# STATEMENT OF KEITH W. HARRIS, PH.D. NATIONAL DIRECTOR OF CLINICAL OPERATIONS VETERANS HEALTH ADMINISTRATION DEPARTMENT OF VETERANS AFFAIRS BEFORE THE SUBCOMMITTEE ON ECONOMIC OPPORTUNITY COMMITTEE ON VETERANS' AFFAIRS U.S. HOUSE OF REPRESENTATIVES June 16, 2021

Good Morning, Chairman Levin, Ranking Member Moore, and distinguished Members of the Subcommittee. Thank you for the opportunity to testify today on the topic of Veteran homelessness, specifically on the impact of COVID-19 and the implementation of legislative relief for homeless Veterans.

# Introduction

The Department of Veterans Affairs (VA) remains committed to preventing and ending Veteran homelessness. We can and will get there. No one agency or group can end Veteran homelessness alone. The effort to prevent and end Veteran homelessness is a collaboration between Federal, State, and local governments and, most importantly, the local community. VA works with communities to help them develop the solutions that work best for them and their Veterans. VA and other Federal, State, and local governments and non-governmental organizations recognize that ending Veteran homelessness requires deliberate effort and strategic action designed to achieve the goal. Our goal is a systemic end to Veteran homelessness, which means communities across the country:

- Have identified all Veterans experiencing homelessness;
- Can provide shelter immediately to any Veteran experiencing unsheltered homelessness who wants housing;
- Provide service-intensive transitional housing in limited instances;
- Have the capacity to help Veterans swiftly move into permanent housing; and
- Have resources, plans, and systems in place should any Veteran become homeless or be at risk of homelessness in the future.

The goal is to ensure that every Veteran has permanent, sustainable housing with access to high-quality health care and other supportive services and that Veteran homelessness in the future is prevented whenever possible or is otherwise rare, brief, and nonrecurring.

## **State of Veteran Homelessness**

The U.S. Department of Housing and Urban Development's (HUD) most recent 2020 Annual Homeless Assessment Report (AHAR) to Congress found that on a single night in January 2020, there were 37,252 Veterans experiencing homelessness in America, an increase of 0.4% over 2019. This number does not account for the impact of the COVID-19 pandemic, which has added to the nation's housing challenges, including for Veterans. While Veteran homelessness has decreased by 50% since 2010, nearly the entire decrease (47%) occurred between 2010 and 2016. Since 2016 progress on ending Veteran homelessness has stalled. It is now incumbent on all of us at VA, as well as our partners at HUD and across the Federal government, to rejuvenate this effort, reclaim the approaches that worked so well in the early years of the initiative to end Veteran homelessness, and devise new strategies to address new challenges.

To rejuvenate this effort and truly accomplish the goal of ending Veteran homeless in April 2021, the secretaries of VA and HUD released a joint statement recommitting our agencies to aligning efforts and joining forces to work towards ending Veteran homelessness. In collaboration with our HUD partners, we are doing everything in our power to ensure every Veteran has access to safe and stable housing. The American Rescue Plan included more than \$10 billion in funding for individuals who are experiencing or at risk of experiencing homelessness. The American Jobs Plan would invest nearly \$150 billion in grants and programs, providing HUD with the tools and resources it needs to build and modernize millions of affordable and sustainable places to live and revitalize communities nationwide. In addition, \$55 billion investments have been proposed in the Low-Income Housing Tax Credit and \$20 billion in a new Neighborhood Homes Investment Tax Credit. Finally, VA allocated \$971 million from resources provided in the Coronavirus Aid Relief and Economic Security (CARES) Act to the VA Homeless Program Office (HPO) to support the health and safety of Veterans.

We are taking an evidence-based, Housing First approach to reach underserved populations and working with our partners to prioritize increasing the supply of affordable housing. This approach will incorporate recent statutory changes providing us with critical flexibilities in serving homeless Veterans. And it will maximize the impact of the considerable financial resources that have been dedicated to this effort through the traditional budgetary process as well as through special legislation related to the COVID-19 pandemic and economic recovery. Despite the many challenges our country and our Veterans face, those of us responsible for this work have cause for optimism. We have the expertise and experience that generated the early significant declines in Veteran homelessness, we have top-level leadership commitment and support, and we have unprecedented resources and statutory flexibility. Now is the time to recapture lost momentum and finish the job.

In my remaining testimony, I will outline the assistance VA provided to homeless Veterans during the COVID-19 pandemic, the role of recent legislation in expanding our capabilities, as well as the effectiveness of the assistance VA provided. I will then conclude with a summary of additional initiatives in development.

## **COVID-19 Impact**

Since the beginning of the COVID-19 pandemic, VA's Homeless Program Office (HPO) has developed and executed a coordinated national response strategy to support homeless Veterans. This strategy continues to evolve based on emerging science about the disease and the needs of communities to support homeless Veterans during this crisis. HPO worked closely with partner offices within VA (e.g., General Counsel, Information Technology, Connected Care and Telehealth, Mental Health, Geriatrics & Extended Care, Emergency Management) and across Federal agencies (Housing and Urban Development, United States Interagency Council on Homelessness, Centers for Disease Control and Prevention, Health and Human Services) to provide a coordinated response and consolidated guidance to VA staff, grantees, and contractors serving homeless and at-risk Veterans.

VA's homeless program personnel demonstrated resiliency through the COVID-19 pandemic by providing continuous outreach, prevention, emergency housing, and supportive services to homeless and at-risk Veterans and their families. VA's homeless programs faced critical challenges during the pandemic and implemented aggressive strategies to address these challenges. The information below summarizes some of the strategies that VA homeless programs implemented to provide care to Veterans during the COVID-19 pandemic:

- Supportive Services for Veteran Families (SSVF): The CARES Act provided \$716.6 million in additional support to SSVF grantees for further COVID-19 specific enhancements. SSVF has played a vital role in VA's response to mitigating COVID-19 risks to vulnerable homeless Veterans. Between March 2020 and March 2021, SSVF placed over 26,000 Veterans in hotels/motels. Many of the Veterans placed in hotels were previously unsheltered or in congregate settings that put them at increased risk of contracting COVID-19. During the pandemic, many Public Housing Authorities (PHA) stopped issuing housing vouchers or closed their offices completely. Because of these PHA shutdowns, Veterans enrolled in HUD-VASH were not able to obtain their housing vouchers. SSVF assisted Veterans who were enrolled in HUD-VASH but unable to receive their vouchers by providing rental assistance until their PHA housing payments began. Between May 2020 and March 2021, SSVF assisted over 7,000 HUD-VASH Veterans, acting as a bridge to support these moves into permanent housing while awaiting PHA voucher processing. Additionally, SSVF has provided extensive homeless prevention services for Veterans facing eviction.
- Grant and Per Diem (GPD): The GPD Program received a total of \$170.8 million in CARES Act funding, the majority of which is being used to support increased per diem rates in 2020 and 2021. The Secretary waived the current cap on per diem on April 28, 2020. This funding has allowed grantees to support the additional costs of providing services to homeless Veterans during COVID-19, including providing personal protective equipment, secure quarantine spaces, and deep cleaning facilities. The GPD Program received an additional \$50 million in CARES Act funding to support a capital grant to create individual living spaces in transitional housing. VA will continue to monitor any ongoing impacts of COVID-19 on program requirements and incorporate them in future budget requests.
- Health Care for Homeless Veterans (HCHV): The HCHV Program received \$15.3 million in CARES Act funding, to enable HCHV contracted facilities to cover the additional costs of providing services to homeless Veterans during COVID-19 in 2020 and 2021. These other expenses included providing personal protective equipment, deep cleaning of facilities, isolation and quarantine spaces. These funds also allowed sites to add additional bed capacity in HCHV CRS programs as a temporary remedy so any Veteran entering homelessness during the pandemic could be offered placement.
- Housing and Urban Development-Veterans Affairs Supportive Housing (HUD-VASH): Homeless Veterans are uniquely vulnerable to COVID-19 due to their living conditions, age, and high rate of chronic health problems. HUD-VASH has played a critical role in VA's overall COVID-19 response by assisting these Veterans in obtaining and sustaining permanent housing. HUD-VASH programs have prioritized Veterans placed in temporary accommodations (e.g., hotel, congregate shelter, isolation/quarantine facility) in response to the COVID-19 emergency for HUD-VASH, as admitting these Veterans to HUD-VASH ensures they have a safe and stable living environment while simultaneously freeing up capacity in temporary quarantine settings. CARES Act funding of \$4 million was provided to VA in 2021 to expand contracted case management services to support these efforts. Additionally, the CARES Act has provided enhanced access to telehealth capabilities for Veterans participating in HUD-VASH.

• Veterans Justice Outreach: Due to COVID-19, many prisons, jails, and courts were closed to in-person visits. In FY 2020, VA purchased nearly 1,000 iPads specifically to enable outreach to Veterans in these settings.

# **Recent Legislation**

Significant legislation has been passed into law to enhance VA's response to homeless Veterans. VA used the flexibilities provided in this legislation to increase Veterans' access to care and improve existing programs to ensure safety during the pandemic.

**The Coronavirus Aid Relief and Economic Security Act:** VA Homeless programs requested supplemental resources allowed under the CARES Act to support the health and safety of Veterans. VA Homeless programs received \$971 million in CARES Act funding and allocated these funds to several Homeless Programs aimed at providing relief to homeless Veterans during the pandemic, as was previously described. Specific to VA's Homeless Programs, the CARES Act provides the following requirements and flexibilities:

- o Section 20011. Availability of Telehealth for Case Managers and Homeless Veterans:
  - Requires VA to ensure that telehealth capabilities are available during a public health emergency for case managers and Veterans participating in the HUD-VASH program.
- Section 20012. Funding Limits for Supportive Services for Very Low-Income Veteran Families in Permanent Housing (SSVF):
  - This section waives authorization caps for the SSVF program during a public health emergency.
- <u>Section 20013. Modifications to comprehensive service programs for homeless Veterans</u> <u>during a public health emergency:</u>
  - Allows VA to waive any limits on grant amounts under sections 2011 and 2061 and rates for per diem payments under sections 2012 and 2061; Requires VA to waive requirements to discharge a Veteran from the Grant and Per Diem (GPD) program after the Veteran is absent for 14 days, and may continue to pay per diem to grant recipients and eligible entities under the program for any additional days of absence when a Veteran has already been absent for more than 72 hours.

Program	FY2020	FY2021	Total	Funds Obligated as
	Actual	Estimate	Homelessness Funds	of 4/1/21
SSVF	\$601,540,000	\$115,083,959	\$716,623,959	\$716,623,959
GPD	\$38,341,881	\$132,418,119	\$170,760,000	\$85,752,214
HCHV	\$12,854,347	\$65,261,694	\$78,116,041	\$29,165,485
Smart phones (included above)			\$21,250,000	21,248,899
HUD-VASH		\$4,000,000	\$4,000,000	\$2,024,443
VJP		\$1,500,000	\$1,500,000	
Total	\$652,736,228	\$318,263,772	\$971,000,000	\$833,566,101

# Table 1. CARES Act Funding for VA Homeless Programs CARES ACT FUNDING FOR VA HOMELESS PROCEAMS

**The National Defense Authorization Act for Fiscal Year 2021 (PL 116-283)** expands HUD-VASH eligibility by adopting the definition of the term "Veteran" given in section 2002(b) of title 38, United States Code for purposes of eligibility for the program. Informally, this means that the eligibility criteria for HUD-VASH will be consistent with the eligibility criteria used in GPD and SSVF. This expansion of eligibility for HUD-VASH is vitally important and represents a "win/win" in that HUD-VASH can now serve Veterans who may not be eligible for VA health care services and who require more permanent supports to maintain their housing, while also increasing voucher utilization in the program. The law also requires VA to host pro bono legal assistance clinics three times per year in at least one VA facility in each state for any Veteran, any surviving spouse, or any child of a Veteran who has died. VA is also required to establish a pilot program to assess the feasibility and advisability of awarding grants to eligible entities to develop or enhance pro bono legal assistance clinics at locations other than VA facilities, and to ensure that at least one grant is awarded to such entities in each state

The Johnny Isakson and David P. Roe, M.D. Veterans Health Care and Improvement Act (P.L. 116-315) was signed into law on January 5, 2021; nine sections of this law impact VHA homeless programs. VA HPO has worked closely with the Office of General Counsel to interpret the law's intent and begin operationalizing its various components. Some of the most significant sections of this legislation are highlighted below:

- <u>Section 4201</u> of this law allows VA to use appropriated funds to provide critical resources, including food and shelter to homeless and at-risk Veterans during the COVID-19 public health emergency. This section also provided statutory authority to waive match requirements for GPD providers when executing a capital grant for certain capital grantees.
  - In FY 2021, GPD used CARES Act funding and the expanded authority under Section 4201 of PL 116-315 to issue <u>capital grants</u> (approx. \$50M) to allow current grantees to convert congregate style housing into individual transitional housing units. Under PL 116-315, GPD was provided with the statutory authority to waive OMB Real Property Disposition (2 CFR 200.311(c)) and capital matching funds requirements. These waivers will pave the way for grantees to execute these capital improvements more quickly since grant-funded organizations do not have to come up with out-of-pocket match funds to pay for the projects.
  - HPO worked with VHA finance and OGC to develop implementation guidance for using appropriated funds to provide emergency resources to Veterans newly authorized under section 4201. VHA Finance released this guidance to the field in May 2021, and Veterans are now receiving these vitally important resources.
- <u>Section 4202</u> of the law requires VA to issue grants to public or private nonprofit entities to provide legal services to homeless Veterans and those at risk of homelessness. Legal issues are routinely identified by Veterans experiencing homelessness as one of the highest unmet needs. This legislation will allow VA to increase legal services to Veterans to alleviate legal barriers to housing and employment. The law will also increase resources to provide eviction defense for Veterans at risk of becoming homeless.
  - VA is required to write new regulations to satisfy the requirements established in section 4202 of the law and they are currently under development. These

regulations will undergo the required review process before being published in the Federal Register.

- In anticipation of the upcoming steps involved in implementing the grant program, HPO has already developed an initial draft of the notice of funding opportunity (NOFO) and grantee application package to ensure that VA can implement the grant process quickly once the regulations are finalized.
- <u>Section 4207</u> requires VA to enter into contracts with community providers for HUD-VASH case management if the following two criteria are met: 1.) more than 15 percent of all housing vouchers allocated to a medical center during the preceding fiscal year are unutilized, and 2.) one or more case manager positions have been vacant for at least nine consecutive months. This requirement becomes effective on 10/1/2021.
  - To prepare for the implementation of section 4207, HPO conducted meetings with local VAMCs, PHAs, HUD, and other stakeholders to determine ways to expand case management capacity and increase voucher utilization. HPO recently completed a series of interviews conducted with HUD and the United States Interagency Council on Homelessness (USICH) with communities around the country, focusing on obstacles to increased voucher utilization. The results were summarized and presented at an interagency meeting on 3/17/21. These findings are also being integrated into section 4207 implementation planning as appropriate.

# **Effectiveness of Assistance**

While it is too early to fully assess the impact of assistance provided during the COVID-19 pandemic, we believe that the services VA and its partners provided with the expanded statutory flexibilities and resources were critical to preventing widespread harm to homeless Veterans. Leading the effort was the SSVF program, whose grantees moved thousands of Veterans from the streets or shelters into hotels to provide immediate safety from COVID-19. As of May 2021, 65 percent of the Veterans placed in hotels by SSVF have exited to permanent housing. When many PHAs were closed or provided limited services during the pandemic, SSVF grantees provided housing placements to over 7,000 HUD-VASH Veterans. SSVF grantees have experienced an increase in the need for homeless prevention services during the pandemic and resulting economic crisis. In FY 2020, SSVF served far more prevention households (24,280) than in FY2019 (19,659), and between October 1, 2020, and April 30, 2021, SSVF has provided prevention services to 22,776 households. These prevention services have been critically important in preventing a wave of new homeless Veterans. In addition, the coordination and collaboration among SSVF and other complementary Federal programs, such as the Department of Labor's Homeless Veterans Reintegration Program (HVRP), at the grantee and Federal staff level is a critical component in our work toward achieving the mutual goal of ending veteran homelessness.

The **HUD-VASH** program expedited permanent housing placements in the setting of COVID-19. VA's National HUD-VASH Program Office encouraged local HUD-VASH programs to partner with their communities to target Veterans impacted by the pandemic. This included issuance of a 6/5/2020 memo, "HUD-VASH Admissions During COVID-19 Response", which stated that every homeless Veteran placed in a temporary accommodation (e.g., hotel, congregate shelter, isolation/quarantine facility) in response to the COVID-19 emergency should be considered for a HUD-VASH voucher. This effort focused mainly on partnership with local SSVF programs to ensure that many of the 26,000 Veterans housed by SSVF in hotels/motels could transition to permanent housing rather than returning to unsheltered homelessness.

HUD-VASH has utilized collaborative case management models with both VA and community providers to expand case management capacity for Veterans in need. Examples include the following:

- Partnerships with 16 Grant and Per Diem Case Management grantees nationally to allow grantees to utilize HUD-VASH vouchers with initial case management services provided by the grantee.
- Designation of a community partner as the HUD-VASH designated service provider (DSP) by the VA Secretary in King County, WA. This innovative partnership allows up to 142 new Veterans to be served by an external non-VA provider in that region.

In response to COVID-19 and the CARES Act, HPO used \$21,250,000 in CARES funds for the procurement of smartphones for homeless Veterans. Currently, \$21,248,899 has been obligated, and over 31,000 smartphones with time-limited data plans have been shipped to VAMCs for distribution to homeless Veterans. These smartphones had a substantial positive impact on homeless Veterans, resulting in dramatic increases in telehealth encounters nationally, while assisting Veterans in maintaining contact with landlords, employers, family, and other forms of support.

The CARES Act mandated that HUD-VASH Veterans and case managers must have access to telehealth during a public health emergency. VA's National HUD-VASH Program Office collaborated with VA's Office of Connected Care to expand telehealth capacity for HUD-VASH providers and Veterans. The initial response resulted in the provision of 2,800 pieces of telehealth equipment (speakers, monitors, webcams, headsets, and iPads) for VA providers.

HPO will use ARP funds to expand the SSVF Shallow Subsidy program to prevent and end homelessness and stem the tide of potential evictions that may occur when the CDC moratorium ends. The Shallow Subsidy is an effective tool in preventing homelessness because it provides a modest amount of rental assistance for two years. This strategy will be successful in preventing homelessness among Veterans who are older or disabled and living on fixed incomes. The Shallow Subsidy program provides housing expenses for up to two years even after participating Veterans obtain employment through Federal program such as DOL's HVRP, which served over 17,000 enrolled Veterans between July 2019 and June 2020. It also provides career support and follow-up services for up to one year after job placement. Capitalizing on connections between Federal programs such as SSVF and HVRP creates an opportunity for a synergistic partnership that can significantly improve the employment prospects and income potential of co-enrolled SSVF and HVRP participants.

HPO also purchased iPads that allowed Veterans Justice Program (VJP) staff to continue conducting virtual outreach to incarcerated Veterans while jails or prisons were closed to visitors during the pandemic. In FY 2021, 64% of VJP visits have been virtual, 42% of visits were virtual in FY 2020, and 17% were virtual in FY 2019.

## **Future Initiatives Planned**

**American Rescue Plan (ARP):** We are grateful for the significant resources Congress provided in the American Rescue Plan Act to continue the progress enabled by the CARES Act funding and sustain VA's continued support for pandemic recovery. HPO will receive \$486 million in ARP funds to provide ongoing relief to Veterans experiencing homelessness. HPO will integrate this funding into a comprehensive, long-term recovery plan to prevent and end homelessness among Veterans. HPO's plan to use ARP funds includes strategies to increase access to affordable permanent housing options, remove barriers to housing, and target VA

resources more efficiently and accurately to be most effective. Although allocations among program activities may change in response to workload requirements, proposed strategies under consideration for these resources are highlighted below:

- HPO is deeply concerned about possible dramatic increases in homelessness when eviction moratoria are lifted. To prepare for this possibility, we plan to use ARP funding to expand the SSVF shallow subsidy. The shallow subsidy is an effective tool in preventing homelessness because it provides a modest amount of rental assistance for two years. This strategy will be especially successful in preventing homelessness among Veterans who are older or disabled and living on fixed incomes. Shallow subsidy interventions can also provide long-term housing stability for Veterans who can increase income through employment. Therefore, we believe this is the most effective step we can take to prevent dramatic increases in homelessness when eviction moratoria are lifted.
- HPO plans to spend approximately \$50 million to issue another GPD capital grant opportunity to create individual living spaces within transitional housing projects. The goal of the expansion is not to create more transitional housing inventory but to improve the quality of the GPD portfolio. This funding will improve personal safety for Veterans by reducing risks associated with shared living spaces. This funding will allow GPD grantees to continue to transform programs and meet the challenges local communities face when providing safe spaces for Veterans experiencing homelessness. Creating individual living spaces will also allow GPD grantees to serve a more diverse population, including women and older Veterans.
- ARP funds may also support the expansion of HUD-VASH contracting services to develop collaborative case management partnerships in high-need areas. These contracts will allow HUD-VASH to expand capacity beyond traditional VA staffing models with a specific focus on housing search and placement services, which will help increase voucher utilization. HPO is also exploring opportunities to use ARP funds to partner with VA Geriatrics and Extended Care to support HUD-VASH efforts in providing services to older Veterans, a rapidly growing population within VA homeless programs.
- To address the growing needs of justice-involved Veterans, HPO can use ARP funds to increase intervention efforts to prevent homelessness among this population. VA's Veterans Justice Program will enhance programs by using peer specialists to link justice-involved Veterans to VA and mainstream services to increase housing stability. HPO is also exploring the possibility of using ARP funds to provide housing through medical foster homes for Veterans, including justice-involved Veterans who are older or medically vulnerable.

**VA and HUD Joint Statement**: On April 12, 2021, VA Secretary Denis McDonough and HUD Secretary Marcia Fudge issued a joint statement in which they pledged to align efforts and mobilize the strengths of their agencies to the fullest to end Veteran Homelessness.

VA and HUD worked in close partnership to develop the joint statement on ending Veteran homelessness released in April 2021. Since then, HUD Secretary Fudge has been named Chair and VA Secretary McDonough has been named Vice-Chair of USICH. These positions of authority on the primary convening body for the government's homeless efforts will allow the Secretaries to promote and advance our efforts to end Veteran homelessness and will strengthen planned collaborations across Federal agencies.

VA and HUD are jointly focused on achieving a systematic end to Veteran homelessness by implementing innovative, equitable, veteran-centered services that will lead to personal empowerment and increased independence. A committee of dedicated Federal partners are working diligently to finalize the strategies that will bring the goals laid out in the joint statement to fruition. While the plan to implement the joint statement is being finalized, HPO is operationalizing and implementing our recently released strategic plan to end Veteran homelessness.

**HPO's Strategic Plan:** HPOs strategic plan aligns with the VA and HUD joint statement using a Housing First approach—an evidence-based method for ending homelessness. While developing the strategic plan, HPO reflected on past challenges and successful strategies to better understand the unique needs of homeless Veterans. HPO also used demographic information and data from program enrollment, exits, and outcomes to identify Veteran populations most in need of homeless services. HPO's strategic plan includes the following six pillars:

- Expand and increase affordable housing options.
- Prevent and resolve returns to homelessness.
- Enhance targeted services to address the needs of high-acuity and vulnerable populations (e.g., older Veterans, Veterans who have a history of opioid misuse, are at risk for suicide, or COVID-19).
- Support the development of a highly skilled workforce.
- Use research and state-of-the-art analytical data, evaluation tools, and processes to make informed and timely decisions.
- Provide equitable services and outcomes through all homeless programs and services.

HPO formed a committee in June 2020 to address the impact of racial disparities through education, information sharing, enhancing awareness, and promoting helpful conversations. This committee has begun to analyze data and VA policies to determine what adjustments should be made to ensure equitable access to VA homeless programs. The VJP has also started developing training resources to address racial disparities in the criminal justice system and the impact of stigmatization for justice-involved Veterans.

# Conclusion

Across VA, we are committed to providing the high-quality care our Veterans have earned and deserve. Ending Veteran homelessness requires a multi-agency effort, coordinated through the U.S. Interagency Council on Homelessness. Together, we can enhance how we deliver services and provide opportunities to Veterans to ensure we bring the full force of the federal government to end Veteran homelessness. We continue to improve access and services to meet the needs of Veterans. We are grateful for the resources and statutory flexibility that Congress has provided to VA to optimize care for homeless and at-risk Veterans. We pledge to rise to the occasion and do all we can to ensure these resources are used as effectively and efficiently as possible. Thank you for the opportunity to appear before you today to discuss these invaluable services to Veterans.