



OPERATION DIGNITY

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Chairman Van Orden, Ranking Member Levin, I submit this statement for the record to the Subcommittee on Economic Opportunity's Legislative Hearing on behalf of Operation Dignity, which has provided Grant and Per Diem services in Alameda County, California since 1992. ***Operation Dignity is the largest GPD provider in the Bay Area, currently is operating 91 beds in Oakland, Alameda and Berkeley, California.*** We work with each veteran in our program on developing self-sufficiency and outlining their goals to ensure in maintaining permanent housing and employment upon exit. In fiscal year 2022, 75% of Veterans exiting our program successfully transitioned to permanent housing, and approximately 45% were employed upon exit.

We thank you for the bipartisan work that your Committee spearheaded to enhance the per diem rate during the public health emergency. During the health emergency, our nightly per diem rate increased to \$150.17 per night from our pre-pandemic rate of \$54.89. This allowed us to continue to serve Veterans in a safe environment – we followed strict health protocols, following all the public health guidelines while also ensuring veterans were able to access health care services and providers, pick up medications, and participate in virtual community support meetings and customized exercise classes. We experienced our first and only outbreak at one of our facilities in November 2022 and enacted our isolation protocol quickly that ensured the health and wellbeing of all Veterans and staff.

In addition to being the largest Bay Area GPD provider, we are singular in offering single rooms as well as a fully staffed kitchen and dining room at one of our facilities. Two GPD providers for the San Francisco VA will be closing as of September 30, 2023. This downsizing of GPD beds has been a trend (one program originally had 36 beds before reducing to 20 beds; and is now completely shutting down its) – ***this fact makes it more critical that our bed capacity is sustained as the largest sole provider.***

The recent decrease at the end of the PHE dropped our rate to \$64.52. If this rate is not increased to the reimbursement level proposed in H.R. 491, we will have to reduce our beds significantly and potentially close some of our sites. Although our occupancy rates are recovering from pre-pandemic rates, we are not able to recruit and hire additional case management staff at competitive salaries, and our program is operating at a loss. With the reduction to the current rate that occurred on May 12, our program stands to suffer a monthly loss in revenue of \$140,359, for an annual loss of \$2,225,299.

While we appreciate the intent of H.R. 3848, to restore section 4201 assistance, which has been critical, and to increase the per diem rate to \$133%, This ceiling on funding will be devastating given the already high cost of living in the S.F. Bay Area, the increasing shortage of GPD programs, and lack of affordable housing in general.

We support access to reimbursement in H.R. 491 to allow us to restore levels of services and supports the veterans we serve have earned, and the level of services required to successfully operate this grant.

Should you have any questions, please feel free to contact me at mbachand@operationdignity.org.

Marguerite Bachand



Executive Director