

**STATEMENT OF
MS. LISA PAPE
EXECUTIVE DIRECTOR, HOMELESS PROGRAMS
VETERANS HEALTH ADMINISTRATION
DEPARTMENT OF VETERANS AFFAIRS
BEFORE THE
COMMITTEE ON VETERANS' AFFAIRS
U.S. HOUSE OF REPRESENTATIVES**

December 11, 2014

Good morning Chairman Miller, Ranking Member Michaud, and Members of the Committee. I appreciate the opportunity to discuss the Department of Veterans Affairs' (VA) commitment to ending homelessness among Veterans. I am accompanied today by Dr. Thomas O'Toole Acting Director, National Center on Homelessness among Veterans.

Ending Veteran homelessness is a key objective of this Administration and other dedicated leaders and individuals throughout our Nation. Our goal is a systematic end to homelessness, which means there are no Veterans sleeping on our streets and every Veteran has access to permanent housing. Should Veterans become or be at-risk of becoming homeless, we will have the capacity to quickly connect them to the help they need to achieve housing stability. The ultimate goal is that all Veterans have permanent, sustainable housing with access to high-quality health care and other supportive services.

To meet this challenge, VA launched a comprehensive, evidence-based, and outcome-driven strategy consistent with the first-ever Federal strategic plan to prevent and end homelessness, *Opening Doors: Federal Strategic Plan to Prevent and End Homelessness*, which was published in May 2010. VA's long-range plan to end Veteran homelessness is to emphasize rescue for those who are homeless today and prevention for those at risk of homelessness. We have complemented this strategy with unprecedented partnerships with Federal and local partners that have greatly increased access to permanent housing, a full range of health care including primary care, specialty care and mental health care; employment; and benefits for homeless and at-risk for homeless Veterans and their families.

VA, together with Federal and local partners, is making progress toward preventing and eliminating homelessness. Since the 2010 launch of *Opening Doors*, VA, together with our Federal, state, and local partners, has reduced the estimated number of homeless Veterans by 33 percent as noted in the Department of Housing and Urban Development (HUD) 2014 Point-in-Time Estimate of Homelessness. .

We are now poised to build upon the progress achieved thus far. Strong interagency collaboration, building on *Opening Doors*, is resulting in successful policies and programs such as Housing First in the Community (Housing First), Rapid Re-Housing, Housing and Urban Development-Veterans Affairs Supportive Housing (HUD-VASH), and Supportive Services for Veteran Families (SSVF). These programs have been critical to achieving the reduction thus far. Since 2009, we have broadly expanded the array of services and supports aimed at identifying, interceding, and rapidly engaging these Veterans in housing, clinical care, and social services, as well as resources aimed at preventing homelessness from occurring. As a result of these investments, in fiscal year (FY) 2014 alone, VA provided services to more than 260,000 homeless or at-risk Veterans in VHA's homeless programs. The needs of the more than 260,000 Veterans varied and not all required an intensive homeless program intervention, but for those that did require a more intensive intervention, over 72,000 Veterans were either placed in permanent housing or prevented from becoming homeless. When we include their family members, that number rises to over 100,000.

I will begin today by detailing VA's six-pillar strategy and then discuss the many accomplishments over the past year. Furthermore, we will outline our program efforts to end homelessness by the end of 2015 and discuss the innovations VA has made in homelessness research and models of care. Before I conclude, I will present VA's way forward in our efforts to end Veteran homelessness.

VA's Six Strategic Pillars to End Veteran Homelessness

VA's focus on ending Veteran homelessness is built upon six strategic pillars, which are aligned with *Opening Doors*.

Outreach and Education

VA conducts homeless outreach at shelters and community events, and in courts, local jails, and state and Federal prisons. VA also collaborates with community organizations at Stand Downs—outreach events designed to connect homeless Veterans with community resources and VA health care and benefits assistance. These efforts also complement one of the most critical methods for engaging homeless Veterans in services: sending VA outreach staff to the streets, shelters, homeless camps, and soup kitchens to work with them directly. Many Veterans, but particularly those who have battled chronic homelessness, need skillful and repeated attempts to engage them in the care they need. Along with our community partners, VA has over 600 staff members across the country engaged in outreach every day.

Prevention and Rapid Re-Housing

VA believes the most efficient way to eliminate homelessness is to prevent its occurrence. Unlike VA's traditional homeless programs, which focus on the treatment and rehabilitation of the individual Veteran, our homelessness prevention and rapid re-housing efforts, address those Veterans and their families who are at immediate risk for becoming homeless or have recently become homeless.

VA's Supportive Services for Veteran Families (SSVF) program is a critical aspect of our strategy to prevent and end Veteran homelessness. This program provides both prevention and rapid re-housing services to Veterans and family members. SSVF grants to private non-profit organizations and consumer cooperatives provide a range of supportive services to include outreach, case management, assistance in obtaining VA benefits, and assistance in obtaining and coordinating other public benefits. SSVF also enables VA to help Veteran families stay together by serving

the entire family. This also means that VA is minimizing exposure to and the trauma of homelessness that are experienced by the children of homeless Veterans.

A history of incarceration is a powerful predictor and risk factor for homelessness; thus, homelessness and criminal justice involvement have a reciprocal relationship. As a result, outreach to justice-involved Veterans is a key part of VA's prevention strategy. The mission of VA's Veterans Justice Programs is to engage Veterans involved in the justice program at any point in the continuum (arrest, involved in a treatment court, incarcerated in jail, or in prison serving a sentence), in comprehensive VA and community services that will prevent homelessness, improve social and clinical outcomes, facilitate recovery, and end Veterans' cyclical contact with the criminal justice system.

VA also works hard to help Veterans and their families stay in their homes. The Veterans Benefits Administration's (VBA) Home Loan Guaranty program helps to prevent homelessness by assisting Veterans who fall behind on mortgage payments to avoid foreclosure by intervening early in the default process, and working with Veterans and their loan servicers to pursue all available loss-mitigation options. VBA monitors every loan continually, throughout the default process, to resolve defaults and avoid foreclosures whenever possible. Where foreclosure is unavoidable and where VA acquires the property, VA offers Veteran borrowers relocation assistance to assist them in transitioning to alternative housing.

Housing Opportunities

The Housing and Urban Development-Veterans Affairs Supportive Housing (HUD-VASH) program combines Housing Choice Voucher (HCV) rental assistance for homeless Veterans with case management and clinical services provided by the Department of Veterans Affairs (VA). VA case managers provide clinical visits to these Veterans to ensure they remain in housing and do not become homeless again. Veterans served by HUD-VASH are the most vulnerable. The majorities of participants are experiencing chronic homelessness and suffer from serious mental illness, substance use disorders, and chronic medical conditions. This partnership with HUD

and community partners has helped to ensure that HUD-VASH is a highly effective tool for reaching the most vulnerable Veterans, and is a critical component of our strategy to move homeless Veterans from the streets to safe and stable homes.

The Homeless Providers Grant and Per Diem (GPD) program is VA's largest transitional housing program. The GPD program helps fund community agencies providing services to homeless Veterans with the goal helping them achieve residential stability, increase their skill levels and/or income, and obtain greater self-sufficiency, independent living, and employment as soon as possible. The GPD program utilizes a community-based transitional model, which includes time-limited, comprehensive supportive services with the goal of transitioning Veterans to independent housing.

VA's Health Care for Homeless Veterans (HCHV) Contract Residential Services program provides same-day access to safe and stable temporary housing for 1) homeless Veterans transitioning from street homelessness, 2) those who recently became homeless, and 3) those being discharged from institutions. Additionally, VA recently issued a proposed rule that would open HCHV Contract Residential Services to all homeless Veterans who are enrolled in or eligible for VA health care, regardless of whether they have a serious mental illness, ensuring that VA can immediately engage homeless Veterans and get them off the street. HCHV also implemented the Low Demand/Safe Haven model, which incorporates evidence-based strategies, as a new element in our continuum that targets the population of hard to reach homeless Veterans with severe mental illness and substance use problems. Low Demand/Safe Haven is a community-based, early recovery supportive housing model, which serves individuals who find it difficult to engage in traditional treatment and supportive services.

Treatment

VA recognizes that a plan to end Veteran homelessness will not be effective without comprehensive services for those with chronic health, mental health, and substance abuse disorders. Many Veterans who are homeless struggle with mental health and addiction; in fact, VA data indicates that approximately 68 percent of homeless Veterans have a mental health diagnosis or an addiction disorder, which, if

untreated, can keep them from returning to or sustaining independent living and gainful employment.

VA established four new Domiciliary Care for Homeless Veterans (DCHV) programs in Denver (June 2013), Atlanta (January 2014), San Diego (February 2014), and Philadelphia (July 2014). VA is also developing an additional DCHV in San Juan, Puerto Rico, which we expect to open in the first quarter of FY 2016, and constructing a new DCHV on the grounds of the West Palm Beach VA Medical Center, which we expect to open in the fourth quarter of FY 2016. These facilities provide state-of-the-art, high quality residential rehabilitation and treatment services for homeless and at-risk-of-homeless Veterans with multiple and severe medical conditions, mental illness, addiction, or psychosocial problems.

VA provides a continuum of outpatient, residential, and inpatient mental health services across the country. We have many entry points for care: through our 150 medical centers, 830 community-based outpatient clinics, 300 Vet Centers that provide readjustment counseling, the Veterans Crisis Line, and VA staff on college and university campuses. VA offers expanded access to mental health services with longer clinic hours and telemental health capability to deliver services.

Financial and Employment Support

Homeless and at-risk Veterans need access to employment opportunities to support their housing needs, improve the quality of their lives, and assist in their community reintegration efforts. VA is committed to supporting this critical component to eliminating homelessness through Homeless Veterans Community Employment Services (HVCES). Within the HVCES framework, each VAMC has been funded to hire a Community Employment Coordinator (CEC) for homeless Veterans. The CECs are central figures responsible for the ongoing orientation and training of the Homeless Services continuum in order to connect Veterans to the most appropriate and least restrictive VA and/or community-based services to improve employment outcomes. Each VAMC CEC serves as a liaison to local community providers of employment and support services including DOL grantees and private sector employers.

Access to disability compensation and pension benefits is a key component in providing financial support to homeless and at-risk Veterans and their families. In an effort to increase outreach to homeless Veterans and prevent at-risk Veterans from becoming homeless, VBA is committed to every VBA regional office (RO) having either a Homeless Veterans Outreach Coordinator (HVOC) or Homeless Veterans Claims Coordinator responsible for case management and expediting the processing of homeless Veterans' claims. VBA has placed 20 full-time HVOCs at the ROs with the highest homeless Veteran population and prioritizes the processing of these claims. HVOCs conduct outreach at homeless shelters, community events, and VA medical facilities; assist homeless Veterans with filing claims; and ensure homeless Veterans are properly identified at the ROs to expedite their claims. Furthermore, HVOCs have an effective network and referral system to VHA's Homeless Coordinators and local community homeless providers to facilitate delivery of VA benefits, healthcare, and other supportive services.

In addition to the above noted efforts, in FY 2014 the SSVF program trained its 319 community partners regarding the implementation of Supplemental Security Income / Social Security Disability Insurance (SSI/SSDI) Outreach, Access, and Recovery (SOAR), a national project funded by the Substance Abuse and Mental Health Services Administration to increase access to SSI/SSDI benefits.

Community Partnerships

VA is committed to fostering strong partnerships with community organizations to prevent and end Veteran homelessness. For example, the GPD and SSVF programs rely significantly on the expertise, experience, and ingenuity of local community organizations. GPD and SSVF community providers collaborate with local continuums of care to link Veterans to community services.

VA recognizes that no single Federal or state agency of government or local organization can end homelessness among Veterans. To that end, VA has long maintained close working relationships with Federal partners, such as HUD, the Department of Labor (DOL), the Department of Defense, the Department of Health and

Human Services, the Small Business Administration, the U.S. Interagency Council on Homelessness, and others, as well as state, local, and tribal governments. Veterans Service Organizations also fill a critical role, as do community- and faith-based organizations and the business community. One example of these efforts is VA's work to develop better connections with prosecutors and judges in the criminal justice system. Another example is the Homeless Veterans Reintegration Program (HVRP), through which DOL's Veterans Employment and Training Service offers funding to state, local, and tribal governments, non-profit organizations, and others to help Veterans return to gainful employment. DOL requires all HVRP grantees to collaborate with VA.

Furthermore, VA medical centers and ROs engage in meetings with thousands of individuals and organizations across the country to enhance collaborations and improve communications. VA is committed to reaching out and building partnerships with organizations and individuals who are interested in being part of a collaborative solution to ending Veteran homelessness.

Recent Accomplishments

Since January 2010, HUD's 2014 Point-in-Time Estimate of Homelessness indicates that we have achieved an unprecedented 33-percent decrease in the number of homeless Veterans from 74,770 to 49,933. During this same time, the Nation's overall homeless rate was reduced by 10 percent.

VA views this as a significant step in our goal to eliminate homelessness among Veterans in 2015. In addition, our efforts in FY 2014 resulted in the following outcomes:

- HUD-VASH provides permanent housing with case management and supportive services to promote successful recovery and housing stability. In FY 2014, VA provided comprehensive case management services to support over 10,000 new HUD Housing Choice Vouchers, made available for use by the most needy and vulnerable Veterans through the HUD-VASH Program. As of September 30, 2014, nearly 55,950 Veterans were being assisted by the HUD-VASH Program.

On October 1, 2014 HUD announced an additional 8,276 Tenant-Based HUD-VASH Vouchers for rental units in the private market, and 730 Project-Based Vouchers (PBV) for existing units or new construction in specific developments. These vouchers will help more than 9,000 homeless Veterans find permanent supportive housing. An additional 1,900 Tenant- Based vouchers were released on December 8, 2014, from the FY 2014 allocation.

- VA has adopted Housing First, an evidence-based practice that prioritizes access to permanent housing, and through which VA provides case management and treatment services that homeless Veterans need to maintain housing and improve health care and quality of life. Adopting the Housing First approach has contributed to VA's ability to serve increasing numbers of chronically homeless and vulnerable Veterans in HUD-VASH. In FY 2014, VA exceeded its target of 65 percent chronically homeless Veteran entries to HUD-VASH.
- The GPD program utilizes a community-based transitional housing model, which includes time-limited, comprehensive supportive services with the goal of transitioning Veterans to stable housing. In FY 2014, the GPD program operated over 675 projects providing approximately 15,500 operational beds nationwide. In FY 2014, 45,167 unique Veterans were provided services through GPD. During FY 2014 there were 14,652 Veterans who exited to permanent housing from GPD programs.
- The SSVF program gives VA the capacity to act before very-low income Veteran families become homeless or to act quickly if the Veteran family actually becomes homeless. In FY 2014, the SSVF program awarded \$507 million in grants that allowed SSVF to expand from 319 community agencies to 383 community agencies, serving all 50 states, the District of Columbia, Puerto Rico, Guam, and the Virgin Islands. In FY 2014 alone, SSVF grantees exceeded the number of projected participants by serving nearly 130,000 Veterans and their family members who were homeless or at-risk of homelessness. Of these individuals, approximately 80,000 were Veterans; over 48,500 were Operation

Enduring Freedom / Operation Iraqi Freedom / Operation New Dawn Veterans; over 11,700 were women Veterans; and, approximately 30,000 were children.

- By the end of FY 2014, 14,600 homeless Veterans were enrolled in Homeless Patient Aligned Care Teams at 51 sites with the goal of eliminating barriers to quality health care, and improving housing outcomes for Veterans who are homeless or at imminent risk of homelessness. These Veterans' disease complexity was almost twice that of the general population within VA. VA observed a 25-percent reduction in emergency department visits and a 25-percent reduction in hospitalizations among Veterans engaged in needed clinical care.
- In FY 2014, VA served 41,630 justice-involved Veterans through the Veterans Justice Outreach Program (jail and court outreach and case management services). Additionally, 16,772 incarcerated Veterans were served through Health Care for Re-Entry Veterans (prison outreach and case management) in FY 2014. This includes work with Veterans involved in drug treatment courts, mental health treatment courts, and the 266 Veterans Treatment Courts that local communities have developed around the country in response to communities' desire to connect justice-involved Veterans with treatment rather than incarceration.
- VA's National Homeless Registry is a comprehensive data warehouse of Veterans who have been identified as homeless, or at risk of for homelessness, since October 1, 2005. It is designed as both a robust repository and data management tool that provides longitudinal information on Veterans housing and healthcare status. The registry also contains data on geographic and benefit information relevant to the Veterans' housing stability. The Registry is now populated with the names of over 800,000 current or former homeless or at-risk Veterans.
- In FY 2014, benchmarks for exits to competitive employment were included in performance measures for Homeless Residential Programs for the first time. This resulted in over a 5 percent increase in employment rates at exit from GPD,

DCHV, and Compensated Work Therapy/Transitional Residence (CWT/TR) as compared to FY 2013.

- VA's HCHV program has been successful in expanding contract residential treatment services. In FY 2014, the HCHV program provided these services to over 15,600 Veterans and over 4,000 operational beds in support of homeless Veterans. Also, HCHV provides extensive outreach services, and under this element of the program, over 158,000 Veterans were served.
- Based upon the latest projections, VA representatives will attend more than 320 homeless Stand Downs in calendar year 2014, which will result in improved Veteran access to resources, benefits, and support.
- The number of compensation and pension claims for homeless Veterans completed in FY 2014 increased by 12-percent as compared to completed claims in FY 2013.
- In FY 2014, VA helped 79,814 Veterans in default retain their homes or avoid foreclosure, an 8.5-percent increase from FY 2013.

Innovations in Homeless Models and Research

Led by the VA National Center on Homelessness among Veterans, VA has made extraordinary advances in recovery-oriented care for homeless and at-risk Veterans by promoting data-driven, evidence-based solutions to end Veteran homelessness. A primary example of VA's data-driven approach is its decision to adopt, as national policy, a Housing First approach for its homeless programs. In permanent supportive housing, Housing First means providing access to permanent housing with as few barriers and restrictions as possible, while simultaneously wrapping supportive services around the individual to assist them in their recovery. Early on in VA's Ending Veteran Homelessness initiative, VA established a 14-site pilot to evaluate the effectiveness of a Housing First approach in the HUD-VASH Program. VA's evaluation revealed pronounced cost savings and efficiencies from employing a Housing First approach, with the number of emergency room visits decreased by 27 percent and the number of acute inpatient hospitalizations decreased by 33 percent. The evaluation further

indicates substantial reductions in VA health care costs for homeless Veterans, showing a 32-percent reduction in total direct VA health care costs, with a significant 54-percent reduction in more intensive inpatient costs.

VA continues to research and analyze the effectiveness of all aspects of VA homeless programs. For example, VA recently conducted a return on investment (ROI) analysis of VHA-funded homeless programs. The ROI analysis purposefully employed more conservative, short-term (1-year) impact effects that were not accrued over time. The ROI modeling shows substantial, direct positive returns on investment for the obligated funds budgeted to the VHA Homeless Programs Office. These returns on investment are possible, in part, because the costs of an episode of homelessness can be extremely high. The ROI analysis strongly suggests that the ending Veteran homelessness initiative is both effective social policy and fiscal policy that is having a meaningful impact within our local communities and with Veterans in-need.

Additionally, through research and testing, VA has implemented a homeless screening tool that helps identify a Veteran likely to become homeless. Based on this research, VA instituted a procedure that requires VA medical centers to ask a set of questions as a part of their initial interaction with all Veterans who seek health care services. When a Veteran's response indicates there is risk of homelessness, VA staff refers the Veteran to clinically appropriate programs.

VA recently undertook a gap analysis across all our homeless programs to ensure prudent distribution of resources to where they can be most effective, and to identify any possible shortfalls. The gap analysis identifies VA, Federal, state, and community assets currently available in cities to address the needs of homeless Veterans and determine whether VA and communities within the service areas of medical centers have sufficient resources to meet the estimated need of Veterans needing housing placement. The gap analysis is an ongoing effort designed to ensure targets are met, gaps are identified, solutions are developed, and resources are allocated appropriately.

The Way Forward

VA has made significant progress in its Plan to End Veteran Homelessness, and we are now closer to our goal than at any point in our history. Based on science and practice we have identified a number of the risk factors that lead to the downward spiral of homelessness and that complicate the pathway back to community and health. We know that the solutions to ending homelessness include programs that promote immediate access to permanent long-term housing with the right dose and duration of services to promote stabilization and community reintegration. We know that access to permanent housing with appropriate supportive services “wrapped around” the Veteran is the most clinically effective and cost-efficient way to end homelessness. We know that Housing First is an evidence-based practice for ending chronic homelessness and that we are making it a common practice. We know that there is not one solution that fits all, and that a coordinated entry system that prioritizes coordination and targeting resources with community partners is essential to achieving the goal.

Most social scientists and policy experts agree that barring the eradication of an affordable housing crisis, unemployment, poverty, family decompensation, and mental illness that often precipitate the downward spiral into homelessness, we will still have Veterans and other individuals and families falling into homelessness. The difference now is that we have the ability and capacity to identify them earlier to prevent homelessness and to rapidly rehouse and connect them to healthcare and other supportive services if they should become homeless. We have the knowledge and the support to ensure that homeless Veterans are no longer our invisible citizens.

Although we have made significant progress to date, we recognize fully that our goal to prevent and end homelessness among Veterans is a complex and difficult task, one requiring consistent, measurable, and sustained effort from VA, other Federal agencies, State agencies, and community partners. In the coming months, we are focused on the 25 Cities effort. This effort is tailored to – and builds upon – progress already being developed at the local VA medical centers and continuums of care. The effort is being designed to enhance coordination and minimize redundancies between VA and the community. The effort is designed to know Veterans by name and rapidly connect them to the right dose and duration of support needed to achieve and sustain

housing in the community. Recognizing that communities are working to develop and implement coordinated assessment systems as a result of HUD's Continuum of Care Program interim rule requirement, VA has partnered with Community Solutions and HUD to assist 25 priority communities to develop and implement their own system based upon their local needs and resources. The 25 Cities effort is building that coordinated entry system. In this effort, VA, through its National Center on Homelessness among Veterans, partnered with Atlas Research, Community Solutions, and Rapid Results Institute to facilitate permanent housing placement for all homeless Veterans and chronically homeless individuals in 25 cities nationwide with the highest needs in terms of homelessness. This effort will provide the opportunity to sustain and advance the systemic changes initiated during the HUD-funded Rapid Results Boot Camps, a continuous process improvement program, and through other Federally-funded technical assistance activities.

Through these types of coordinated efforts, we are well on the path to ending homelessness among Veterans. VA has continued its focus on prevention and rapid rehousing by awarding approximately \$300 million in SSVF grant awards in August 2014. In September, VA built on this commitment by awarding an additional \$207 million targeted as "surge" funding targeted at 56 high need communities. The SSVF program is the only VA homeless program that is national in scope that can provide direct services to both Veterans and their family members; however, the current law (38 United States Code (U.S.C.) § 2044) only provides an appropriation authorization for up to \$300M. VA urges Congress to amend section 2044 to authorize appropriations up to \$500M in FY 2015 and beyond

VA is also proposing legislation to extend VA's Homeless GPD program to support a "transition in place model" toward permanent housing. By allowing Veterans to "transition in place" to permanent housing, the Department would provide a valuable alternative for Veterans who may not need or be interested in participating in HUD-VASH. Proposed legislation would allow VA to fund per diem payments for transitional housing at 1.5 times the maximum per diem rate, to enable Veterans to remain in their

housing unit, i.e., “transition in place.”¹ This enhancement in the per diem rate will help to cover the additional operational costs associated with this model of transitional housing and will allow more Veterans to convert to a permanent housing unit.

VA also proposes legislation to establish homelessness as a criterion for the provision of temporary lodging. This proposal would allow VA to provide temporary lodging in the form of emergency hotel stays to homeless Veterans awaiting placement in permanent and/or transitional housing or other suitable housing alternatives. Veterans placed in such temporary lodging would also receive case management and other forms of treatment and support from existing homeless case managers.²

Conclusion

Through Congress’ ongoing support, VA has made substantial progress in ending Veteran homelessness. Congress’ support of VA’s Plan to End Veteran Homelessness, as part of the Administration’s overall Federal strategic plan to end homelessness, has allowed the creation of the housing and services that we have used to drive significant reductions in the number of Veterans experiencing homelessness.

My testimony today details VA’s commitment to prevent homelessness among Veterans at-risk in the years to come. All of this facilitates both the rapid placement in housing and the delivery of the care to homeless Veterans needed to maintain permanent housing. Mr. Chairman, this concludes my testimony. My colleagues and I are prepared to answer your questions.

¹FY 2015 VA Congressional Budget Submission, LegSum-68.

²FY 2015 VA Congressional Budget Submission, LegSum-72.