious implications for the VA health care system because the VA itself projects that by 2010, over 14 percent of all veterans utilizing its services will be women.

The nature of the combat in Iraq and Afghanistan is putting servicemembers at an increased risk for PTSD. In these wars without fronts, "combat support troops" are just as likely to be affected by the same traumas as infantry personnel. They are clearly in the midst of the "combat setting". No matter how you look at it, Iraq is a chaotic war in which an unprecedented number of women have been exposed to high levels of violence and stress. Nearly 200,000 female soldiers have been deployed to Iraq and Afghanistan . . . this compared to the 7,500 who served in Vietnam and the 41,000 who were dispatched to the Gulf War in the early nineties. The death and casualty rates reflect this increased exposure.

There have been few large-scale studies done on the particular psychiatric effects of combat on female soldiers in the United States, mostly because the sample size has been small. More than one-quarter of female veterans of Vietnam developed PTSD at some point in their lives, according to the National Vietnam Veterans Readjustment Survey conducted in the mid-eighties, which included 432 women, most of whom were nurses. (The PTSD rate for women was 4 percent below that of the men.) Two years after deployment to the Gulf War, where combat exposure was relatively low, Army data showed that 16 percent of a sample of female soldiers studied met diagnostic criteria for PTSD, as opposed to 8 percent of their male counterparts. The data reflect a larger finding, supported by other research that women are more likely to be given diagnoses of PTSD, in some cases at twice the rate of men.

Matthew Friedman, Executive Director of the National Center for PTSD, a research-and-education program financed by the Department of Veterans Affairs, points out that some traumatic experiences have been shown to be more psychologically “toxic” than others. Rape, in particular, is thought to be the most likely to lead to PTSD in women (and in men, where it occurs). Participation in combat, though, he says, is not far behind.

Much of what we know about trauma comes primarily from research on two distinct populations—civilian women who have been raped and male combat veterans. But taking into account the large number of women serving in dangerous conditions in Iraq and reports suggesting that women in the military bear a higher risk than civilian women of having been sexually assaulted either before or during their service, it's conceivable that this war may well generate an unfortunate new group to study—women who have experienced sexual assault and combat, many of them before they turn 25.

Returning female OIF and OEF troops also face other crises. For example, studies conducted at the Durham, North Carolina Comprehensive Women's Health Center by VA researchers have demonstrated higher rates of suicidal tendencies among women veterans suffering depression with co-morbid PTSD. And according to a Pentagon study released in March 2006, more female soldiers report mental health concerns than their male comrades: 24 percent compared to 19 percent.

VA data showed that 25,960 of the 69,861 women separated from the military during fiscal years 2002–06 sought VA services. Of those seeking VA services 35.8 percent requested assistance for “mental disorders” (i.e., based on VA ICD–9 categories). Of these, 21 percent was for Post-traumatic stress disorder or PTSD, with older female vets showing higher PTSD rates. Also, as of early May 2007, 14½ percent of female OEF/OIF veterans reported having endured military sexual trauma (MST). Although all VA medical centers are required to have MST clinicians, very few clinicians within the VA are prepared to treat co-occurring combat-induced PTSD and MST. These issues singly are ones that need address, but concomitantly create a unique set of circumstances that demonstrates another of the challenges facing the VA. The VA will need to directly identify its ability and capacity to address these issues along with providing oversight and accountability to the delivery of services with qualified therapists and clinicians in this regard. All of these issues, traumas, stress, and crises have a direct effect on the women veterans who find themselves homeless.

HOMELESS WOMEN VETERANS

While the overall number of homeless veterans is decreasing, and rather significantly over the past few years, the number of women veterans in this population is rising. When it was reported that there were 250,000 homeless veterans, 2 percent were considered to be female, roughly 5,000. Of the current estimate of 131,000, approximately 4–5 percent are women veterans, which can be as high as 6,550. Striking, however, is the fact that the VA also reports that of the new homeless veterans (OEF/OIF), they are seeing this is as high as 11 percent for woman veterans.

It is believed that this dramatic increase is directly related to the increased number of women now in the military (15 percent–18 percent). About half of all homeless veterans have a mental illness and more than three out of four suffer from alcohol or other substance abuse problems. Nearly forty percent have both psychiatric and substance abuse disorders. Homeless veterans utilize the entire VA the same as any other eligible group of veterans. Therefore all delivery systems and services offered by the VA have an impact on homeless veterans, as do they on it.

The VA must be prepared to provide services to these former servicemembers in appropriate settings.

One of the confounding factors with homeless women veterans is the sexual trauma many of them suffered during their service to our Nation. Few of us can know the dark places in which those who have suffered as the result of rape and physical

abuse must live every day. It is a very long road to find the path that leads them to some semblance of “normalcy” and helps them escape from the secluded, lonely, fearful, angry corner in which they have been hiding.

Not all residential programs are designed to treat mental health problems of this very vulnerable population. In light of the high incidence of past sexual trauma, rape, and domestic violence, many of these women find it difficult, if not impossible, to share residential programs with their male counterparts. They openly discuss their concern for a safe treatment setting, especially where the treatment unit layout does not provide them with a physically segregated, secured area. They also discuss the need for gender-specific group sessions.

Reports also indicate that in mixed gender residential programs, women remain fearful, isolated, stifled, and unsafe. This rises from a number of fronts. Women have had very different experiences from male veterans not only in the military but after also. Some women live as victims of extremely violent pasts. They have been used, abused, and raped. They trust no one. They fear that any day it could happen again. They are suspicious and paranoid.

Some women have sold themselves for money, taking part in unimaginable activities in order to pay for food, a bed, or drugs. Some have reported being sold for sex at the age of three. They wake up everyday, remembering what they did, encased in total humiliation and guilt. They have given away very own children . . . this they also live with for the rest of their lives.

In order to survive on the streets or stay alive moving from house to house or bed to bed, they can become callused, aggressive, and develop attitude. This behavior can often be a means to remain safe, or to keep predators at bay. In light of the nature of some of their personal and trauma issues, and the humiliation and guilt they must endure, how can anyone expect these women veterans to open up to therapy and profit from mixed gendered group therapy. While some facilities have found innovative solutions to meet the unique needs of women veterans, others are still lagging behind. VVA requests that all residential treatment areas be evaluated for the ability to provide and facilitate these services, and that medical centers develop plans to ensure this accommodation.

SPECIAL NEEDS GRANTS

The first funded programs utilizing this tremendous asset legislated by Congress came online in late 2004 . . . early 2005. The grants were developed to provide additional grant funding, in addition to VA per diem, for programs that were designed to attend to the needs of homeless veterans that were especially challenging. This special funding included six categories of homeless veterans: chronically mentally ill, the frail elderly, terminally ill, or women and women with children. While my comments will address specifically the grants for women veterans, in general, they can be reflective of the advantage that these funds provide to all the special needs population.

The need for women-specific programs is easy to understand if we take it to the basics. First: there is a powerful need on the part of many of the women to avoid men due to the percentage of them who have suffered physical, emotional, and sexual abuse at the hands of men. Second: we believe that successful programs are those that provide an atmosphere where the veteran can remain focused on themselves and their recovery, be it from addiction or mental health problems. If a program is mixed gendered the veterans have a tendency to “focus” on or involve themselves with others that may be detrimental to their most successful program outcomes.

While I speak on behalf of VVA, I am employed by The Philadelphia Veterans Multi-Service & Education Center, a small nonprofit agency with a nearly thirty-year history of working exclusively with veterans. I am its Program Director for Homeless Veteran Services and also serve as the Program Director for the Mary E. Walker House, its thirty bed transitional residence for homeless women veterans. This program was awarded one of the first Special Needs Grants. The Walker House opened its doors on January 3, 2005. It is the largest women veteran specific program funded under VA Grant and Per Diem in the country and accepts applications from anywhere in the country. To date we have had applications from 13 Veteran Integrated Service Networks (VISN) and admitted women from 10 VISNs.

To date 145 women veterans have chosen to live at the Walker House. While they are able to stay for up to 2 years, last fiscal year their average length of stay was 305 days.

Since there are so few women veteran specific long-term residential programs from which to collect data for research, I suspect much of my comments will not be scientifically proven. But I venture to say that anyone who has worked with a female veteran population will support what I have personally experienced.

The reality of the day to day operation of a program such as The Mary E. Walker House is complex far beyond imagination. It demands a rechargeable battery of patience and a readily available sense of humor in order to personally survive the challenges that await daily. The work can be exhaustive, in part due to the qualities and characteristics of this gender population, and in part due to the complexity and multiplicity of presenting problems, issues, histories, debt, legal and court issues, employability, and diagnoses of each woman.

As the Director of Homeless Services for the agency, I had years of experience with a ninety-five bed transitional residence for male veterans. Few women would enter because it was so highly populated with men. It was not imagined that an exclusively women veterans program would function or demand much more than we were used to providing in the men's program. We had not factored into the equation the fact that with so few locations available for this gender specific population ... women who fit nowhere else in the system, women who were considered "too sick" for general homeless programs, or those who could not survive in other available mixed gender programs. These factors may exaggerate our program findings, but if the women veterans of our program are a true cross-section of the complicated and complex situations faced by homeless women veterans as a specific cohort, then I say that without the assistance of the Special Needs Grants, we could never find enough resources to fulfill our mission in their regard.

Their needs are profound as you can see from some of our demographics. Of those women admitted to the Mary E. Walker House:

Age: 4 percent under 25; 21 percent under 40; 51 percent under 50; 24 percent under 65.

Era of Service: VN Era—10 percent; Peace Time—54 percent; Persian Gulf—percent; OEF/OIF—2 percent; GWOT—8 percent.

Service Connected Disability: 36 percent.

Drug and Alcohol Recovery: 89 percent.

Sexual Trauma: Childhood—37 percent; Pre/Post military—42 percent MST—63 percent; multiple categories—48 percent; Combined MST and other sexual abuse—80 percent.

Domestic Violence: 46 percent.

Mental Health: PTSD—51 percent; Bipolar—26 percent; Adjustment Disorder—10 percent; Personality Disorder—12 percent; Self Harm—12 percent; Cognitive Disorder—5 percent; Schizophrenia—6 percent; Depressive Disorder—50 percent; OCD—5 percent; also includes Borderline personality disorder, Histrionic disorder, Narcissism, Suicidal Ideation, and Paranoia.

Medical Issues: these are wide and varied, include every system of the body to include stroke, cardiac, GYN, diabetes, orthopedics, pulmonary, and endocrine to name a few.

At times, the Mary E. Walker House could be viewed as a Seriously Mental Ill (SMI) program. Through the coordinated and team effort of reviewing the applications, if the woman veteran meets our eligibility criteria and if we feel we are able to bring assistance we will not deny admission, no matter how difficult or extraordinary the situation. Some of our women have actually qualified for the VA Mental Health Intensive Case Management Program (MHICM) and were placed in MHICM upon discharge. This program and others like ours did not have the necessary and appropriate level of professional staff to address the needs of these women they would continue to flounder. The foresight of the Special Needs Grant Program to include the ability of the local VA Medical Center to request additional grant funding for itself has allowed for an expansive infusion of dedicated staff and treatment components. This element is vital and must not be lost in the future. These enhancements have elevated the special needs programs into a new dimension of partnership between the VA with HGPS awardees. The Special Needs Grants give recognition to the challenges faced by these defined groups of homeless veterans.

Per Diem alone could never meet the demand for staffing and program components to effectively and successfully reach into the complexity of their situations. Without the Special Needs Grants, programs such as ours, which fill an enormous gap in the system for women veterans and other special needs populations, would fail these veterans. They would ultimately be lost again, perhaps forever. VVA is in support of the renewal of these grants when they must be considered in 2011.

HOMELESS WOMEN VETERANS AND MILITARY SEXUAL TRAUMA (MST) RESIDENTIAL PROGRAMS

Military sexual trauma is not exclusive to women veterans while percentages are higher in the VA for women veterans the actual numbers are fairly even. Because we have such a high incidence of this trauma in the homeless women veteran popu-

lation and in some instances it is the reason they are homeless I bring forward the follow discussion.

The VA has given increasingly more attention to the issue of MST. Professional staff have been trained, specialist in this arena of treatment have been hired. Counselors are located in the Vet Centers. But clearly the need is not decreasing. VVA believes more emphasis must be made on the qualification and certification of those providing this treatment and that more residential gender specific/MST specific programs should be initiated.

Military Sexual Trauma (MST) residential programs do exist within the VA. However, if the list of these programs is studied it can be noted that not all are specific to MST. Some are PTSD programs that have an element of MST. Others are not gender specific. And we believe there is only one male specific-MST specific residential program in the country at Bay Pines VA Medical Center in Florida. We have been given to understand that these programs report that they are meeting capacity needs because they can accommodate admissions without a waiting list. VVA believes this is an illusion and may be true because they do keep a rolling waiting list. Some women veterans are waiting months to make access to these programs after they have been referred and have made application. During this waiting period these veterans run the very real risk of relapse or crisis. Another detriment to applying to these few and far between programs is not only the application wait time but the distance a veteran must travel to receive this intensive residential treatment program. This travel can incur a significant cost to the veteran and if they happen to be within the homeless population it can be prohibitive. VVA would encourage the VA to establish a gender specific-MST specific residential program located within every VISN in the country and that there be allowances for the male veterans in an alternating gender specific program component. VVA feels this may well contribute to the elimination of homelessness among specific cohorts of homeless veterans. We also feel that it may play a proactive role in the prevention of homelessness.

VVA was very encouraged by the President's interest and commitment on the issue of zero tolerance for homeless veterans, while we will work in support of the President's desire to end homelessness among all veterans, this will proved be a very challenging undertaking for all those who are working in the arena. I thank you for providing me the opportunity to speak with you today. This concludes my testimony. I will be pleased to answer any questions you may have at this time.

**Prepared Statement of Chief Warrant Officer James S. Fann, USA (Ret.),
Director, Manna House, Johnson City, TN**

I am James S. Fann, retired Chief Warrant Officer, U.S. Army, a Vietnam Veteran, a Member of Rolling Thunder Chapter 4, and currently Director of The Manna House. Manna House, part of Fairview Housing Management Corp., is a transitional housing facility for homeless men in Johnson City, Tennessee. Manna House is a 21-room transitional housing/recovery facility that serves the needs of homeless United States Armed Forces veterans seeking to transition toward permanent housing. Acquired in 1998 as a boarding house, it was converted in 2001 into a recovery transitional facility funded by U.S. Department of Housing and Urban Development (HUD) and Veteran's Administration (VA) funds. We are currently funded under the HUD Continuum of Care (CoC) grant and average more than 50 percent veterans as our homeless residents.

Federal officials report more than 154,000 veterans in this country are without a place to call home. In the Appalachian Regional Coalition on Homelessness' (ARCH) last 24 hour survey and count of the homeless in the eight-county area of Upper East Tennessee reported nearly 30 percent of the 1,600 homeless were veterans. Homelessness is not just a problem among middle-age and elderly veterans, younger veterans from Iraq and Afghanistan are now showing up in our homeless shelters. At this time we have more than twenty men on our waiting list. Ten of those men are veterans, four fought in Iraq. Mental illness especially post-traumatic stress disorder and substance abuse have long been seen as the major causes of homelessness among our veterans. While those are certainly factors, they are not the only reasons veterans are left homeless. Affordable housing, medical care, mental health counseling, case management and education/employment assistance to transfer their military jobs into marketable civilian positions need to be expanded in an aggressive outreach program for our veterans.

The HUD and VA CoC grants and other Federal and state grant programs have certainly helped to expand our ability to provide services for the homeless veterans,

however, we need to dedicate even more services to help these men, women and families. I personally believe that people who don't have shelter are houseless—not homeless! Homelessness has nothing to do with a lack of shelter. We can define homelessness as an inadequate experience of connectedness with family and or community. This fact is now recognized by Habitat, the United Nations Human Settlements Programme. Think of the illness, poor nutrition, exposure to the elements and even the elective crime some of the homeless may be involved in just to be able to eat or have a roof over their heads. Also, imagine that, only having contact with people in the community who are paid to have contact with you! This is chronic homelessness. In my opinion, the vet suffers from all the same problems that any other person has who becomes homeless—but add one more factor—finding a job that you can do as a civilian that you were trained for in the military. This creates a problem for the vet—he is trained to fight the enemy and do a job but there are none of those jobs available in the civilian world. We need to reeducate and retrain our veterans for reentry into the civilian world.

We are looking for a quick fix solution to the problem—housing first—let's give them an apartment—but who are they going to invite to their apartment, other homeless people, and how long will they last isolated from the community. If the problem was a lack of shelters for the homeless, why aren't all the homeless shelters always full? During winter they are more busy but more shelters won't solve the problem. Give them an address to get their mail, a telephone number for messages and a place to get the services they need. They apply for services but we cannot reach them to change dates or bring them back to obtain the service. Even at the VA, if they miss an appointment, they may be dropped from the treatment rolls. We need a way to better communicate and case manage the veteran.

Get to know some homeless in order to understand what they need to change their lives. Make the homeless a priority—we can feed the world but we let some of our own go hungry. We can rebuild countries but cannot make housing affordable for the person who is homeless. Our veterans can't get a job, work for a temporary service, or even open a bank account because they have no state identification card. In order to get the card, they need proof of a physical address, their birth certificate, Social Security card and another picture ID card. The VA ID card is not acceptable because it does not have the veteran's Social Security number on it for privacy reasons. Even if they have all of this, they may not have transportation to get to the Driver's License station. Without a bank account or physical address, they cannot receive their benefit check or other checks designed to help them which are required to be direct deposited. Consolidate services that can be effective for the average homeless person as well as our homeless veterans.

We at the Manna House believe that the majority of persons “falling through the cracks” of society are middle aged males who are perceived as “drunken lazy bums”. These individuals have the most difficulty accessing and “navigating” the system because the system is designed to defeat them. Manna House is attempting to be a safety net for those persons whom society has deemed criminal, worthless, or even expendable. Our residents, especially our homeless veterans, are real people with real problems that can be solved. We can, and do, set them on the path to becoming productive citizens in our community. Our discharge history will bear this out.

The programs we have in place are effective but could be more effective if we were to expand our transportation, education and communication services for the veteran. Some of our veterans have *given all* for the freedom of the returning veterans, are we as a country giving all to insure our returning veterans have what they need to be a contributing part of our community and country? Thanks to the Committee on Veteran's Affairs and especially my representative, Dr. Phil Roe of Tennessee for inviting me to add my comments to this hearing.

**Prepared Statement of Phil Landis, Chief Executive Officer,
Veterans Village of San Diego, CA**

Chairman Filner, Congressman Buyer, Committee Members, My name is Phil Landis and I am the Chief Executive Officer of the finest homeless veteran only, drug and alcohol treatment facility in the United States, Veterans Village of San Diego, formerly known as Vietnam Veterans of San Diego. In addition to the Veteran Recovery Center, VVSD provides a full range of services to our veterans. Our employment program provides on-site testing, assessments, education and training if required, and placement into life-sustaining jobs. VVSD annually places over 300 veterans into jobs with a future, including truck driving, information technology, security and medical fields. We also operate a program for homeless veterans and

their families, and two sober living transitional housing complexes. VVSD is the founder of the National Stand Down which annually, for 3 days in July, hosts over 700 homeless veterans and their families in a tent city where they can access medical and dental services, employment services, VA, Social Security, and have available to them the services of other providers in the San Diego area. While at Stand Down, veterans also have the opportunity to have legal issues examined and potentially have misdemeanors and their records cleared at "Homeless Court", also founded by VVSD in partnership with the San Diego Public Defenders Office. For the last 8 years the city of San Diego has funded an emergency shelter program, two shelters, one for the general population and one for veterans only. VVSD has operated the Veteran Only Winter Shelter for the city each year of operation. This year's shelter program ended on April 2, 2009 and over 400, non-duplicated Social Security numbers of veterans were recorded. What does this mean; the issue of homeless veterans is not going away and may in fact be growing. As you can readily see, I am fully engaged with/in homeless veteran issues.

VVSD has been a part of the VA Grant and Per Diem program since 1996. Our first grant was for our 44 bed sober living facility in Escondido, CA. At that time the VA required a 50 percent match of funds which we accommodated with grants from other government agencies. Presently VVSD has six grant and per diem contracts with the VA which range in amounts from \$20.41-\$29.31 per eligible resident per day.

The funds from the VA Per Diem are used to provide transitional housing services, food services at the residential treatment facility and food stipends for the sober living sites. Program and treatment services are funded by other Federal, state or local agency grants.

The VA Grant and Per Diem program is the largest government funder of homeless veteran programs in America. This important and successful program provides transitional housing and services to thousands of homeless veterans through over 300 programs across America.

What is wrong with the VA Grant and Per Diem Program?

The program was originally designed to fund transitional housing programs for homeless veterans throughout the United States. For this important function, the per diem amount paid was sufficient to operate a housing facility, maintain it and possibly put money in reserve for expansion or major repair projects.

For a program like VVSD's, where not only is transitional housing provided, but also food services, counseling services and therapy in some cases, the per diem by itself could only cover the costs for the housing and food. Other grants are required to provide the services and level of care our veterans deserve. In the case of VVSD, per diem cover only about 1/2 of the cost of operating this comprehensive program.

The VA presently has only one per diem maximum rate for the entire country. As you are fully aware, it costs more to operate an agency like VVSD in California or New York than in Kansas or Missouri. What is needed is a per diem rate based on the cost of doing business in high as well as low expense states, a geographic cost of living rate.

The VA Grant and Per Diem Program requires of grantees that to open any new beds or to receive a per diem rate increase, agencies are required to provide a valid, Indirect Cost Rate to determine the cost of administrative overhead. This requirement is difficult for homeless veteran providers like VVSD to meet for three reasons:

1. The amount of work to determine this rate is overwhelming. It took our Chief Financial Officer, who has both a Bachelors and Masters in Accounting, 4 months to put the required information together.
2. The Indirect Cost Rate places a huge financial burden on the resources of homeless veteran agencies. Some agencies such as HUD have a maximum Administrative Rate of 5 percent. Others, like some city grants, pay no administrative overhead. Some government funders provide up to a 20-percent rate. Under the Indirect Cost Rate, a small nonprofit like VVSD must use its precious and limited non-governmental funds to subsidize a grant that pays less than the agency's average Indirect Cost Rate.
3. Currently, VVSD is in danger of discontinuing our contract with the City of San Diego for the 4 month long, 150 bed Emergency Winter Shelter for Veterans for the same reason: being required to operate the program at a deficit. This would be tragic.

Most nonprofits receive funding from multiple government agencies: Federal, state and local, and they each have different rules and allowances for administration. The Indirect Cost Rate places the burden of covering administrative overhead on the usually small nonprofit that is juggling these grants to provide the best pos-

sible services to veterans. **The Indirect Cost Rate requirement reduces services for homeless veterans and should be discontinued.**

In closing, let me be perfectly clear Veterans Village of San Diego would not be in existence today were it not for the VA Grant and Per Diem program. The VA is far and away our largest funding source and has been our partner, supporter and friend for over 25 years.

**Prepared Statement of Carol L. Adams, Ph.D., Secretary,
Illinois Department of Human Services**

Mr. Chairman, Honorable Members of the United States House of Representatives Committee on Veterans' Affairs, Ladies and Gentlemen. I bring greetings from Honorable Patrick Quinn, Governor of Illinois, and the state's 13,000,000 citizens.

It is an honor to appear before you today to speak to you about the efforts of the Illinois Department of Human Services to serve homeless people in the State including our courageous Veterans of whom we are very proud and owe a real debt of gratitude.

These data that I will present to you today represent numbers from State Fiscal Year 2008, our most current accounting.

- In 2008, the Illinois Department of Human Services Emergency Food and Shelter Program served 45,418 people who were actually living in shelters. This number does not include people who do not access shelters, people who are living with friends and relatives, nor does it include people who are receive services in shelters and other
- African Americans comprised nearly 60.4 percent of all homeless people served by our Homeless Prevention Program. Homeless Caucasian and Hispanic peoples totaled nearly 38½ percent of people served, with 1.2 percent indicated as "other."
- Thirty-three percent of Illinois' homeless people served were between the ages of 41 and 61 years old, with the second largest group being between the ages of 22 and 40 years old, (14,060 or 30.95 percent).
- Twenty-six thousand, six hundred forty-four men, or 58.66 percent, comprised the largest group by gender. The total number of homeless women served was 18,774.
- The total number of homeless Veterans served was 2,562 people or 5.64 percent; 94.36 percent of homeless people served were not Veterans.
- There are 15-beds at the Veterans' Administration facility in Manteno. Illinois for Homeless Veterans.

There is a lottery ticket in the State of Illinois called Veterans' CASH. In the past 3 years \$6 million has be raised. Of these funds \$1,106,481 are allocated to not-for-profits that serve Veterans who are homeless.

The Illinois Department of Human Services Homeless Prevention Program is designed to help stabilize people and families in their existing homes, decrease the amount of time that they live in shelters and help individuals and families secure affordable housing.

Our program provides:

- Rental and or mortgage assistance, security deposit assistance, payment of utility bills to bring legal services to prevent illegal evictions.
- Rental or mortgage arrears are paid in the amount established as necessary to defeat eviction or foreclosure. This payment must not exceed 3 months of rental/mortgage arrears.
- Security deposit payments are not to exceed the amount of 2 months rent.
- Utility payments are brought current.
- Supportive services, where appropriate, are for the prevention of homelessness or repeated episodes of homelessness caused by illegal evictions.

Prior to December 1999 people who were at risk of homelessness in the State of Illinois would have been referred to a local shelter or given a voucher for a short-term stay at a hotel. These short term solutions were appreciated and greatly needed for Illinois' chronic homeless population who regularly moved in and out of the shelter system. On the other hand, for people who were at-risk of homelessness—people who were not yet on the streets but had experienced temporary economic crises beyond their control—the State sought to offer a more tangible response.

- Advocates for homeless prevention—including the Chicago Coalition for the Homeless—initiated the "It Takes a Home to Raise a Child" Campaign which

reflected a drastic paradigm shift for dealing with concerns related to homelessness. It targeted preventive measures to address homelessness as opposed to just short-term sheltering.

- Moreover it was determined that the prevention of homelessness was more cost-effective, preserved family self-respect, helped to keep families intact, and reduced the need for longer term assistance programs. These findings coupled with the on-going campaign resulted in the Illinois Homeless Prevention Act, signed into law in December 1999, which allowed for maximum flexibility for localities, minimum income restrictions, maximum amounts of assistance, and broad definitions of allowable uses.
- In January 2000, the Illinois Department of Human Services established what is now known as the Homeless Prevention Program and designated the Bureau of Homeless Services and Supportive Housing to be responsible for all fiscal, programmatic and monitoring functions related to the administration of funds.

People eligible for assistance from the Illinois Department of Human Services Homeless Prevention Program include households that are of imminent danger of eviction, foreclosure or homelessness, or are currently homeless. Applicants for this service must document temporary economic crises beyond its control, such as:

- Loss of employment, medical disability or emergency, loss or delay of some form of public benefit, a natural disaster, substantial changes in-household composition, victimization by criminal activity, illegal actions by a landlord, displacement by a government, private action or some other condition which constitutes a hardship comparable to the conditions referenced here.
- Homeless Veterans or Veterans at risk of homelessness can apply for homeless privation funds. The State of Illinois does not have a specific set-aside for Veterans.

Illinois' Homeless Prevention Program support for the Homeless Prevention Program is administered by a network called the Illinois Continua of Care Systems. The Continua of Care Systems (CoC), developed by the United States Department of Housing and Urban Development (HUD), is a network that helps people who are or have been homeless, or who are at imminent risk of homelessness.

In Illinois, there are 21—Continua of Care serving the state's 102 counties and working to fulfill the needs of homeless people.

- The network addresses problems of homelessness by providing comprehensive service delivery—from emergency shelters to permanent housing. Its strong prevention strategy is designed to provide seamless services to help people achieve independent living. This approach shifts community responses toward a far broader goal of attempting to integrate all available funding and services to address homelessness.
- Funding for each Continua of Care is based upon a formula that includes poverty and unemployment statistics for each CoC's geographic service area as compared to those of the entire State of Illinois. The CoC recommends projects for funding to IDHS. The Secretary of IDH determines which applications will be funded and the final funding amounts.
- In 2000, the Homeless Prevention Program was funded through TANF in the amount of \$1 million. Allocations for SFY 2008 totaled \$10,990,000, supported entirely by the Affordable Housing Trust Fund.
- In SFY 2000, 221 households were served, at an average cost per household of \$450. The number of families served totaled 1,472. In SFY 2008, 12,441 households were served with the average cost per household at \$883, representing 8,098 families.
- In SFY 2000, 1,552 household received rental assistance, 316 received assistance with utility payments, 230 received security deposits and 4,301 received supportive services.
- SFY 2007 was a peak year with the highest number of services provided: 9,768 households received rental assistance; 2,529 households received utilities assistance; security deposits were paid for 2,518 families; and supportive services related to illegal evictions were provided for 100,709 families.
- By SFY 2008, rental assistance declined by more than 750 households, utility assistance to households decreased by 403, security deposits remained the same and supportive service related to illegal eviction had dropped to 85,974, a decrease of nearly 15,000 households.
- In SFY 2008, 299 single males and 338 females, totaling 637 people were served by the Illinois Department of Human Services Homeless Prevention Program. By SFY 2008, the number of single males served increase by 1,265 to total 1,451. The number of single females increased by 2,954 to total 3,591.

- The number of people in families of females with child or children totaled 5,743 people in 2008. The number of people in families of males with a child or children totaled 366. The number of couples with children totaled 1,989 and couples without children total 752.

Program Challenges

While the program has clearly demonstrated remarkable success, it does present some challenges. It is difficult to secure funding for case management (which is currently capped at 10 percent), to serve families with no income, to deal with the funding restrictions of TANF, (Temporary Assistance to Needy Families funding supplements the program budget and can only be used to serve households with children under age 18), and to handle the high volume of calls (1,000 calls per week in the City of Chicago alone). However the successes are worth the effort. Coordination has increased significantly, packaging of resources from various sources has expanded, we have identified new resources, and experienced a flexibility that earlier was virtually unknown in the funding world.

Program Successes

Without question, the Illinois Homeless Prevention Program is successful. The program prevented 12,441 households from being, or staying, homeless in 2008. Prevention is cost effective—the program serves an average of 592 households per Continuum and spends an average of only \$883 per household compared to \$3,400 for an average emergency shelter stay. It is estimated that for every \$1 million in prevention funding, 1,700 households can be served.

The program has promoted permanent housing options: 86 percent of all households served in 2008 were still housed 6 months after the end of the fiscal year. On average, 69 percent of participating households retain their current housing while 22 percent move into other permanent housing. Nine percent of those served by the program are able to move from emergency shelters into permanent housing.

To the people the program has served . . . the benefits are priceless. A single mother with seven boys received notice that her building was sold and that she had to move immediately. Working as a security guard at an airport, she had no money for a security deposit on a new place. The Illinois Homeless Prevention Program kept her family from being homeless.

A woman from a wealthy suburb of Chicago had a fall and became disabled after working her entire life. The fall prevented her from working and she incurred \$100,000 in hospital bills. When she filed for bankruptcy, she spent her rent money to pay the \$1,100 fee to file. The Illinois Homeless Prevention Program kept her from being homeless.

Program Evaluation

The Illinois Department of Human Services conducts an annual evaluation measuring the effectiveness of the Homeless Prevention Program and its overall impact on reducing homelessness via a comprehensive follow-up strategy. The agency requires 6-month follow up to be conducted with every household served to help determine if participants are maintaining independent living and self-sufficiency.

Six months after the end of each State fiscal year, agencies attempt to contact every household that received assistance through the Homeless Prevention Program in that previous fiscal year to determine if they remained housed for at least 6 months. A contact attempt is made in at least one of the following ways: the household is contacted by phone, the landlord is contacted by phone, or a letter is sent to the household with a self-addressed, stamped postcard requesting a response as to their current housing status.

On average, 85 percent of all households served by the Homeless Prevention Program, every State fiscal year, are still housed 6 months after the end of the fiscal year.

State-Wide Homeless Prevention Strategy

The State of Illinois has a unique opportunity to collaborate and coordinate the State's Homeless Prevention funds with funds that Illinois will soon receive under the United States Housing and Urban Development, American Recovery and Reinvestment Act of 2009 Prevention Program. Working with the Illinois Department of Commerce and Community Affairs, the Illinois Prevention Program will fill in the gaps not covered by HUD's ARRA Prevention Program.

Specifically, HUD's ARRA Prevention funds cannot be used for mortgage assistance. IDHS funds can. People who may have fallen behind on their mortgage for up to 3 months can get assistance. Very often IDHS sees participants that fall behind on their mortgage due to an illness, a loss of a job or some other condition beyond their control. The state's homeless prevention program can step in and assist

the homeowner provided that, once the assistance is granted, the homeowner can continue to pay their mortgage.

By coordinating Illinois Prevention funds with ARRA Prevention funds, participants can receive rental assistance for an extended period of time. Illinois' Prevention program can pay for up to 3 months of rental arrearage, a security deposit and no more than 2 months rent. With the addition of ARRA funds a household could conceivably receive 18 more months of rental assistance, if necessary.

ARRA funds can be used for activities not covered by the Illinois Prevention program. The activities include shallow rent subsidies, moving costs, housing search and placement as well as credit repair.

Through collaboration and a unique partnership with Illinois Continua of Care Systems, advocates and stakeholders, Illinois can now offer participants an even more holistic approach to homelessness prevention. This approach can ensure that families do not become homeless, that children remain stable and secure in their homes and that homelessness as we know it becomes something that no child has to experience.

On behalf of the people of the State of Illinois we are grateful to have had this opportunity to share with you information about our program and the commitment to which we are pledged. Thank you.

**Prepared Statement of Robert V. Hess, Commissioner,
New York City Department of Homeless Services, New York, NY**

Good morning Chairperson Filner and Members of the Committee on Veterans' Affairs. My name is Rob Hess and I am the Commissioner of the New York City Department of Homeless Services (DHS). Thank you for inviting me to share with you the innovative strategies New York City is using to end veterans' homelessness. I'm pleased to join my colleague, Secretary Carol Adams of Illinois, and the Members of the other panels from around the country, and I'm heartened by their dedication to serving the unique needs of homeless veterans. Joining me here at the table is a true hero, Ronald Marte. Ronald returned to us after a tour in Iraq where he served as a communications specialist. With dedication, he recently moved from shelter to a home of his own with the assistance of a Veterans Affairs Supportive Housing voucher and is living a life of independence. I am more proud of him than words can say. As a veteran, myself, I speak from personal experience when I say that we have to do everything we can to ensure that the men and women who serve their country receive the housing, services and supports they need, and are treated with the dignity and respect they deserve.

I'd like to take this opportunity to applaud the leadership of President Obama and Secretary Shinseki on this issue. The President's Fiscal Year (FY10) budget and the expanded funding to serve veterans, including homeless veterans, contained within it will go a long way toward preventing and ending veterans' homelessness. As you know, they have set the ambitious goal of preventing and ending veterans' homelessness for the approximately 150,000 homeless veterans living in this country on any given day. When you consider we are a Nation of more than 300 million people, targeting permanent housing for 150,000 seems like a task that is absolutely doable.

This is the right goal for the country. I believe this because in New York City we are already starting to see the success that is possible when there is a strong partnership between the U.S. Department of Veterans Affairs (VA), the local VA offices and local leaders. This is an issue I'm very passionate about—as a veteran myself, and as someone who has spent my entire career advocating for, creating policy and talking one-on-one with homeless veterans, we cannot stand by and allow our fellow veterans who have served and fought for our country to live on the streets or to call shelter a home.

Before I move forward to describe the work we are doing in New York City, I would like to stress to those who are here today that much of our success was and is as a result of collaboration with many government and nonprofit partners. The model we created did not rely solely on new funding. Through meaningful dialog with our partners, we learned very quickly that much of the infrastructure was already in place. This realization paved the way for us to work smarter and in true partnership, and ultimately allowed us to reinvest in strategies that would move more homeless veterans into permanent housing. I know that in these tough economic times, any request for new funding can seem daunting, so it is really important to take a critical look at how we use existing resources. Now I'd like to share with you how we have done this in New York City that may be helpful to other localities.

Moving Toward Ending Veterans' Homelessness in New York City

In New York City we are continuously moving toward meeting our goal of ending homelessness for veterans. In fact, from December 2006 to May 2009, we have reduced the number of veterans living in our City's shelters by 60 percent by creating new short-term housing models and other innovative strategies to better serve homeless veterans. However, I would not be able to stand before this Committee and tell you of this great success had it not been for the shared commitment of New York City Mayor Michael Bloomberg and then U.S. Department of Veterans Affairs (VA) Secretary James Nicholson. In December 2006, they created the Operation Home Task Force and charged it with creating the blueprint for a new veterans' service system—a dedicated service system outside the traditional homeless services system—that met the unique needs of homeless veterans and tied them to the rich array of resources already provided by the VA.

We were ultimately successful in creating our new veterans' service system because of the partnership between the Federal and local VA and the City that this fostered. However, another key to our success was the creation of specific and measurable goals that would transform services for homeless veterans, ones that we continuously held ourselves accountable to. One tangible first step was an intense effort to house 100 veterans in 100 days. We didn't waste a second—as we worked to develop the blueprint, we took immediate action to permanently house homeless veterans. Much of the lessons we learned during this time helped shape our vision and focus for this new system. I am happy to report to this Committee that we not only exceeded this goal by housing 135 veterans during the first 100 days but since then we have helped move 1900 veterans from temporary shelter into permanent housing.

The system we created now includes a multi-service center which serves as a single point of access for homeless veterans and for those at-risk of becoming homeless. The Center, which has been up and running since May 2008, integrates DHS intake services exclusively for homeless veterans with access to medical, mental health and substance abuse treatment available through the VA medical system, as well as housing and other support services. The Center also makes available preventive services needed to divert those veterans who are at risk of becoming homeless. To date, over 1,066 homeless veterans have been served by the program.

We will soon open the first veteran-specific Safe Haven, a low-threshold, harm reduction housing model that has proven to be the most effective tool for engaging street homeless clients. Once veterans are placed in a Safe Haven, they will be able to access on-site social services and other supports offered through the VA and various non-profit partners.

And we have transformed a former 410-bed congregate shelter for men into a new short-housing model comprised of 243 individual living units that afford much greater privacy and dignity to the homeless veterans, both men and women, residing in the program than the previous dormitory-style facility. In addition to the case management and medical services provided on-site, eligible veterans also may avail themselves of the full complement of VA medical and social services while in residence.

New York City's efforts to end veterans' homelessness have also been strengthened by the U.S. Department of Housing and Urban Development's Veterans Affairs Supportive Housing Program (HUD-VASH). In 2008, a total of \$75 million was announced to provide permanent supportive housing for an estimated 10,000 homeless veterans nationwide. New York City received \$9.4 million of this funding to permanently house 1,000 homeless veterans with HUD-VASH vouchers. I'm happy to report that, as of May 1, 2009, the City has distributed 701 vouchers.

I'd like to take this opportunity to thank you and your colleagues in Congress for your past commitment to this important funding stream. This is a critical resource for veterans, and so I urge you to support additional funding for the HUD-VASH program so that we can all continue to help more veterans avoid homelessness and instead find permanent housing in the community. This is a valuable resource, and we have been successful in serving the most vulnerable veterans through careful targeting and working with the VA to ensure that vouchers are moving veterans to permanency. In addition to supporting the overall funding, one way that this Committee can be most helpful in ensuring the success of the program is in making sure that the legislative directives incorporate the notion of targeting to those most in need.

Conclusion

Ending veterans' homelessness is the right goal for New York City and it is the right goal for the Nation. We all can do this, but, as in the case of New York City, it will take strong partnerships between both the Federal and local VA and the ju-

risdictional leaders. But I realize that what works in New York City will not work everywhere. There cannot be a one-size-fits-all approach. What works in New York City may not work in Killeen, Texas. And so, these Federal-local relationships will need to be developed with flexibility to the needs of each individual locality, and allow them to create their own specific and measurable goals to drive their success. The key component here is that as a locality, we need a strong Federal partner to help us bring our initiatives to scale if we are truly to end veterans' homelessness.

Our continued progress in housing and better serving the needs of homeless veterans is a true testament to our strong partnership with both our local and national VA; without their collaboration from the beginning, this system transformation would not have been possible. Once fully implemented, we believe that this system will serve as national model for permanently ending veterans' homelessness.

I look forward to answering your questions and I stand committed to working with this Committee and my colleagues around the country in ending veterans' homelessness once and for all. Thank you.

**Prepared Statement of Carol L. Caton, Ph.D., Director, Columbia Center
for Homelessness Prevention Studies, and Professor of Clinical
Sociomedical Sciences (in Psychiatry), New York State Psychiatric
Institute, Columbia University, New York, NY**

The Columbia Center for Homelessness Prevention Studies (CHPS) is an NIMH-funded Advanced Center for Interventions and Services Research (P30 ACISR) with a multidisciplinary research agenda focused on the prevention of chronic homelessness at both the individual and population levels. The Center's investigators bring expertise on many issues related to homelessness, housing, mental health, and intervention development, and represent a broad range of academic disciplines, from public health to psychiatry, medicine, social work, and the economic and social sciences. Providers, consumers, and stakeholders contribute significantly to the Center's activities and play an integral role in carrying out the Center's mission. As the Nation's only NIMH-funded Center focused on the public health problem of homelessness, the Center values collaborations with colleagues at academic centers across the country committed to the development of innovative approaches to preventing and ending homelessness.

The Center's organizational structure facilitates in many ways the development and implementation of new research initiatives. The Center has three Cores; an Operations Core with responsibility for the Center's strategic plan, the Principal Research Core, with responsibility for the development of new research efforts consistent with the Center's homelessness prevention framework, and the Methods Core, a centralized multidisciplinary resource for research methods and analysis techniques for the conduct of the range of studies to be carried out under the Center's auspices.

The Center has a pilot studies program for junior investigators to fund innovative research efforts that will develop into full-scale NIH grant applications. A Grand Rounds program brings accomplished researchers, service providers, and policymakers from across the Nation to bi-weekly meetings during the academic year to inform Center members, and the public at large, of new research findings, new program models, and relevant policy issues. The Center's Web site is <http://cchps.columbia.edu>.

The Center is based at Columbia University, the New York State Psychiatric Institute, and the Mailman School of Public Health. Columbia's Graduate School of Arts and Sciences and the School of Social Work also contribute faculty to the Center. The multi-institutional academic and health sciences enterprise of Columbia University coupled with the community laboratory of New York City and its environs offers access to a wide array of resources that enrich our capacity to conduct research. As the Center has grown, collaborators include investigators at other universities and centers in the United States. Below is a brief summary of some of the current work of the Center focused on homelessness prevention with possible implications for the VA Grant Per Diem program and veterans' outreach and special needs grants.

A. Ending Chronic Homelessness

The Federal Interagency Council on Homelessness' Initiative to End Chronic Homelessness in 10 Years (www.ich.gov) has inspired over 350 municipalities nationwide to develop specific plans to end chronic homelessness in their communities. Many such plans have adopted evidence-based approaches for the provision of hous-

ing and treatment services to enable street and shelter dwelling adults to achieve stable tenure in community housing. The wide-scale implementation of these approaches has been credited with contributing to a decline of about 30 percent in the number of chronic homeless in the United States from 2005 to 2007 (USHUD AHAR Report 2007).

1. Developing Evidence-Based Approaches to End Homelessness

Two interventions supported by the Center that have been studied in terms of efficacy in helping people to obtain and retain stable housing are being developed in important ways: "Housing First," a streets-to-homes housing and services initiative that does not require sobriety or treatment engagement as a prerequisite to obtaining housing; and Critical Time Intervention (CTI), a time-limited intensive case management approach designed to ease the transition from shelter to community living.

Housing First programs, modeled after Pathways to Housing in New York City (Tsemberis et al. 2004; Pearson et al. 2009), have become a staple in numerous 10 Year Plans to End Chronic Homelessness (The New York Times, July 30, 2008).

CTI, initially developed to assist long-term homeless mentally ill men to transition successfully from shelter life to community living (Susser et al. 1997; Herman et al. 2007), has been applied to other points of transition in NIH-funded projects, specifically discharge from long-term psychiatric hospitalization (Dan Herman of Columbia University) and release from prison for men (Draine and Herman 2007) and women (Catherine Willging of the University of New Mexico) with severe mental illness at risk of homelessness. CTI has also been implemented in the VA system (Kasprow and Rosenheck 2007).

New York City, like the other localities across the U.S. that have developed "10 Year Plans to End Homelessness," has implemented a number of new initiatives designed to reduce homelessness in the city. In conjunction with New York City's Department of Homeless Services and with several of the non-profit service providers with which it contracts, Center investigators have undertaken a series of studies to trace people's movements into or through various parts of New York City's homeless service systems (which encompasses community-based preventive services, street outreach to the chronically homeless, and shelter services for single adults and families), describe how new models of service within those systems are being implemented, and assess impacts of these on individual outcomes and community rates of shelter use. They have also participated in research advisory panels and other mechanisms to provide research-informed input on homelessness prevention for policy developers and advocacy organizations.

2. Study of New Program Models: Chronically homeless individuals on the streets

Drs. Peter Messeri and Nancy VanDevanter, in collaboration with the Manhattan Outreach Consortium, have been conducting a pilot study entitled "From Streets to Homes." The purpose of the study is to document the City's new service initiative for the chronically homeless "street" population. The researchers are working closely with the city-contracted provider agencies implementing the new service model that expands the focus of outreach to this population from engagement to placement in permanent housing. The pilot study focuses on program implementation and on administrators' and frontline staff perspectives on the changing delivery of outreach services. It is the first step in a collaborative process expected to lead to an outcome study to evaluate the model.

3. Study of New Program Models: Frequent users service enhancement (FUSE)

Angela Aidala and William McAllister have been evaluating the FUSE initiative, jointly developed by the Department of Homeless Services, the Corp. for Supportive Housing, and several non-profit supportive housing providers. The program offers housing with enhanced services to individuals with at least four stays in NYC shelters and four incarcerations in NYC correctional facilities. The study is examining the housing trajectories of study participants; the effects of the housing and service intervention on trajectories; and the reliability and validity of a survey instrument used to measure physical, social, and fiscal characteristics of individual housing histories over the prior 5 years.

B. Homelessness Prevention

1. Home Base: Neighborhood-Based Homelessness Prevention

An innovative initiative related to ending homelessness is focused on an evaluation of a program to prevent families and single individuals from losing their exist-

ing housing and entering the shelter system. The Center is collaborating with the New York City Department of Homeless Services to evaluate the City's HomeBase Prevention program, a key element in the New York City 10 Year Plan to End Homelessness. HomeBase has been targeted at high risk families residing in six New York City community districts with high rates of admissions to the family shelter system. In an effort to assist families to retain their existing housing and avoid shelter entry, the program offers neighborhood-based services such as job training, entitlements advocacy, assistance with legal issues, housing relocation, and financial assistance for the payment of rent arrears or broker's fees. The Center's evaluation effort is headed by Professor Brendan O'Flaherty and involves using administrative and census data to explore program impact at the community district and census tract levels in reducing shelter admissions. This study will also help to inform the issue of targeting those individuals most in need of homeless prevention services.

2. The Process of Becoming Homeless

Dr. Susan Barrow has been conducting a pilot study on pathways to shelter that uses narrative interviews focused on housing and service use histories to reconstruct the processes through which unaccompanied individuals have arrived at New York City shelters for single adults from three upper Manhattan neighborhoods. This study was formulated in the context of a collaboration with upper Manhattan homeless service providers to develop homeless prevention service networks for single adults in their neighborhoods. As a first step, a study was established to learn more about how people enter homelessness. Analyses are focused on identifying points at which preventive interventions might avert shelter entry and findings on intervention implications will be shared with policymakers and local service providers.

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Prepared Statement of Brendan O'Flaherty, Executive Committee Member, Columbia Center on Homelessness Prevention Studies, and Professor of Economics, Department of Economics, Columbia University, New York, NY

Hi. I'm Dan O'Flaherty. I'm an economist. I teach at Columbia University. Thank you for the opportunity to testify. Your staff asked me to talk about homelessness prevention.

Homelessness prevention is hard. It's hard because the onset of homeless spells is unpredictable. There is good reason to think that it is inherently unpredictable—like guessing which stocks will go up tomorrow. For 15 years, really good scholars with really great datasets have been trying to predict the onset of homeless spells, and the best they can do is isolate groups of families that have pretty high probabilities of becoming homeless pretty soon. But risk in these super-high risk groups is nowhere near even a half, and most people who become homeless are not from

these super-high risk groups. No comparable studies for single adults have been conducted.

Reasonable programs that humans could implement (programs that use eligibility questions that can be reasonably answered and reliably documented) can probably reduce the point-in-time homeless count by no more than 5–8 for every hundred non-homeless households they serve. (Remember that around 2 out of 100 severely mentally ill people are homeless on an average night, and about the same ratio of poor people.) The best relevant studies here are those of housing subsidy programs: they use a wide variety of methods, but always end up in the 3–7 range. I have no reason to think the programs I recommend below will do better than this.

These are prevention programs that begin with people who are not homeless at the moment. Some programs that start with homeless people rather than non-homeless people can probably do better on this metric, but they are not my topic. These programs present another set of issues, like moral hazard.

So prevention is hard, but hard doesn't mean not worth doing. Hard means only that you have to think about what you're doing.

Think about fires. Fires, too, are inherently unpredictable. If you knew when and where a fire would occur, it wouldn't occur. Unpredictability implies that fire departments don't invest a lot of effort in trying to predict individual fires. They don't send fire trucks when they think a place is at risk of having a fire. They respond in force only to actual fires, since fire this minute is the best predictor of fire a minute from now, and try to end these actual fires quickly.

But fire departments still engage in fire prevention. Most buildings are covered by fire protection codes, like this one, even though this building is quite unlikely to have fire today if the code were not in place. When you read that smoke detectors save lives, you don't complain that hundreds of millions of smoke detectors in this country are being wasted in buildings that are not burning now.

Fire prevention before the fact is wide and shallow; after the fact it is narrow and deep. That seems like a good approach to homelessness, too.

What does this mean for veterans and homelessness? I have two recommendations that Rosanne Haggerty and Tim Marx of the Common Ground community have assisted me with. I think these programs will help a lot of veterans and keep some of them from becoming homeless, and I don't think they will cost a lot. But they are novel in some ways and so I can offer no direct evidence.

First, **rent insurance**. For over 60 years, the VA has been insuring the mortgages of veterans who buy homes. I propose that the VA expand this insurance to cover veterans who rent apartments. Give veterans who rent a safety net so they don't lose their apartments when they're down on their luck. A program like this would also make it easier for veterans to rent apartments, since landlords have more assurance that they won't get stuck with unpaid rent. Rent insurance in the immediate future could also reduce foreclosures, since in the Northeast and Midwest especially, a large number of the houses being foreclosed are 2–4 family buildings.

Finally, rent insurance promotes equity among vets. In the last year, I have heard Members of Congress say repeatedly that home ownership isn't for everyone. I agree. Hence some veterans are not going to buy houses. But every veteran, no matter what form of housing he or she chooses, deserves some protection against hard times. So why not expand insurance to veterans who rent as well as veterans who buy? Since the veterans who rent are generally more vulnerable to homelessness than veterans who buy, they seem like the vets who need insurance the most.

How would VA rent insurance work? I'm not an expert, and many people could probably make major improvements to my ideas. But let me sketch a rough outline of one possible way it could work.

A veteran looking for an apartment would obtain a certificate of eligibility, just like a veteran looking for a mortgage does now. He or she gives it to a landlord, probably in lieu of a security deposit. The VA is then guaranteeing to the landlord that the veteran's rent will be paid. The apartment, of course, would have to meet some standards. A small funding fee would be due, as is required for VA mortgage insurance, but it might be less than \$100.

The veteran is responsible for the rent, of course, and if all goes well, nothing happens. When the veteran moves on, he or she can get another certificate of eligibility and rent or buy again. The funding fee can be adjusted. (I don't know whether the funding fee for a first-time buyer should be increased if the veteran has previously used rent insurance; I think not, but would defer to experts.)

The insurance would kick in if the veteran or the household experienced some well-defined adverse amount—loss of a job, a serious health problem, a relationship that falls apart, or some similar disaster. At that point, the VA would cover a fixed amount of rent for a fixed number of months—say \$1,000 a month for 6 months. After that, the veteran would have to find someplace else to live.

This program won't resolve all problems, but it will resolve a lot. Many problems can be resolved in 6 months; the median shelter spell for a single adult in 2007 was about 2 weeks. For more long-lasting problems, when a veteran (or more likely, a veteran's landlord) started to draw down on the insurance, it would signal to the VA that some problem was afoot; it would give the VA an early warning so it could bring other programs into play before a veteran's situation became dire.

The future consequences for the veteran of a failure to pay rent should be similar to the future consequences of a default on a VA-guaranteed mortgage. A veteran who missed a few months but then got back on his feet should be given some grace period to repay the insurance—just as homeowners have opportunities to fall behind and then catch up. These provisions would use a lot of wisdom to write.

Rent insurance is not a completely novel idea. In fact, at least one private company in the New York area has been providing rent insurance for the last several years (Insurent). This company sues a tenant who fails to pay for the full amount that it lays out. The VA could operate this way too, but I would prefer to follow the analogy of the existing mortgage insurance program.

Notice that rent insurance, administered well, should not be an expensive. Almost all veterans will pay on time, and never draw it down. To the extent that it provides an early warning signal to the VA or averts homelessness, the government's cost will be further reduced.

Second, **shared housing**. Today lots of people are hard-strapped for cash, worried about foreclosure, and rattling around in houses bigger than they need. For some of them a boarder or a relative who could pay some of the expenses would be a godsend. At the same time, there may be lots of veterans who could use a temporary cheap place to stay until the economy picks up. Why not bring the two sides together? Maybe there are some households who would say, "Gee, we have a spare room and we could use some cash." Some households might say, "We have a spare room and it would be nice to have someone around to help out with chores." Some might even say, "We have a spare room and we'd like to help a veteran."

This is not for everybody, on either side of the market. It's not even for a majority on either side of the market, or even 90 percent. Many people have good reasons not to have another person in the house, and many veterans don't want to live in someone else's house. But if only one household in a thousand offered to house a veteran temporarily, over 112,000 offers would come in. A lot of veterans might find some of these offers pretty good. Probably a few thousand veterans would avoid homelessness. Some homeowners might avoid foreclosure. No one would be forced to do anything. Taxpayers would be asked for very little. Why can't Congress promote this option?

As with rent insurance, there are already private companies in the roommate-finding business. The VA should not compete with them, and can learn much from them. Services like Craigslist have already developed most of the software that would be needed. But the VA brings something private companies don't have—a level of trust, widespread familiarity, the respect that many Americans have for veterans. This is not a government intrusion into an existing business.

Even if the Federal Government does not actively promote shared housing, it can stop actively discouraging it. Many Federal programs such as food stamps, the housing choice voucher program, and supplemental security income actively discourage shared housing. Two people living separately get a lot more government assistance under these programs than two people who share housing. These programs are not under this Committee's jurisdiction, but if this Committee cannot stop other parts of the government from discouraging shared housing, it probably should actively encourage it.

In summary, I suspect that this is not what you expected me to say. Honestly, it's not what I expected me to say. But the logic compelled it. When you cannot forecast who will be affected by a problem and when, the best way of preventing it is to treat many people in a cost-effective and intelligent manner. Wide and shallow before the fact; deep and narrow after the fact. That is what fire departments do; that is how polio was eradicated; that is why EVERY car has seatbelts, not just those we think are going to crash today. Preventing homelessness requires building a better safety net for all veterans. The raw materials for that better safety net are already in place—in the excellent programs the VA has been operating for over 60 years and in the respect that most Americans have for veterans. My suggestion is to use those extraordinary resources in a new way.

Thank you.

**Prepared Statement of George P. Basher, Chairman, Advisory Committee
on Homeless Veterans, U.S. Department of Veterans Affairs**

Chairman Filner, honorable Committee Members, and distinguished guests, I am pleased to be here today to discuss the views of the VA Advisory Committee on Homeless Veterans on various programs designed to end homelessness among America's Veterans. As Chairman of the Advisory Committee I want to thank you for this opportunity.

Established by Congress in 2001, the VA Advisory Committee on Homeless Veterans has worked aggressively to fulfill its charter to provide advice and recommendations to the Secretary on the provision of benefits and services to homeless Veterans. We have also worked closely with our partners at HUD, HHS, Labor, and DoD to integrate VA programs for Homeless Veterans with their own efforts. Not one single VA program for Homeless Veterans has been improved or adjusted without recommendations from the Advisory Committee. Our fifteen Member Committee consists of direct service providers, policy makers, and program administrators who all are dedicated to the elimination of veteran homelessness.

VA Grant and Per Diem Program

VA Grant and Per Diem (GPD) continues as the workhorse program largely responsible for reducing the number of Homeless Veterans over 40 percent to 131,000 during the past 5 years. However, over the past several years the Advisory Committee has recommended a number of changes to the program that we feel would improve this record even further:

- The funding mechanism, designed over 20 years ago, is outmoded. GPD was modeled after the State Veteran Nursing Home Program, the only other "Per Diem" program VA operated. Small nonprofit agencies do not have the same resources or sophisticated staff as state governments to comply with the intricate requirements of the GPD program. The low fixed rate of the per diem discourages participation in higher cost areas—frequently those with high homeless populations. One only has to look at the Department of Labor Homeless Veteran Reintegration Program grants for a simpler, more user-friendly program. Basing the program on actual costs of services provided instead of a rigid per diem would allow agencies to tailor programs to local needs and costs. The VA special needs grants take this approach and have been very successful.
- The Advisory Committee has also recommended that the GPD program be authorized at a level of \$200 million for FY2010, and that sums necessary to successfully sustain the program be appropriated thereafter.
- Most homeless programs—with the exception of GPD—are covered under the McKinney-Vento Homeless Assistance Act. The Act contains a waiver that allows all Federal funds (with the exception of those listed in the specific subtitle of Chapter 42, CFR) to be used without offset. GPD does not have that waiver, decreasing opportunities for participants to leverage a number of resources to increase their services to homeless veterans and expand their programs in ways that are common in "mainstream" programs.
- Inspection of GPD providers is currently the responsibility of the local VA Medical Center staff. With the growth of the GPD program to hundreds of providers and over 10,000 beds, the inspection process has become inefficient and inequitable. Delays in performing inspections have resulted in significant delays in opening programs, and there is a significant lack of uniformity in the application of inspection standards across the country. The Advisory Committee has recommended a national standard be established and a national contract created for inspections.

Prevention of Homelessness

The Advisory Committee has been concerned for some time about the need to increase efforts to prevent homelessness among those veterans returning to a weakened economy and less stable housing. We have noted a slow but steady increase in the number of recently returning veterans seeking VA assistance through the Health Care for Homeless Veterans (HCHV) program, now over 3000 individuals. Over 500 of these have been referred to GPD providers for services as well. The current economic downturn is also affecting older veterans from Vietnam to the First Gulf War as well—exposing those on the economic edge to a greater risk of homelessness.

- Returning OEF/OIF soldiers transitioning from active duty to veteran status—while all returning combat veterans have eligibility in the VA Health Care System—many do not enroll or take advantage of the services offered. The Advisory

Committee has consistently recommended that separating soldiers be automatically enrolled with VA.

- Veterans with PTSD and moderate/severe TBI are potentially at a greater risk for homelessness as a result of their conditions. The Advisory Committee has recommended that VA and DoD continue to work with NIH, SAMHSA, and CDC to develop better screening and assessment tools and develop appropriate interventions that minimize the risk of homelessness for this population.
- Research has shown that persons who enter the service from backgrounds at risk for homelessness often are the most likely to experience homelessness once separated from active duty. The Advisory Committee recommends further research on this vulnerable population and the prevention of homelessness be done as soon as it can be practically accomplished.

Outreach to Veterans

Outreach to Veterans means different things to different people—there are as many definitions as there are advocates. In the world of Homeless Veterans VA has done a good job of outreach to the chronically homeless through VA Health Care for Homeless Veterans (HCHV) outreach workers and their community partners in providing transitional housing. That said, Veterans in HUD or other mainstream programs frequently miss opportunities to connect to VA benefits and services because those programs do not identify Veterans or opportunities available to them.

Similarly, those Veterans at risk for homelessness in the community are more likely to be noticed first by the community—churches, schools, and the criminal justice system—as opposed to the nearest VA Medical Center.

- The Advisory Committee has recommended for some time that our partners at HUD and HHS identify Veterans in their programs so that effective and timely access to VA services can be provided.
- The Advisory Committee has also discussed the need for VA to connect with community based resources to develop true local access to VA services. Basic education on programs, eligibility, and points of contact are necessary to make outreach a true community effort.

HUD–VASH

Over the past several years the Advisory Committee has recommended to the Secretary that while VA Transitional Housing was a good program, collected data indicated that a significant number of veterans were cycling through the program a number of times. The new HUD–VA Supportive Housing (HUD–VASH) provides an opportunity to provide significant amounts of permanent housing to Veterans—and also for the first time a VA program specifically includes families. Coupling Section 8 rental vouchers with VA case management is an innovative way to provide housing for Homeless Veterans in conjunction with appropriate VA services.

- The Advisory Committee will be reviewing the progress of the HUD–VASH program and making recommendations on the need for additional vouchers in its 2010 report to the Secretary.
- As with any new program, there are issues in implementation. One difficulty with HUD–VASH is the absence of a reliable source of funds for things such as security deposits, utility deposits, etc. for a population that typically lacks sufficient income for these charges. Because of this issue mainstream programs that provide such assistance are reluctant to include the Veteran housing providers in these programs.
- A careful assessment of the effectiveness of the VA case management component needs to be done to determine if the staffing levels are appropriate for the workload. The success of the program depends heavily on the ability to case manage Veterans—many of whom are in permanent housing for the first time in a long time.
- VA should consider contracting with community-based agencies to provide case management where appropriate as a way to extend the reach of VA staff while providing necessary services. Current GPD providers are a logical choice for permanent as well as transitional housing in many cases.

Conclusion

Congress and VA have done an admirable job in reducing the number of Homeless Veterans in the Nation—nearly 15,000 GPD beds and 20,000 Section 8 vouchers are formidable tools to reduce the incidence of homelessness amongst Veterans. Much remains to be done, however, especially in the areas of prevention and permanent housing. The Advisory Committee believes the key to success is providing programs that are adequately resourced and sufficiently flexible to meet the varied needs of this group of Veterans.

Mr. Chairman, this concludes my testimony. On behalf of the VA Advisory Committee on Homeless Veterans I thank you and the Committee for the opportunity today and look forward to working together on this issue. I will be glad to answer any questions you may have.

**Prepared Statement of Peter H. Dougherty, Director,
Homeless Veterans Programs, Veterans Health Administration,
U.S. Department of Veterans Affairs**

Mr. Chairman and Members of the Committee, I am pleased to be here today to discuss the Department of Veterans Affairs' programs and services that help homeless Veterans achieve self-sufficiency. Thank you for inviting me to testify on behalf of the U.S. Department of Veterans Affairs (VA).

The President has announced that he has a zero tolerance policy for homelessness among Veterans. We welcome his leadership and his commitment to this goal. Homelessness for any person is unacceptable; however, for those who have honorably served our Nation in the military, homelessness should not be allowed to continue. On March 26, 2009 the President said "... we will provide new help for homeless Veterans because those heroes have a home—it's the country they served, the United States of America. And until we reach a day when not a single Veteran sleeps on the street, our business is unfinished." This pledge reaffirms our long-standing commitment to end chronic homelessness among Veterans. Our focus gains strength every day.

We are expanding in dynamic ways to not only keep that commitment but to extend and to enhance our outreach efforts with new tools to prevent homelessness for those Veterans at risk of becoming homeless. These unprecedented strides are continuing and creating new opportunities to bring together Veterans in need of assistance through a wide range of direct services and treatment VA provides, as well as those services we offer in partnership with others.

Health Care for Homeless Veterans

VA is the Nation's largest integrated health care system and the largest single provider of homeless treatment and benefits assistance services to homeless Veterans in the Nation. VA provides health care to more than 100,000 homeless Veterans each year. We do this by aggressively reaching out and engaging Veterans in shelters and in soup kitchens, on the streets and under bridges. We proactively reach out to offer services.

Last year we reached out and conducted clinical assessments on more than 40,000 homeless Veterans. Our effort is designed to encourage them to utilize VA's health care and benefits and to engage them with community resources and services. Once they are enrolled, we provide access to quality primary health care, psychiatric evaluations and treatment, and admission in treatment programs for substance abuse disorders. It is extremely important that mental health specialists and a case manager see these Veterans. VA has adopted strong performance measures and a Mental Health Uniform Service Package to ensure that all homeless Veterans receive prompt access to mental health and substance abuse care. Our objective is to help Veterans receive coordinated care and benefits, which, in turn, improve their chances of obtaining and maintaining independent housing and gainful employment. Providing this assistance should enable Veterans to live as independently as possible given their individual circumstances.

VA makes a significant investment in the provision of services for homeless Veterans. We expect to spend nearly \$400 million in 2009 on VA homeless specific programs and an additional \$2.4 billion for health care treatments that assist homeless Veterans supported through the Veterans Health Administration (VHA).

Services and treatment for mental health and substance abuse disorders are essential both to the already homeless Veteran and to those at risk for homelessness. VA's mental health services funding increased by nearly \$400 million this year, and the proposed budget calls for an increase of nearly \$300 million. Those funds are used to enhance access to mental health services and substance abuse treatment programs. Increasing access and availability to mental health and substance abuse treatment services are critical to ensure that those Veterans who live far away from VA health care facilities are able to live successfully in their communities.

Benefit Assistance for Homeless Veterans

Homeless Veterans Outreach Coordinators (HVOCs) at all Veterans Benefit Administration (VBA) regional offices work to identify eligible homeless Veterans, advise them of VA benefits and services, and assist them by identifying their claims

for expedited claims processing. The coordinators also network with other VA entities, Veterans Service Organizations, local governments, social service agencies and other service providers to inform homeless Veterans about other benefits and services available to them. In fiscal year (FY) 2008, VBA staff contacted 3,277 shelters and assisted over 30,500 homeless Veterans with information, referral or expedited claims processing.

Since FY 2003, regional offices have maintained an active record of all compensation and pension claims received from homeless Veterans. Procedures for the special handling and processing of these claims are in place. In FY 2008, VBA received over 5,700 compensation and pension claims. Of the claims granted, 67 percent were compensation claims (736 awarded benefits) and 33 percent were pension claims (1,169 awarded benefits). Among compensation claims awarded the average disability rating was 44.7 percent. One hundred twenty-five were rated 100 percent disabled. The average processing time for all compensation claims of homeless Veterans was 130 days. The average processing time for all pension claims of homeless Veterans was 108 days. The number of claims identified as a "homeless claim" increased by 30 percent during the last fiscal year.

It is important to note that VBA's Loan Guaranty Service program allows non-profit entities to purchase VA foreclosed properties. More than 200 homes have been sold to non-profit and faith-based organizations to help provide thousands of nights of shelter to homeless Veterans and other homeless individuals.

Interagency Council on Homelessness (ICH), and Local Relationships

VA has always been an active partner with Federal departments and agencies that provide services to homeless Veterans. I am the Acting Executive Director of the U.S. Interagency Council on Homelessness. Soon you will see a shift toward ICH devoting more time and attention to creating a more coordinated and collaborative approach at the Federal level that will make it easier for community providers, Veterans and others who find themselves homeless to access services in their communities. Federal efforts need to be measured with strong platforms to end homelessness at the community level and those plans need us to give them greater flexibility to create local collaborations. Secretary Shinseki, as the current chair of the Council, has expressed his commitment that VA will fully engage in efforts to improve the ICH's operations to end veteran homelessness and prevent new Veterans from becoming homeless. VA and ICH efforts will bring enhanced involvement at Federal, State and local efforts to end chronic homelessness.

VA works closely with many of our Federal partners especially those at the Departments of Housing and Urban Development (HUD), Health and Human Services (HHS), and Labor (DOL) to ensure those Veterans who want and need housing, alternative access to health care and supportive services and employment have an opportunity to become productive Members of society. Housing and employment are very important because we understand from many formerly homeless Veterans that having opportunities for gainful employment was vital to their being able to overcome psychological barriers that contributed to their homelessness.

Community Homeless Assessment Local Education and Networking Groups (CHALENG) for Veterans

To strengthen our partnerships with community service providers, last year VA medical centers and regional offices sponsored CHALENG meetings for over 11,000 participants, including more than 5,000 current or formerly homeless Veterans. This has led to better coordination of VA services and the development of innovative, cost-effective strategies to address the needs of homeless Veterans at the local level. These meetings showed us what is being done effectively and what pressing unmet needs remain.

This process also helps us to establish, as part of local needs, the number of Veterans who are homeless on any given night. The number of homeless Veterans is declining. Three years ago, VA estimated there were approximately 195,000 homeless Veterans on any given night. In fiscal year 2007 the population dropped to 154,000, a 21-percent reduction. Based on estimates from last year, we estimate that on any given night in 2008 there were approximately 131,000 Veterans among the homeless, an additional 15-percent decline from the previous year. This represents a 33-percent reduction over the last 3 years. While there are still far too many Veterans among the homeless, it demonstrates progress we are committed to continuing to bring these numbers down. This progress demonstrates to us that this scourge of homelessness, while difficult to address, is not impossible. We are confident our continued efforts will achieve our goal of ending homelessness among all Veterans with particular emphasis on the chronically homelessness Veterans.

VA Involvement in Stand Downs

VA's involvement in stand downs began more than 20 years ago when the first stand down for homeless Veterans was held in San Diego. We have participated in over 2,500 events since then. Stand downs for homeless Veterans are avenues for VA to promote a proven outreach effort at the local level through coordination of our programs with other departments, agencies, and private sector programs. In calendar year 2008, VA employees and volunteers, along with more than 24,000 community homeless service providers, state and local government employees, faith-based organizations, and health and social service providers, provided assistance to over 30,000 Veterans and over 4,500 spouses and children in attendance.

Homeless Providers Grant and Per Diem Program

VA's largest program involving local communities is the Homeless Providers Grant and Per Diem Program. This successful program allows VA to provide grants to state and local governments, as well as faith-based and other non-profit organizations, to develop supportive transitional housing programs and service centers for homeless Veterans. The Fiscal Year 2009 of Funding Availability (NOFA) has \$15 million for new grant programs. Organizations may also use VA grants to purchase vans to conduct outreach and provide transportation for homeless Veterans to health care and employment services.

Since the Grant and Per Diem Program was authorized in 1992, VA has fostered the development of nearly 600 programs with more than 10,500 operational beds today. Plans have already been approved or are in process to develop at least 3,500 more transitional housing beds. We already have 23 independent service centers and provide funding for more than 200 vans to provide transportation for outreach and connections with services. Applications are under review and we hope to award funding to new programs that will add 1,000 or more additional transitional beds by late summer.

Technical Assistance Grants

With the enactment of Public Law 107-95, VA was authorized to provide grants to entities with expertise in preparing grant applications. VA solicited applications for technical assistance grants earlier this year and we plan to award funding later this year. VA hopes these efforts will continue to expand and improve services to connect Veteran-specific service providers to other governmental and non-government resources.

Grants for Homeless Veterans with Special Needs

VA also provides grants to its health care facilities and existing grant and per diem recipients to assist them in serving homeless Veterans with special needs, including women, women who care for dependent children, the chronically mentally ill, the frail elderly, and the terminally ill. We initiated this program in FY 2004 and awarded \$15.7 million to 29 organizations; we followed up that effort with two notices of funding availability on February 22, 2007, which resulted in \$8.8 million to continue funding and expanding special needs grants. We are now reviewing applications to renew many of the existing grants.

Residential Rehabilitation and Treatment Programs (RRTPs)

VA's Residential Rehabilitation and Treatment Program provides a full range of treatment and rehabilitation services to many homeless Veterans. Over the past 20 years, VA has established 42 domiciliary programs providing 2,146 beds. VA continues to improve access to the services offered through these programs. In FY 2008, Domiciliary Care programs treated 5,913 homeless Veterans.

Multifamily Transitional Housing Loan Guaranty Program

The last time I testified before this Committee, we told you the Multifamily Transitional Housing Loan Guaranty Program was not meeting expectations. We have reviewed the problems and determined that, while well-intentioned, it can not efficiently create the housing opportunities Veterans need. We have no plans to pursue new sites and are convinced that the supportive services grants and the Department of Housing and Urban Development-VA Supportive Housing (HUD-VASH) efforts are better alternatives.

Services for Operation Enduring Freedom/Operation Iraqi Freedom Veterans

The best strategy to prevent homelessness is early intervention. Many combat-theater Veterans returning from Iraq and Afghanistan have, depending on their date of discharge, enhanced enrollment priority for up to 5 years in VA's health care system and extended eligibility for VA health care at no cost for conditions possibly

related to their combat-service. This eligibility allows clinical staff to identify additional health problems that may, if otherwise left untreated, contribute to future homelessness. Over the past 4 years, 1,135 returning Veterans have needed VA residential services either in VA-operated programs or in community transitional housing programs such as our Homeless Grant and Per Diem Program. The numbers of recent Veterans needing homeless specific services is rising, but early access to comprehensive care and timely assistance can prevent these Veterans from becoming homeless.

Preventing Homelessness Among Veterans

In the FY 2009 appropriations bill passed in March, Congress provided VA and HUD with \$10 million to develop a new collaborative dynamic pilot that may fund as many as 10 sites where Veterans at-risk of homelessness can be assured safe housing, supportive services, and a dynamic comprehensive treatment team. VA received \$5 million to provide a vigorous case management system for Veterans under this pilot. This effort is designed to intervene before the Veteran's family unit dissolves. These "at-risk of homelessness" pilots are a new and important step to targeting resources to Veterans and their families who are at high risk and will prevent more acute problems later. VA and HUD are working on moving this effort forward quickly and hope that 250–500 Veterans and family Members will be aided with a targeted effort to prevent them from ever becoming homeless.

VA will continue our efforts to end chronic homelessness among Veterans, and those efforts are being enhanced with new measures. We are confident these steps will have a dramatic impact in advancing our goal of zero tolerance for homelessness among Veterans.

Coordination of Outreach Services for Veterans At-Risk of Homelessness

The Department appreciates Congress' renewal and expansion of authority that allows VA and DOL to reduce homelessness among Veterans discharged from institutional settings. Each year more than 50,000 Veterans are discharged from institutional settings such as: long-term mental and substance abuse rehabilitative centers; correctional facilities; and other long-term care settings. This transition is difficult for many Veterans, and this initiative will provide these at-risk Veterans with increased tools for reintegration into the community. Public Law 110–387 §602 authorizes no less than 12 demonstration pilots be established. These demonstration sites are to be initiated in Fiscal Year 2010. An estimated 2,000–4,000 Veterans are expected to be aided through this effort annually. Our Department expects to spend \$4–\$6 million to carry out this homeless prevention activity.

Our efforts, with additional support from the Department of Justice (DOJ), will allow us to offer at least 12 demonstration projects providing referral and counseling services for Veterans at risk of homelessness who are currently in an institutional setting, including incarceration. VA and DOL are in discussions and plan to move forward with these enhanced opportunities later this year.

HUD–Veterans Affairs Supported Housing (HUD–VASH)

A little over 17 months ago, Congress provided funding to support approximately 10,000 units of permanent housing for Veterans under HUD's Housing Voucher Choice program. VA has worked closely with our colleagues at HUD to determine where those vouchers should be placed. Public notice was made 13 months ago, and since then VA began a process to hire nearly 300 dedicated case managers connected to 132 VA medical centers. As of April 2009, we have screened 14,250 Veterans for placement, placed 9,300 under our case management, and referred 8,600 Veterans to public housing authorities for vouchers. Of these, 7,300 have received vouchers and 3,500 are in housing with VA case managers. This program is a godsend to many. Our preliminary information shows 12 percent of units are occupied by women Veterans and 14 percent have one or more children in the unit. This is a fantastic opportunity to offer Veterans with families, including children, housing services. HUD's funding in March 2009 has allowed VA and HUD to work on adding an additional 10,000 HUD–VASH vouchers for Veterans and their families, a huge step toward ending homelessness among Veterans.

Homeless Research Center

Last month Secretary Shinseki announced VA will partner with the University of Pennsylvania and the University of South Florida to create the first Center that will give our Department the research capacity to improve our programs and become more effective in the future. The National Center on Homelessness Among Veterans' primary goal is to develop, promote, and enhance policy, clinical care research, and education to improve homeless services so Veterans may live as independently and self-sufficiently as possible in a community of their choosing. The Center will be co-

located with the Philadelphia and James A. Haley (Tampa, FL) VA Medical Centers and is designed to be a national resource for both VA and community partners. It will improve the quality and timeliness of services delivered to at risk or homeless Veterans and their dependents. As this Committee knows, VA's extensive nationwide network enables it to have one of the best program monitoring and evaluation capabilities in the Nation. The new Center will allow us to use much of the data systems within VA and across the country to improve VA and community service providers' effectiveness in reaching out, treating and improving long term discharge outcomes of the Veterans we serve.

Summary

I have been involved in VA's efforts to end homelessness among Veterans for two decades. I have never been more confident that our efforts will succeed than I am today. There is an unprecedented commitment and collaborative relationship at the Federal, state, territorial, tribal and local government levels. We have more than 500 community, non-profit, and faith-based service providers working in tandem with our health care and benefits staff to improve the lives of tens of thousands of homeless Veterans each night.

VA continues to make progress in preventing homelessness, as well as increasing support and treatment for our homeless Veterans. We still have much to do to end chronic homelessness among Veterans, and we are eager to work with you to meet that challenge. Developing appropriate links to health care, housing, benefits assistance, employment and transportation are all components that help bring these Veterans out of despair and homelessness. We appreciate all of the assistance Congress provides in this noble effort.

Mr. Chairman, this concludes my statement. I am pleased to respond to any questions you may have.

Prepared Statement of John M. McWilliam, Deputy Assistant Secretary, Veterans' Employment and Training Service, U.S. Department of Labor

Chairman Filner, Ranking Member Buyer, and Members of the Committee:

I am pleased to appear before you today to discuss how the Department of Labor's Veterans' Employment and Training Service (VETS) fulfills its mission of providing veterans and transitioning servicemembers with the resources and services to succeed in the 21st century workforce and, particularly, VETS' work in helping to combat veteran homelessness.

We accomplish our mission through three distinct functions: (1) employment and training programs; (2) transition assistance services; and (3) enforcement of relevant Federal laws and regulations. Our employment and training programs include a state grant program, which is allocated to the states by a statutory formula, and a number of competitive grant programs. VETS' transition assistance services are provided through employment workshops and direct services for separating military Members, including those who are seriously wounded and injured. Our enforcement programs include investigation of complaints filed by veterans and other protected individuals under the Uniformed Services Employment and Reemployment Rights Act (USERRA), assessment of complaints alleging violation of statutes requiring Veterans' Preference in Federal hiring, and implementation and collection of information regarding veteran employment by Federal contractors.

As the primary focus of this hearing is homeless veterans, in my testimony I will first describe VETS' enforcement programs, transition assistance programs, and employment and training grant programs, and conclude with an in-depth description of the Homeless Veterans Reintegration Program. All of our activities—enforcement, transition assistance, and employment and training—form an effective frontline in the prevention of veteran homelessness. Our Homeless Veterans Reintegration Program is effective in helping those who do become homeless reestablish themselves as self-sufficient, productive and valued members of our society.

Enforcement Programs

VETS has three enforcement programs that protect servicemembers' employment and reemployment rights and provide employment opportunities for veterans: USERRA, Veterans' Preference, and the Federal Contractor Program. Our USERRA and Veterans' Preference programs investigate complaints filed by servicemembers and veterans who allege their USERRA or Veterans' Preference rights have been violated. USERRA provides employment and reemployment rights to returning servicemembers, including National Guard and Reserve members, and prohibits dis-

crimination due to military obligations. Veterans' Preference provides that eligible veterans receive certain consideration when applying for Federal employment. VETS provides technical assistance to inform veterans, servicemembers and employers of their rights and responsibilities, and thoroughly investigates complaints by servicemembers and veterans under these laws. We also made it easier for a servicemember to file a USERRA or Veterans' Preference complaint by providing a system for online complaint filing. VETS promulgates regulations, and collects and compiles data on the Federal Contractor Program Veterans' Employment Report from Federal contractors and subcontractors who receive a Federal contract at an amount at or above certain statutory thresholds.

Transition Programs

VETS provides transition assistance through two programs: Transition Assistance Program (TAP) employment workshops and the Recovery and Employment Assistance Lifelines (REALifelines) program. TAP was established to meet the needs of separating servicemembers during their period of transition into civilian life by offering job-search assistance and related services. TAP employment workshops consist of comprehensive workshops at military installations worldwide. Workshop attendees learn about job searches, career decision-making, current occupational and labor market conditions, resume and cover letter preparation, and interviewing techniques. Participants also receive an evaluation of their employability relative to the job market, as well as information on the most current veterans' benefits. Since 1990, TAP employment workshops have provided job preparation assistance to over two million separating and retiring military members. During Fiscal Year (FY) 2008, VETS held 3,525 workshops in the United States for 120,875 participants, and 579 workshops for 9,796 participants at overseas locations. The Department's FY 2010 budget requests an additional \$3½ million to allow TAP to offer expanded services for spouses and family members of separating and retiring servicemembers, including those with limited English proficiency.

House Report 108-636, which accompanied the appropriation enactment for Fiscal Year 2005, instructed the Secretary of Labor to add a module on homelessness prevention to the TAP curriculum. This module, which includes a presentation on risk factors for homelessness, a self-assessment of risk factors, and contact information for preventative assistance associated with homelessness, is now included in our TAP Manual and in all of our TAP employment workshops.

VETS developed the REALifelines program in FY 2004 to provide one-on-one employment assistance to wounded and injured servicemembers and veterans to help them transition into the civilian workforce. Through the end of FY 2008, the program has served over 7,000 injured and wounded servicemembers.

Employment and Training Programs

VETS administers one formula grant and two competitive grant programs.

Jobs for Veterans State Grants (JVSG): The JVSG program is the flagship of VETS' employment and training programs. This program offers employment and training services to eligible veterans through formula grants to states. Under the formula, funds are allocated to State Workforce Agencies in proportion to the number of veterans seeking employment within their state relative to the number of veterans seeking employment in all states. VETS' transition programs and competitive grant programs all work through JVSG-funded staff to access the wide array of employment and training services for which veterans receive priority access. The grants support two state staff positions: Disabled Veterans' Outreach Program (DVOP) specialists and Local Veterans' Employment Representatives (LVER).

DVOP specialists provide intensive services to meet the employment needs of disabled veterans and other eligible veterans, with the maximum emphasis on serving those who are economically or educationally disadvantaged, including homeless veterans, and veterans with barriers to employment. DVOP specialists are actively involved in outreach efforts to increase program participation among those with the greatest barriers to employment. During Program Year (PY) 2007, DVOP specialists served 350,318 participants, transitioning servicemembers, veterans and other eligible persons, with a 64.2 percent entered employment rate, and an employment retention rate of 81.7 percent.

The role of the LVER is to develop increased hiring opportunities within the local workforce by raising the awareness of employers of the availability and the benefit of hiring veterans, including those with disabilities. LVERs conduct outreach to employers and engage in advocacy efforts with hiring executives to increase employment opportunities for veterans and help veterans get and keep good jobs. During PY 2007, LVER staff served 363,481 participants, transitioning servicemembers,

veterans and other eligible persons, with a 64.3 percent entered employment rate and an employment retention rate of 81.6 percent.

Another role of LVERs is to facilitate the employment, training and placement services furnished to veterans in the state. To meet the specific needs of veterans, particularly veterans with barriers to employment, DVOP and LVER staff are thoroughly familiar with the full range of job development services and training programs available at the State Workforce Agency One-Stop Career Centers and Department of Veterans' Affairs Vocational Rehabilitation and Employment (VR&E) service locations.

Veterans Workforce Investment Program (VWIP): VWIP funds competitively awarded grants and contracts that stimulate the development of effective service delivery systems and that assist veterans with complex employment problems to reintegrate into meaningful employment. In PY 2007, VWIP grants totaling \$6.9 million provided training for 3,625 veterans, with a placement rate of 61 percent.

In FY 2009, VWIP received funding in the amount of \$7,641,000 that will assist 3,700 veterans. The FY 2010 funding level requested for VWIP is \$9,641,000, an increase of \$2,000,000 over the amount funded for FY 2009 that will serve 4,600 participants. Projects that support training for green jobs will receive priority consideration.

Homeless Veteran Reintegration Program (HVRP): HVRP is the only Federal nationwide program focusing exclusively on employment of veterans who are homeless. HVRP provides employment and training services to help reintegrate homeless veterans into meaningful employment and address the complex problems they face.

HVRP grants are awarded competitively to state and local workforce investment boards; state agencies; local public agencies; and private non-profit organizations, including faith-based organizations and neighborhood partnerships. HVRP grantees provide an array of services utilizing a holistic case management approach that directly assists homeless veterans and provides training services to help them to successfully transition into the labor force. Homeless veterans receive occupational, classroom, and on-the-job training as well as job search and placement assistance, including follow-up services.

Grantees provide services through a client-centered case management approach and network with Federal, State, and local resources for veteran support programs. This includes working with Federal, State, and local agencies such as the Department of Veterans Affairs, the Department of Housing and Urban Development, the Social Security Administration, the local Continuum of Care agencies and organizations, State Workforce Agencies, and local One-Stop Career Centers.

VETS requested a total of \$35,330,000 for the HVRP for FY 2010, an increase of \$9,000,000 (34 percent) above the FY 2009 funding level. For PY 2008, \$23,620,000 was appropriated for HVRP, an 8 percent increase over PY 2007. In PY 2008, HVRP grantees will serve 14,000 homeless veterans; in PY 2009, which will begin in July 2009, HVRP will serve 15,500 homeless veterans. VETS plans to serve 21,000 homeless veterans in PY 2010. During PY 2007, HVRP grantees served 12,932 homeless veterans. The employment placement rate was 64 percent. The costs for serving this challenging population were \$1,686 per participant and \$2,647 per placement.

In PY 2008, VETS awarded a total of 91 HVRP grants, including 16 newly competed grants and 75 current grants for second- and third-year funding. HVRP also provided second-year funding for two cooperative agreements to assist in developing the HVRP National Technical Assistance Center. The Center provides technical assistance to current grantees, potential applicants and the public; gathers grantee best practices; conducts employment-related research on homeless veterans; carries out regional grantee training sessions and self-employment boot camps; and performs outreach to the employer community in order to increase job opportunities for veterans.

VETS utilizes a portion of HVRP funds to support stand down activities. A stand down is an event held in a local community where a variety of social services are provided to homeless veterans. Stand down organizers partner with local business and social service providers to provide critical services such as: showers and haircuts; meals; legal advice; medical and dental examinations and treatment; and information on veterans' benefits and opportunities for employment and training.

VETS allows competitive grantees to use \$10,000 of their existing funds per year to support stand down events, since they are an effective means of outreach. Stand down events are a gateway for many homeless veterans into a structured housing and reintegration program.

In addition, VETS funds HVRP eligible entities (that do not have a competitive HVRP grant) to support a stand down event. During FY 2008, VETS awarded

\$351,000 in non-competitive grants for 46 stand down events that provided direct assistance to 3,789 homeless veterans.

That concludes my statement, and I would be happy to respond to any questions.

**Statement of Hon. Steve Buyer,
Ranking Republican Member, Committee on Veterans' Affairs**

Thank you Mr. Chairman,

While actual numbers are difficult to assess, it is estimated that each night, more than a hundred thousand of our Nation's veterans find themselves sleeping in doorways, beneath viaducts, in their cars, tents, or wherever they can find shelter.

The issue of homelessness is sad from any perspective, but it is especially troubling when formerly proud members of the armed forces and defenders of liberty are living on the streets of the country they helped defend.

The data on homeless veterans offers signs of hope and encouragement that programs we have implemented are working, yet at the same time, we see a rise in some disturbing trends that compel further action.

Overall, the number of homeless veterans is estimated to have dropped by nearly half since 2002 when President Bush revitalized the Interagency Council on Homelessness and made VA an integral part of a larger initiative to end chronic homelessness in the United States.

VA's emphasis on homeless programs, along with improved coordination among Federal agencies, has been wonderfully effective, and an enormous number of veterans have escaped the desperate cycle of life on the streets.

But along with significant progress, VA data shows that demographics have shifted, and there is a marked increase in the number of homeless women veterans, many of whom have children.

These individuals require a safe, supportive environment, and a private setting, in which they can regain their footing and acquire skills that will lead to meaningful employment and permanent housing, and their children can attend school.

So along with providing continued support for the programs and strategies that have proven successful, this Committee must identify existing gaps in service, while anticipating future needs that may arise.

This is especially important during the current economic downturn when jobs are harder to find—we don't want to see a backslide as a result of the recession.

We must bolster successful programs like HVRP—the Homeless Veteran Reintegration Program, which now provides grants to dozens of facilities that help homeless veterans re-enter the workforce and take active roles in the society they helped defend.

Most counselors will tell you that accomplishing meaningful work is the one thing above all else that gives a person a sense of self-worth, and last year, HVRP served thousands of homeless veterans and placed about 65 percent in jobs.

So I was pleased when a measure to extend the HVRP program passed the House on March 30.

I thank Dr. Boozman, Ranking Member of the Subcommittee on Economic Opportunity, for introducing H.R. 1171, the HVRP Reauthorization Act.

I am also especially pleased that H.R. 1171 includes the text of H.R. 293, the Homeless Women Veterans and Homeless Veterans with Children Reintegration Grant Act, which I introduced to reverse the increased trend in homeless women veterans.

I know you all join me in my hope that the success created by HVRP will be replicated by HVRP-W.

Mr. Chairman, I would like to thank you and my colleagues on both sides of the aisle for supporting this important measure.

I welcome our guests on today's witness panels, I look forward to their testimony, and I yield back.

Statement of Hon. Stephanie Herseth Sandlin

Thank you Chairman Filner for holding this important hearing about strategies to combat the scourge of homelessness among veterans.

I agree with President Obama, who said in March that until we reach a day when not a single veteran sleeps on the street, our business on this issue is unfinished.

Recently, I was proud to work in a bipartisan manner in the Economic Opportunity Subcommittee on Rep. John Boozman's Homeless Veterans Reintegration Program Reauthorization Act of 2009. I was pleased to see that bill, which helps homeless veterans with items such as job training and child care services pass the full House on March 30.

My State of South Dakota has had some success in battling this problem through the Grant and Per Diem program, although there is more work to be done. In Rapid City, the Cornerstone Rescue Mission received a grant and opened a 60-bed veterans wing at their facility in 2007.

Program coordinators report that they have seen steady usage of the veterans wing and the success stories are starting to add up with struggling veterans coming in and leaving several months later on their way to gainful employment and regular housing.

Given such success, I hope the VA and this Committee will strongly consider ways to expand this program's reach so more communities can benefit as Rapid City has.

I thank the panelists for appearing today, and I hope the VA and this Committee never loses sight of need to solve this problem.

Statement of Mary Cunningham, Senior Research Associate, Metropolitan Housing and Communities Center, Urban Institute

Chairman Filner and Members of the Committee,

Thank you for inviting me to share my views related to homeless veterans. I am a senior research associate at the Urban Institute, a nonprofit, nonpartisan research organization in Washington, DC. Most of my policy-oriented research over the past decade has focused on affordable housing programs, including Housing Choice vouchers and public housing. More recently, I have been researching homelessness, including writing a policy brief called "*Preventing and Ending Homelessness—Next Steps for Policymakers*." I have been asked to address questions about housing and service interventions that prevent and end homelessness among veterans. Before I talk about what we know from the research and promising strategies, I would like to briefly review the scope of the problem.

Veteran Homelessness and Lack of Affordable Housing

According to the VA, an estimated 131,000 veterans are homeless on any given night (Smits and Kane 2009). Many more, some estimate about twice as many, experience homelessness over the course of the year. I should note that it is notoriously difficult to count the number of homeless people and that these numbers should be used as rough estimates rather than precision counts. The 131,000 number is, however, the best estimate available at this time, and it shows that far too many of our Nation's veterans are homeless.

It is generally accepted that most veterans who are currently homeless served during the Vietnam War, but recent VA numbers show that veterans returning from serving in Iraq and Afghanistan are trickling into VA homeless services. From 2005 to 2008, the VA identified 2,986 OEF/OIF veterans who were homeless (Smits and Kane 2009). Some troubling data, including the high rates of Post-traumatic stress disorder (PTSD) and Traumatic Brain Injury (TBI), the recession, and the lack of affordable housing in many cities across the country, suggest that the number of returning veterans who experience homelessness will grow over the next few years.

Generally speaking, the country's veterans are well housed. They have higher rates of home ownership and lower rates of rental housing cost burden than civilians (GAO 2007). However, a subgroup—approximately ½ million low-income veteran renters—had severe housing cost burden in 2005 (GAO 2007; National Alliance to End Homelessness 2007). This means they are paying more than 50 percent of their income on housing. With no room for basic necessities in their monthly budget—let alone unexpected expenses due to job loss or troubles related to physical or mental health problems—households paying such a large share of income for rent are at risk of becoming homeless. Unlike chronically homeless veterans, many of whom have serious mental illness and substance use disorders, many homeless and low-income veterans do not need supportive services to stay housed. They just need help paying for their housing.

These low-income veterans have few places to turn for help with housing. The VA has some small programs addressing homelessness and a home ownership loan program for veterans who can afford to buy a home, but there is little help for low-income veterans who are struggling to pay their rent. Another possible place to turn for help are local public housing agencies, which administer the U.S. Department

of Housing and Urban Development's (HUD) Housing Choice vouchers and public housing programs. These programs, however, are difficult to get into because of long waiting lists and scarce resources.

The lack of affordable housing is clearly one driver of homelessness. As economists Quigley and Raphael (2000, 1) note, "Rather modest improvements in the affordability of rental housing or its availability can substantially reduce the incidence of homelessness in the U.S." In basic terms, "too many poor people are asked to chase too few low-cost housing units," and the way to solve the problem of homelessness is to solve the housing affordability problem (Sclar 1990, 1,039). This suggests that a targeted housing subsidy program for low-income veterans is needed.

Ending Homelessness among Veterans

To end homelessness among veterans, policymakers need to help veterans who are currently homeless get back into permanent housing and prevent homelessness among those at risk. Because the research indicates that affordable housing is the key to preventing and ending homelessness and because our current assisted housing programs are woefully inadequate to meet current needs, my recommendations focus on expanding housing-based rapid rehousing and prevention programs, supportive housing, and affordable housing subsidy programs. I highlight existing approaches that work—but that need expanding—and a few suggestions that are not currently under way. I should note that mental health and physical health services and employment programs are critical for homeless and low-income veterans, but I will leave these topics to panelists with expertise in these issues.

Ending Homelessness among Veterans Who Are Currently Homeless

To end veteran homelessness, policymakers will have to "empty the queue" of those who are currently homeless. Congress could take several steps that would go a long way in this effort.

- **Increase the number of HUD-VASH vouchers by 10,000 vouchers per year over the next 5 years.** HUD-VASH is a supportive housing program that links housing choice vouchers with case management and clinical services for homeless veterans who would otherwise not be able to live independently. Previous research on HUD-VASH programs operating in the nineties shows that the intervention can lead to positive housing outcomes for homeless veterans with mental illness and substance use problems (Rosenheck et al. 2003; O'Connell, Kaspro, and Rosenheck 2008). In 2008 and 2009, Congress appropriated funding for 20,000 HUD-VASH vouchers. This recent influx of HUD-VASH is a good start, but it will not meet the needs of all homeless veterans.
- **Tightly target HUD-VASH to those with high service needs.** Given scarce resources, program administrators must make difficult decisions about how to prioritize and allocate HUD-VASH vouchers. Since HUD-VASH is a service-intensive and costly intervention, it should be reserved for homeless veterans who need *both* a housing subsidy and services to exit homelessness and, most especially, to remain housed. Ensuring that VA medical centers target HUD-VASH to those with the greatest need must be clearly encouraged by the VA and *incentivized* through policy regulations.
- **Create a rapid rehousing program for veterans.** Some veterans who are currently homeless (or about to become homeless and are seeking shelter) could get back into housing with the help of some short-term assistance, such as short- and medium-term housing subsidies with transitional case management. Rapid rehousing is a relatively new invention, though some communities across the country have been administering programs with promising results for some time (National Alliance to End Homelessness 2005). Through the American Recovery and Reinvestment Act, HUD is administering \$1½ billion in rapid rehousing and prevention funding to homeless and housing service providers. While homeless and low-income veterans are eligible for this program, and many will likely receive it, the program does not target veterans. Rather, and as it should, it focuses on rapid rehousing and preventing homelessness among all homeless and low-income people who meet the eligibility guidelines. Policymakers should consider creating a similar program targeted specifically to homeless veterans and administered through VA medical centers in partnership with homeless service providers. Since we have very little empirical evidence about these interventions, any new program should be accompanied by a rigorous evaluation.

Preventing Veteran Homelessness in the Future

As the economic recession continues, many low-income veterans are at risk for homelessness. To prevent homelessness from occurring requires a certain amount of

prediction. Who will become homeless? Clearly, not all veterans are at risk. Narrowing down the risk pool to those who are extremely poor, have mental health problems, have physical disabilities, have dependents, are leaving jail or prison, and are paying too much for rental housing is a good place to target efforts. But even among this group, some will become homeless and some will not. Answering the prediction question is extremely difficult. As Shinn and colleagues write, “attempts to identify individuals at risk are inefficient, targeting many people who will not become homeless for each person who will” (Shinn, Baumohl, and Hopper 2001, 95). If you cannot narrow down the risk pool further, then you must inoculate the entire group by providing affordable housing. As Shinn and colleagues note, “we recommend reorienting homelessness prevention from work with identified at-risk persons to efforts to increase the supply of affordable housing and sustainable sources of livelihood nationwide or in targeted communities” (Shinn et al. 2001, 95).

There are two possible vehicles for creating an affordable housing program for low-income veterans. Further investigation is needed to understand which approach is most feasible and would have the biggest impact.

1. **Congress could fund a housing supplement for low-income veterans that is administered by the VA through the Veterans Benefits Administration.** This program could provide a cash supplement for housing (for example, up to 50 percent of the local fair-market rent). And the program could be administered through the Veterans Benefits Administration to target veterans at a certain income level (for example, 50 percent of area median income). The VA could conduct outreach at VA medical centers and through VA service organizations to ensure program use.
2. **Congress could authorize and fund 200,000 mainstream Housing Choice vouchers for low-income veterans and their families.** This program could be administered by HUD and modeled after the Housing Choice Voucher program. Priority should be given to homeless, disabled, and elderly veterans, and those with families. These vouchers could be allocated to communities based on a formula that considers the number of homeless veterans and the number of veterans who have severe housing cost burden. These vouchers would differ from HUD-VASH since they would be targeted to veterans who are currently homeless or at risk for homelessness for primarily economic reasons. For this reason, they would not need intensive case-management services attached to the subsidy like HUD-VASH does because that program should be targeting veterans with higher service needs.

In summary, to end homelessness among veterans, policymakers will need to create a range of programs that are housing-based and, for those veterans who need them, that are linked to services. At the most basic level, this means the VA will need to both expand its mission beyond health care and benefits administration to include housing and continue to foster a strong partnership with HUD.

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Statement of Hon. Harry E. Mitchell

Chairman Filner, thank you for calling this hearing to discuss the steps necessary to end homelessness among the men and women—American heroes—who have worn the uniform of our Armed Forces. Thank you also to the witnesses from VSOs, non-profits, and Federal agencies for appearing.

On any given night, there are likely to be more than 100,000 homeless veterans on our streets. Nearly half of these veterans suffer from mental illness, and nearly three-quarters struggle with some kind of substance abuse. Studies show that combat exposure directly correlates with illnesses and behaviors that often precipitate homelessness. Those who have served in harm's way should be those for whom we go the extra mile to prevent homelessness and its underlying causes.

In March, I was proud to join my colleagues on this Committee in reporting to the House of Representatives a bill that will help combat veterans' homelessness. H.R. 1171, the Homeless Veterans Reintegration Program Reauthorization Act of 2009, which was introduced by our colleague, Mr. Boozman, passed the House on March 30. I call on our colleagues in the Senate to take up this bill that would help reintegrate veterans who need a hand with job training and assistance.

I would also like to say a word about the Madison Street Veterans Association, a peer-driven group of homeless veterans in Arizona who have started a resource center to help other homeless veterans. They're working to provide vocational assistance and basic hygiene and sanitary care. These men know the challenges that veterans face, and they have stepped up to help. I hope that we can back them up.

Thank you again, Chairman Filner. I yield back.

**Statement of Cecil Byrd, Executive Director,
National Association of Concerned Veterans**

Thank you Mr. Chairman, Members of the Committee and fellow Comrades in Arms for your efforts and this opportunity to testify. NACV has been serving veterans and their families from the grass roots level since 1968.

Although the National Association of Concerned Veterans (NACV) has been silent for a while we have not ceased our efforts and commitment. As the Committee Chair mentioned, numbers are difficult to assess and it is comforting to quote diminishing numbers, however, we should ask ourselves why the numbers are diminishing? I remember over 20 years ago when NACV and others challenged the numbers of unemployed veterans reported by BLS, DOL, VA and DoD. What we in the trenches discovered was that when people give up on the system they stop signing up and stop showing up. Those of us who have been in the business also remember when it was not smart to let people know you are a veteran. There are many other reasons. We know the average age of the WWII, Korean and VV era vets. What is the life expectancy of a homeless vet on the streets around the country? We also know that about the reported high rates of suicide among recent returning troops and vets. How long were some of them homeless before they decided they had no other option? Here in DC we know that an estimated 80 percent of the reported incarcerated veterans have bad paper discharges. Why would someone claim to be a vet only to follow it with "an undesirable, dishonorable, less than honorable, bad conduct, etc"? Finally, how many homeless veterans is an okay number?

And less we relax or get too comfortable, we also know or should know what is happening around the country with regards to the hundreds of thousands of ex offenders who are being released over the next twelve months. We all "know the drill". Release, no job, no support systems, no wrap around services . . . back on the streets and back to the old life of drugs, unemployment and crime equals incarceration.

NACV lauds the efforts of the Congress and the Administration to revitalize and expand the Interagency Council. We also know that any program to combat homelessness as has been stated must include an employment component. The employment piece must include skills and job development and employers who are willing to work with and hire tough cases. What do we do with the structurally unemployed and disabled?

NACV would like to re-emphasize the tremendous potential offered by the National Institute for Severely Handicapped. In our opinion, neither NISH, VA, DOL, DoD, SBA nor the Congress realize the potential resource and how to develop it, but we must. The beauty of NISH is that co-occurring and dually diagnosed meet the NISH criteria, add to that the severely disabled returnees and we have a tremendous labor resource.

Again, we must restate the special needs of today's military and veteran and their family. Not only do we have a marked increase number of homeless women veterans but often both father and mother are vets and the stressors are far too much for anyone to deal with without a comprehensive services plan.

We also know that a major key is proper prior planning, prevention and early intervention. It needs to happen in the Guard and Reserve units before, during deployment and after deployment. We need to do a better job of not only preparing but implementing controls and safe guards.

We also need to say something about the medical holding companies. We need to look closely at the data surrounding medical holding companies and what happens to the men and women after they leave the holding companies.

NACV predicts that the relationship between PTSD/TBI and unmet readjustment needs and homelessness and suicide are obviously very high. NACV is working very closely with a veteran now who was diagnosed with PTSD and TBI. He is presently incarcerated has been for over 6 months and is facing 10 years and is presently being determined ineligible for treatment through the VA even though the presiding Judge is willing to order the vet to long term treatment in the VA. This vet was homeless when he was referred to us.

It is difficult to hear the Congress and the Administration talk about Veteran Jail Diversion Programs for Veterans with PTSD and TBI and listen to all the excuses as to why a particular veteran is not who the legislation or program meant or intended.

I would like to recommend another program that NACV would like to recommend and suggest that with some retrofitting could have a significant impact on the challenges facing veterans and their families today. The program was called the Veterans Cost of Instruction Payments Program. This program paid post secondary institutions, colleges and universities, trade and technical schools per capita veteran enrolled and who completed the education and training. The funds could be used and tailored to meet the needs of veterans at that institution and in that community. The programs included emergency assistance, child care, housing, employment training and job development, tutoring, discharge review, counseling, transportation, outreach, etc. Although the program was never fully funded it provided grantees funding to offer creative solutions to the tremendous challenges facing the returning Vietnam veterans.

Finally, I would like to end by informing the Committee of the high priority veterans programs in the District of Columbia enjoy. The DC Office of Veterans Affairs is presently funded in an amount that equates to 12 dollars per estimated veteran. That amount includes the family, if applicable. This does not include I may add the amount of money the SE Vets Center and Chesapeake Vets center in SE DC receives. Still, think about it: \$12 bucks a vet. Shame on us all!

By the way, we continue to challenge anyone that one dollar invested in a veteran will bring a return of at least four times the investment.

Thank you for your time, hard work and commitment to the men and women who served. NACV would welcome any opportunities to share our successes working with the homeless veteran population not only here in the DC but nationally. Nacv09@yahoo.com

**Statement of Mark Johnston, Deputy Assistant Secretary for Special Needs,
U.S. Department of Housing and Urban Development**

Introduction

Chairman Filner, Representative Buyer and Members of the Committee, I am pleased to represent the Department of Housing and Urban Development. My name is Mark Johnston, the Deputy Assistant Secretary for Special Needs. I manage the Department's efforts to confront the housing and service needs of homeless persons. This responsibility includes confronting the needs of one of our most vulnerable populations—homeless veterans and their families. As President Obama made clear in his election campaign it is unacceptable that anyone who had defended our Nation and returns from war must resort to sleeping on the streets of America. These veterans may be homeless due to a variety of factors, including physical disability,

mental health and economic distress. HUD provides housing and needed supports to homeless veterans through the Department's targeted programs for special needs populations, as well as through mainstream HUD resources.

The Department administers a variety of programs that can serve veterans. These include the Housing Choice Voucher Program, Public Housing, HOME Investment Partnerships, and the Community Development Block Grant (CDBG) program. These programs, by statute, provide great flexibility so that communities can use these Federal resources to meet their local needs, including the needs of their veterans. In addition to these programs, Congress has authorized a variety of targeted programs for special needs populations, including for persons who are homeless.

Unfortunately, veterans are well represented in the homeless population. HUD is committed to serving homeless veterans and recognizes that Congress charges HUD to serve all homeless groups. HUD's homeless assistance programs serve single individuals as well as families with children. Our programs serve persons who are disabled, including those who are impaired by substance abuse, severe mental illness and physical disabilities as well as persons who are not disabled. HUD provides an array of housing and supportive services to all homeless groups, including homeless veterans.

Targeted HUD Homeless Assistance Grants

In February 2009, HUD competitively awarded a total of approximately \$1.4 billion in targeted homeless assistance grants. A record 6,336 projects received awards. It is important to note that veterans are eligible for all of our homeless assistance programs and HUD emphasizes the importance of serving veterans in its grant application. Communities may submit veteran-specific projects or projects that support a general homeless population that includes veterans. In 2008 HUD awarded 136 projects that specifically target veterans. There were 1079 additional projects awarded that will serve a broader population, which includes veterans.

To underscore our continued commitment to serve homeless veterans, we have highlighted veterans in our annual planning and application process. In the annual grant application we encourage organizations that represent homeless veterans to be at the planning table. Because of HUD's emphasis, communities have active homeless veteran representation. We also require that communities identify the number of homeless persons who are veterans so that each community can more effectively address their needs. To that end, in collaboration with the Department of Veterans Affairs (VA), we also strongly encourage that communities use VA's CHALENG or Community Homelessness Assessment, Local Education and Networking Groups data in assessing the needs of their homeless veterans when preparing their HUD grant application.

HUD-VASH

The Congress provided \$75 million in both 2008 and 2009 for the HUD-Veterans Affairs Supportive Housing Program, called HUD-VASH. The HUD-VASH program combines HUD Housing Choice Voucher rental assistance (administered through HUD's Office of Public and Indian Housing) for homeless veterans with case management and clinical services provided by the Department of Veterans Affairs (VA) at its medical centers in the community. Through this partnership, HUD and VA expect to provide permanent housing and services for approximately 20,000 homeless veterans and their family Members, including veterans who have become homeless after serving in Iraq and Afghanistan. The VA is charged with working with local Continuums of Care to help identify eligible clients and provide needed support. HUD-VASH will make a significant impact on those who bravely served this great Nation and who have been left on our streets.

AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) FUNDING

ARRA provides unprecedented funding to HUD and other Federal agencies to directly confront the very difficult economic times in which we live. Overall HUD is responsible for \$13.6 billion in ARRA funds for housing and community development. The ARRA Homelessness Prevention and Rapid Re-Housing Program (HPRP) is specifically targeted to confront homelessness. HPRP will provide \$1½ billion to communities nationwide. These funds are being awarded to States, metropolitan cities, urban counties and territories.

The funds will be used by grantees and sub-grantees, including non-profit organizations, to provide an array of prevention assistance to persons, including veterans, who but for this assistance would need to go to a homeless shelter. The program will also be used to rapidly re-house persons who have become homeless. Program funds can be used to provide financial assistance (e.g., rental assistance and security deposits) and housing stabilization services (e.g., case management, legal services, and housing search). The HPRP funding notice expressly references that the pro-

gram can serve homeless veterans and that program funds can be used to provide to homeless veterans with security deposits and HUD-VASH can be used for long-term rental assistance. HUD recently highlighted the potential to use HPRP funds to serve homeless veterans at the National Coalition for Homeless Veterans' annual conference in May, 2009.

HPRP represents a unique opportunity for communities. This significant level of funding—which equals the approximate level of funding historically appropriated by Congress for all of HUD's other homeless programs combined—will enable communities to re-shape their local homeless systems. For the first time, communities now have targeted funding to prevent homelessness. In the past virtually all of HUD's homeless-related programs could only assist persons after they became homeless. These funds have the potential to assist persons at risk, including veterans, stay in their homes rather than be relegated to moving themselves and their families to emergency shelters, or worse, the streets. HPRP also will allow communities to significantly reduce the time that veterans and others must stay in emergency shelters, as HPRP can be used to immediately re-house persons in conventional housing and also provide temporary supports such as case management to help ensure housing stability. These two components—homelessness prevention and rapid re-housing—have been the missing links in each communities' Continuum of Care system. Communities now have all the tools they need to effectively confront homelessness. Importantly, the new approaches that communities implement with HPRP will be able to be carried on thanks to legislation recently passed by the Congress and enacted by the President on May 20, 2009.

NEW HUD HOMELESS PROGRAMS

The recently enacted Homeless Emergency Assistance and Rapid Transition to Housing Act (HEARTH) provided unprecedented flexibility to confronting homelessness. The Act consolidates HUD's existing competitive homeless programs into single, streamlined new program, the Continuum of Care Program. The new program provides for previously authorized activities as well as two new activities: homelessness prevention and rapid re-housing. The program requires that all stakeholders—including which includes veterans organizations—to determine how the new program will operate. The law also reforms the Emergency Shelter Grants program into the Emergency Solutions Grants (ESG) program. The new ESG also provides for flexible prevention and rapid-rehousing responses to homelessness so that veterans and others who are either at risk or literally become homeless may receive assistance. Finally, the legislation provides for the Rural Housing Stability Assistance Program to provide targeted assistance to rural areas. HEARTH includes as a selection criterion for grant award the extent to which the applicant addresses the needs of all subpopulations, which includes veterans.

VETERAN HOMELESS PREVENTION DEMONSTRATION

The 2009 Appropriations Act provides HUD with \$10 million for a demonstration program to prevent homelessness among veterans as part of the appropriation for HUD's homeless programs. HUD will work with the VA and the Department of Labor to design and implement this initiative. Urban and rural sites will be selected, in consultation with these other Federal agencies. The demonstration funds may be used to provide both housing and services to prevent veterans and their families from becoming homeless or to reduce the length of time veterans and their families are homeless. HUD intends to conduct an evaluation of this demonstration, with funds provided for by the Congress, and then share the results widely through HUD's technical assistance resources to organizations serving veterans.

INTERAGENCY COLLABORATION ON HOMELESS VETERANS ISSUES

HUD has been and continues to be a key Member of the U.S. Interagency Council on Homelessness (USICH). Currently, the Council is chaired by VA Secretary Shinseki. HUD Secretary Shaun Donovan has met with Secretary Shinseki to discuss the needs of homeless veterans. In addition, the Acting Executive Director of the USICH is Pete Dougherty who oversees VA's homeless efforts and works closely with HUD on interagency issues affecting homeless veterans.

Historically HUD and VA have been involved in several collaborations related to homelessness among veterans. The agencies are currently working together in implementing HUD-VASH. HUD's Deputy Assistant Secretary for Special Needs represents HUD on the Secretary of VA's Advisory Committee on Homeless Veterans. This important advisory group has specifically addressed chronic homelessness among veterans.

In addition to HUD's collaborations with VA, HUD has worked with other Federal agencies to solve homelessness. For instance, HUD and the Department of Labor joined forces and awarded \$13½ million to five grantees nationwide to provide per-

manent housing and employment assistance to chronically homeless persons, including veterans. The local partners provided additional needed services such as health care, education, and life skills. We believe that the combination of housing and jobs has helped chronically homeless persons change their lives and become more self-sufficient. HUD has provided \$1.47 million in subsequent renewal funding through HUD's annual Continuum of Care competition for continued housing assistance. Over 400 chronically homeless individuals have been provided with housing and services, of whom approximately fifteen percent (15%) are veterans. HUD looks forward to engaging in more interagency collaborations through the USICH.

TECHNICAL ASSISTANCE

To coordinate veterans' efforts within HUD, to reach out to veterans organizations, and to help individual veterans, HUD established the HUD Veterans Resource Center. The Center, headed by a veteran, has a 1-800 number to take calls from veterans and to help address their individual needs. The Center has already taken over 1,400 calls over the past year. The Resource Center works with each veteran to connect them to resources in their own community. Finally, the Center also provides information within the Department and with other agencies and veterans organizations to better address the needs of veterans.

The new Homelessness Resource Exchange (located at www.HUDHRE.info) is HUD's one-stop shop for information and resources for people and organizations who want to help persons who are homeless or at risk of becoming homeless. It provides an overview of HUD homeless and housing programs, our national homeless assistance competition, technical assistance information, and more.

The HUDHRE has a number of materials that address homeless veterans issues. For example, HUD dedicated approximately \$350,000 to enhance the capacity of organizations that do or want to specifically focus on serving homeless veterans, update existing technical assistance materials, and coordinate with VA's homeless planning networks. As a result, we developed two technical assistance guidebooks. The first guidebook, *Coordinating Resources and Developing Strategies to Address the Needs of Homeless Veterans*, describes programs serving veterans that are effectively coordinating HUD homeless funding with other resources. The second guidebook, *A Place at the Table: Homeless Veterans and Local Homeless Assistance Planning Networks*, describes the successful participation of ten veterans' organizations in their local Continuums of Care. Additionally, we have held national conference calls and workshops to provide training and assistance to organizations that are serving, or planning to serve, homeless veterans.

Conclusion

Again, I want to reiterate my and HUD's desire and commitment to help our veterans, including those who are homeless. We will continue to work with our Federal, state and local partners to do so.

MATERIAL SUBMITTED FOR THE RECORD

Committee on Veterans' Affairs
 Washington, DC.
June 11, 2009

Honorable Eric K. Shinseki
 Secretary
 U.S. Department of Veterans Affairs
 810 Vermont Avenue, NW
 Washington, DC 20420

Dear Mr. Secretary:

In reference to our Full Committee hearing entitled "A National Commitment to End Veterans' Homelessness" on June 3, 2009, I would appreciate it if you could answer the enclosed hearing questions by the close of business on July 24, 2009.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for materials for all Full Committee and Subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively and single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response to Debbie Smith by fax at 202-225-2034. If you have any questions, please call 202-225-9756.

Sincerely,

BOB FILNER
 Chairman

CW:ds

Questions for the Record
The Honorable Bob Filner, Chairman
House Committee on Veterans' Affairs
June 3, 2009

A National Commitment to End Veterans' Homelessness

Question 1: You spoke about the need to enact a waiver that would allow for the use of Federal funds without offset in the Grant and Per Diem Program. What benefits would such a waiver have for participants in the program?

Response: The Grant and Per Diem (GPD) program payment mechanism was modeled after the State Veteran Nursing Home Per Diem program. At the time (1986), this was the only program the Department of Veterans Affairs (VA) operated that paid a per diem for services. One of the provisions of this model is to offset the per diem by any other funds received by the grantee. Subsequent homeless programs developed under the McKinney-Vento legislation have a waiver for this provision and allow use of other funds without diminishment. Even the State Veteran Nursing Home program has received legislative relief from this requirement, allowing them to keep Medicaid payments without offset, unless the total exceeds the average daily cost of care.

The current per diem rate of approximately \$34 per day does not come close to covering the cost of providing care for homeless Veterans and the associated services offered by some of the grantees. Most programs use a combination of Federal, State, and private resources to provide as robust a mix of services as possible for its clients. By requiring the offset, programs are thus reducing their use of other resources available for providing services to homeless Veterans. The net effect is those programs are penalized for partnering with other agencies to provide services. Removing the offset will allow for expanded, more financially stable programs that provide improved services to homeless Veterans.

Question 2: Your testimony argued that VA must find ways to connect with community-based resources to develop a community-based outreach effort that can most effectively identify homeless veterans or veterans at risk of homelessness and connect them with VA services. What can VA do to develop such connections?

Response: Health care for homeless Veterans (HCHV) outreach workers have traditionally worked with shelters and transitional housing providers (including GPD providers), as well as working the streets to reach out to homeless Veterans.

VA's homeless programs have grown incrementally over the past 20 years, and VA employees in the field frequently find themselves taking on additional duties that reduce their ability to do the network building required to link with community agencies serving homeless and at risk Veterans.

Social services, community mental health, alcohol and substance abuse services, and housing services, both public and nonprofit, are all places that could identify and refer Veterans to VA services, but VA needs to either dedicate staff exclusively to this coordination effort or contract with a community-based provider to do it for them. Community-based organizations such as the GPD providers could offer this linkage under contract at a lower cost than adding additional full time employees to VA staff.

The HCHV program has been the primary resource in providing outreach services to homeless Veterans or Veterans at risk of homelessness in the community. Since its inception more than 20 years ago, HCHV has worked collaboratively with community-based homeless services (e.g., shelters, soup kitchens, drop-in centers) to identify homeless Veterans and link them to appropriate VA services. During fiscal year (FY) 2008, over 330 HCHV outreach staff conducted approximately 40,000 intake assessments for homeless Veterans nationwide.

The success of the HCHV program in its outreach to homeless Veterans or Veterans at risk of homelessness is directly linked to its ability to work in unison with community agencies. The growth and expansion of the community-based programs that comprise the homeless Veteran program continuum of care have greatly increased opportunities to build on this collaboration. HCHV outreach workers work jointly with these programs to identify those in need of service, link homeless Veterans to VA health care, develop effective treatment plans, provide advocacy services for Veterans and family members, and assist in transition plans for Veterans as they progress in their rehabilitation. These are key elements in VA's overall strategy to eliminate homelessness among America's Veterans.

Stand downs provide an additional opportunity to improve the collaboration with community providers. Typically, these are 1 to 3 day outreach events that involve a broad range of community providers brought together in a single location. In 2008, 152 stand downs were held serving more than 30,000 Veterans and 4,500 family members, aided by 24,500 volunteers. During 2009, we project the number of homeless Veteran stand downs to increase to approximately 200.

Community homelessness assessment, local education and networking groups (Project CHALENG) is another example of VA working to collaborate with its community partners in outreach to homeless Veterans and those at risk. Through surveys and face to face meetings in the community, CHALENG provides a forum for community agencies serving the homeless to help assess the needs of homeless Veterans living in the area. Traditionally, the focus is on health care, education and training, employment, shelter, counseling, and outreach. There were 11,711 respondents to the 2008 participant survey, a 28 percent increase from the previous year.

Question 3a: The first panel expressed some concern with the current payment process for the Grant and Per Diem program. Are the concerns expressed accurate?

Response: There were several concerns expressed about the payment of per diem. These concerns focused on the timeliness of payment and the amount. Regarding timeliness, the GPD program office continues to review per diem payments within a 15-day time frame. Additionally, if the invoices that are submitted are correct, the local medical center pays these invoices within 30 days. Regarding amounts paid, per diem rate of payments is determined annually by law, and the maximum amount can not exceed the maximum amount provided under VA's State Home program. There have been many complaints that that level is insufficient in high cost areas.

Question 3b: Why hasn't the VA assessed changing the payment system to one that more mirrors the recommendations from the VA Advisory Committee on Homeless Veterans?

Response: The 2008 report of the VA Advisory Committee on Homeless Veterans recommends that the program system be revised through legislative change to create a system of payment that pays for appropriate care and services and includes allowing VA funds to be used as match or leverage of other Federal funds. During the last year, the GPD program office has modified the per diem payment system to reduce provider wait times for a per diem rate determination to approximately 15 days. Additionally, the GPD program centralized the payment system, moving the processing of payments from individual VA medical centers to a single proc-

essing site in Austin, TX. This change has ensured that providers are paid within 30 days of invoice on average. Both of these modifications have assisted community providers considerably. More comprehensive changes to the system as suggested by the VA Advisory Committee on Homeless Veterans would require legislative changes.

Question 3c: What are the barriers to changing it? (Please be specific in your answer.)

Response: Legislative changes are needed to allow locality cost adjustments, permit VA funds to be used as match, and to remove several Office of Management and Budget (OMB) requirements. It is important to note that elimination of OMB circular requirements may be contrary to existing public policy, as they remove accountability controls over taxpayer funds. Changes such as these are weighed carefully through legislative and legal reviews.

Question 4a: You cited an estimate of 131,000 homeless veterans on any given night during 2008. Could you describe the methodology for deriving this estimate?

Response: CHALENG point-of-contacts (POC) were asked to provide a point-in-time (PIT) estimate of the number of homeless Veterans in its service area on any day during the last week of January 2008. This time period was selected so CHALENG estimates would coincide with the homeless PIT counts executed by the Department of Housing and Urban Development's (HUD) continuums of care nationwide. These local HUD continuums of care counts provided CHALENG POCs with the primary data source for developing estimates on homelessness among Veterans.

Question 4b: How often is the estimate updated?

Response: The estimate is reviewed annually and published in our CHALENG report.

Question 4c: Is this figure consistent throughout a given year or does it fluctuate?

Response: A careful review of the literature on this topic indicates the numbers of homeless persons seeking assistance at shelters and food pantries rise during the winter months. VA estimate is made based upon the best information we can get for January each year.

Question 4d: Are there efforts or plans in place to use information collected in the upcoming census to build a comprehensive portrait of the homeless veteran population?

Response: The Census Bureau reports that they will conduct an enumeration of people experiencing homelessness in an operation called service-based enumeration (SBE). The SBE was designed to provide an opportunity for people experiencing homelessness to be included in the census, by counting individuals at service-based locations who might not be included through other enumeration methods. Service-based locations include emergency and transitional shelters for people experiencing homelessness, soup kitchens, regularly scheduled mobile food vans, and pre-identified non-sheltered outdoor locations. VA remains engaged to assist Census Bureau officials in its effort.

Question 5: In your testimony, you note the importance of providing homeless veterans with coordinated care and benefits and argue that the provision of such assistance "should enable veterans to live as independently as possible." Among the homeless veterans who receive health care after being reached out to by VA, do you track how many are able to obtain and maintain permanent housing? How many obtain and keep gainful employment?

Response: The housing and employment status of all homeless Veterans who participate in VA's transitional housing and residential treatment programs is reported at the time the Veteran leaves the program and again 1 month later. Those programs include the HCHV contract residential treatment program which serves about 2,000 Veterans annually; the GPD program, which serves about 15,000 Veterans annually and the domiciliary care for homeless Veterans (DCHV), which serves about 6,000 Veterans annually.

A one time follow-up study conducted by VA tracked housing and employment status of a sample of Veterans leaving these three residential programs for 1 year. The

results of that study, reported in 2006, indicated 79 percent of Veterans were housed and 76 percent of Veterans were employed 1 year after leaving the program.

The HUD–Veterans Affairs supportive housing (HUD–VASH) program, offering HUD-subsidized permanent housing coupled with ongoing case management from VA, documents housing and employment status throughout each Veteran’s participation in the program. Studies of the HUD–VASH program have shown that almost 90 percent of program Veterans obtain housing and maintain it for at least one year.

Question 6: What successes has the U.S. Interagency Council on Homelessness had in streamlining, coordinating, or otherwise improving Federal efforts to treat homelessness among veterans? Moving forward, what additional issues should it address as priorities?

Response: The US Interagency Council on Homelessness (ICH) has encouraged and assisted in the establishment of 53 State and territorial interagency councils on homelessness and helped more than 1,000 local jurisdictional leaders to develop more than 350 local 10 year plans to end homelessness. With assistance from VA these State and local efforts have included plans that assist including Veterans. VA employees work with these State and local efforts to assist Veterans and their families.

Question 7: In his testimony, Mr. Basher states that the advisory committee recommends that HUD and HHS take steps to identify veterans in their programs to facilitate the connection of those veterans with VA care and services. What can the interagency council do to strengthen such collaboration among different Federal agencies and departments?

Response: The ICH has already made efforts to get these departments to coordinate information. This allows common identification such as Veteran status. In addition as a result of recent Congressional action the ICH is to submit a plan to end homelessness next year.

Question 8a: Your testimony stressed the importance of preventative measures and early identification of health problems in limiting homelessness among OEF/OIF veterans. What other lessons has VA taken from veterans returning from Vietnam and how have they been applied to OEF/OIF veterans?

Response: The array of homeless services for Veterans returning from Operation Enduring Freedom/Operation Iraqi Freedom (OEF/OIF) is vastly improved over those present for Veterans returning from the Vietnam War. It was not until 1987 that VA had any housing, and case management programs for homeless and at-risk Veterans. VA specialized homeless program staff at each medical center works with the center’s OEF/OIF coordinator to ensure that returning Veterans have access to the full range of homeless services. Of the approximately 3,000 OEF/OIF Veterans contacted by the HCHV program, the average age is 32; in contrast the average age of non-OEF/OIF Veterans is 51.

In addition to prevention, the importance of outreach, screening, promoting timely access to primary and specialty mental health care and follow up is critical; these are lessons learned from our experience in treating Vietnam Veterans. The importance of offering treatment that is integrated and evidence based is another important lesson learned. Currently VA is providing outreach services to OEF/OIF Veterans and their families. Significant efforts are being made to identify risk factors and then to provide follow-up services that address these risk factors. Veterans are being encouraged to enroll in VA services; once enrolled, key screening related to depression, suicide, post traumatic stress disorder (PTSD), and problem drinking are conducted on each Veteran receiving primary care. Additional new standards for access have been established to ensure Veterans receive a comprehensive evaluation within 15 days of referral to specialty mental health care. Mental health and supportive services have also been enhanced at community-based outpatient clinics and at Vet centers in an effort to have more community-based treatment options. VA has addressed specialty treatment services for women Veterans, and specialty residential treatment services are now available for this population. VA has also expanded services to include MyHealthEVet, a VA portal that promotes access to information and services via the Internet which has extensive information on mental health problems and treatment options.

Question 8b: How do VA and DoD coordinate to identify at-risk veterans during the transition process?

Response: A critical method used to identify and coordinate care for those at risk among returning soldiers during the transition period back into civilian life is the post deployment health assessment (PDHA) and post deployment health reassessment screen (PDHRA) methodology. The PDHA is a screening tool administered by the Department of Defense (DoD) to all service Members, including National Guards and Reservists, and the PDHRA is a follow-up screen administered by DoD approximately 90 to 180 days after they return from deployment. Both the PDHA and the PDHRA include mental health questions on PTSD, depression, and alcohol abuse. VA staff from Vet centers and medical centers, including benefits officers, attends PDHRA administrations to provide information about the range of VA benefits available to returning Veterans. Those who screen positive for any of the PDHA and/or the PDHRA questions can be referred to VA medical centers and/or Vet centers. Those Veterans who come to VA through the PDHRA process are specifically tracked for VA services they receive to ensure that the problems for which they were referred, and any other issues, are addressed.

In addition to the PDHA and the PDHRA screening process, DoD provides VA with the addresses of returning Veterans so they can be contacted by VA as part of our outreach efforts. VA and DoD are also addressing the need for an integrated medical record process to promote greater integration and coordination of care.

Question 9: When is the Homeless Research Center scheduled to open?

Response: The National Center on Homelessness among Veterans was announced by Secretary Shinseki on May 22, 2009. Funding for the National Center on Homelessness among Veterans began immediately, and action to create the Center began as soon as funding was committed. It is expected that the new center will be fully operational by the start of FY 2010.

The Center will support the development of a network of excellence with the scope and vision that will enable it to have substantial impact within the host VA medical centers (VAMC) and Veterans integrated service networks (VISN), Philadelphia (VISN 4) and Tampa (VISN 8), and across the Nation. In coordination with host academic affiliates, the University of Pennsylvania and the University of south Florida (Louis de la Parte Florida Mental Health Institute), the Center will have an impact along several dimensions of the delivery of care for Veterans who are homeless or at-risk for homelessness. These include:

- Development of new empirical knowledge and policy that can be directly applied to improve services for Veterans who are homeless or at-risk for homelessness;
- Development of quality management strategies that promote timely access to evidence-based services and/or emerging best practices;
- Provision of technical assistance to a broad target audience of providers with the ultimate goal of enhancing the delivery of high quality services to homeless Veterans and their dependents. A particular focus will be on Veterans who are homeless and present with mental health, substance use, and traumatic brain injury (TBI);
- Establishment of a systemic and ongoing effort to identify potential areas for Federal, State, and local as well as non-profit and faith-based collaboration in service integration and training.

Question 10: Your testimony states the mission of the Homeless Research Center is to be a resource for both VA and community partners. Specifically, what will the Homeless Research Center do to support the work of community partners?

Response: The mission of the National Center on Homelessness among Veterans is to promote recovery-oriented care for Veterans who are homeless or at-risk for homelessness. The proposed Center is designed to be a national resource for both VA and community partners, improving the quality and timeliness of services delivered to Veterans and their dependents that are homeless or at-risk for homelessness.

The Center will develop new empirical knowledge that can be used to improve the care and quality of life for homeless Veterans. This data-driven knowledge will be shared with community providers, nationwide. Specifically, initial studies that will begin within the next 2 years promote epidemiological and clinical services research, efficacy and effectiveness studies, and outcomes research that supports the mission of ending homelessness among Veterans. The Center will disseminate evidence-based and emerging best practices to VA and non-VA providers related to the care of Veterans who are homeless, and it will support the implementation of relevant research findings into clinical practice settings in both VA and community provider programs. Additionally, the Center will function as a resource hub, increasing

awareness and knowledge of VA and community provider resources to enhance service capacity. The Center will provide education and training for VA and community partners regarding the unique needs of Veterans and serve to offer technical assistance to a broad target audience of providers, with the ultimate goal of enhancing the delivery of high quality services to homeless Veterans and their dependents in both VA and community provider programs.

Question 11: How were the Universities of Pennsylvania and south Florida chosen as partners for the Homeless Research Center?

Response: The University of Pennsylvania and the University of south Florida, Louis de la Parte Florida Mental Health Institute, were selected to initiate the Center because of their affiliations with the host VAMCs and its expertise in mental health and homeless services. Both academic affiliates, Universities of Pennsylvania and south Florida, have a number of researchers with national expertise who have published in the areas of homeless population studies, outcome studies, homeless case management, homeless prevention services, and homeless services capacity and efficiency. The expertise of these institutions and the unique nature of their locations offer the Center the initial research-base affiliation agreements to begin building a national resource for both VA and community partners.

It is the intention of VA that the National Center on Homelessness among Veterans will collaborate with a host of other academic partners in the future.

Question 11a: In reference to the homelessness prevention module included in TAP: How is the module administered?

Response: There is not a homelessness prevention module in the standard VA benefits transition assistance program (TAP) presentation. During the Veterans Benefit Administration's (VBA) 4 hour TAP presentation, all VA benefits are explained including compensation and pension programs. VA's pension program is for low-income Veterans, and criteria for the pension program are explained in detail. Department of Labor (DOL) conducts 2½ day TAP workshop, which has a module on homelessness consisting of 6 slides.

Question 11b: What is VA's role and what is DOL's role?

Response: VA's role in TAP is to provide separating and retiring service Members information about VA benefits, answer their questions about benefits, and assist them in applying for benefits. The military service branches work closely with VA and DOL in scheduling TAP workshops for separating and retiring service Members. VA's portion of the TAP workshop is a 4 hour benefits briefing, and DOL's portion is a 2½ day session.

Question 11c: What is the protocol for follow-up if a veteran taking the self-assessment is determined to be at risk?

Response: VBA does not use a self-assessment at the TAP briefings.

Question 11d: Is VA notified? If so, what action does VA take?

Response: VA works closely with DOL to provide assistance to homeless Veterans. When DOL notifies VA of a homeless Veteran, VBA's homeless Veterans outreach coordinator contacts the Veteran and provides assistance as necessary that includes applying for VA benefits, tracking and providing expedited claim processing, obtaining shelter, referring to community providers, among others.

The Honorable Stephanie Herseth Sandlin

Question 1: My caseworkers in South Dakota report that the homeless Veterans they have worked with are very distrustful of the VA and generally unwilling to go there for assistance. What efforts can the VA undertake to overcome such doubts so these Veterans can get the assistance they need?

Response: VA is aware that some homeless Veterans are distrustful of VA and have been unwilling to seek services from VA. Two primary reasons why Veterans do not seek services from VA include a prior bad experience with VA and untreated or undertreated mental health issues that lead the Veteran to be overly suspicious and/or confused. In both scenarios, the VA homeless outreach worker is taught to be highly respectful of the Veteran's desires, but to repeatedly let the Veteran know that VA is available as a resource to assist them in exiting homelessness. VA has also increased services in its community-based outpatient clinics (CBOC) and at Vet

centers; both of these programs tend to be more of a community-based setting rather than a medical setting that some Veterans prefer as a treatment site. VA has the capacity, and plans to increase, contract and fee basis care with community providers who may generate less distrust among Veterans who have trust issues regarding VA services.

Question 2: You speak of various efforts to do outreach to homeless Veterans to get them to take advantage of the programs to help inside the VA. Can you tell me more about your outreach efforts to homeless Veterans who are struggling with various mental illnesses, how effective this outreach has been, and any plans to improve the outreach to this group in the future?

Response: Outreach to Veterans who are homeless or are at-risk for homelessness is a cornerstone of VA homeless services. In FY 2008, over 40,000 unique contacts were made by VA to homeless Veterans assisting them with engaging in treatment and connecting them to benefits helping them to exit homelessness. Eighty percent of homeless veterans who received outreach case management services present with a current or past history of mental health or substance abuse treatment. A recent requirement of the Mental Health Uniform Services handbook is that every VAMC and CBOC serving more than 15,000 Veterans must have homeless outreach and case management services available to address the needs of Veterans who are homeless or at risk for homelessness. In addition, VA has funded specialty substance use case managers to work with the homeless outreach and transitional housing providers to better address the treatment needs of Veterans who are homeless and/or at risk for homelessness. To improve services to this group, VA is developing a new model for outreach and case management in rural areas that combines homeless and mental health intensive case management services to identify and meet the needs of those Veterans.

Committee on Veterans' Affairs
Washington, DC.
June 11, 2009

Honorable Hilda L. Solis
Secretary
U.S. Department of Labor
Frances Perkins Building
200 Constitution Ave., NW
Washington, DC 20210

Dear Madam Secretary:

In reference to our Full Committee hearing entitled "A National Commitment to End Veterans' Homelessness" on June 3, 2009, I would appreciate it if you could answer the enclosed hearing questions by the close of business on July 24, 2009.

In an effort to reduce printing costs, the Committee on Veterans' Affairs, in cooperation with the Joint Committee on Printing, is implementing some formatting changes for materials for all Full Committee and subcommittee hearings. Therefore, it would be appreciated if you could provide your answers consecutively and single-spaced. In addition, please restate the question in its entirety before the answer.

Due to the delay in receiving mail, please provide your response to Debbie Smith by fax at 202-225-2034. If you have any questions, please call 202-225-9756.

Sincerely,

BOB FILNER
Chairman

CW:ds

Questions for the Record
The Honorable Bob Filner, Chairman
House Committee on Veterans' Affairs
John C. McWilliam, Deputy Assistant Secretary
Veterans' Employment and Training Service
U.S. Department of Labor
A National Commitment to End Veterans' Homelessness
June 3, 2009

In reference to the homelessness prevention module included in TAP—

a. How is the module administered?

Response: The module on homelessness is a mandatory part of the Employment Workshop and consists of six slides that are part of the larger section dealing with stress during the transition process. The instruction provides basic statistics on homeless veterans and teaches participants the primary reasons for homelessness among veterans, the key risk factors and warning signs, and where to find help and resources to assist homeless veterans and those at risk of homelessness.

b. What is the VA's role and what is DOL's role?

Response: This particular module is included in the DOL Employment Workshop.

DOL provides the facilitators for the workshops, either through contract or through DOL funded state veterans employment specialists. The VA provides a separate part of the Transition Assistance Program for those transitioning service Members who have or may receive a disability rating. VA is a Member of the TAP Steering Committee that is chaired by DOL. This Committee reviews and approves content for all portions of the TAP program, to include the Employment Workshop.

c. What is the protocol for follow-up if a veteran taking the self-assessment is determined to be at risk?

Response: Employment Workshop participants are encouraged to contact the resources highlighted in the presentation, specifically a Department of Labor Homeless Veterans Reintegration Program (HVRP) grantee, the Department of Veterans Affairs, and the National Coalition for Homeless Veterans.

d. Is VA notified? If so, what action does VA take?

Response: The VA is not notified unless a participant approaches a workshop facilitator and requests such notification.

