

STATE CAPITOL
P.O. BOX 942849
SACRAMENTO, CA 94249-0118
(916) 319-3550
FAX: (916) 319-3551



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**Joint Oversight Hearing of the Assembly Veterans Affairs Committee
& Budget Subcommittee 4, State Administration**

Assembly Committee on Veterans Affairs – Assemblymember Jacqui Irwin, Chair
Budget Subcommittee 4 – Assemblymember Jim Cooper, Chair

**The California Veterans’ Homes:
Planning for the Future, Providing for Immediate Needs**

Tuesday, January 30, 2018
2 p.m.
State Capitol Room 437

- I. Introductory Remarks by Committee Chairs**
- II. Preparing a Master Plan for the Veterans’ Homes of California**
Dr. Vito Imbasciani MD, *Secretary, California Department of Veterans Affairs*
- III. The Changing Needs of California Veterans and the**
Hon. Pedro Nava, *Chairman, Little Hoover Commission*
Jacqueline Barocio, *Fiscal and Policy Analyst, Legislative Analyst’s Office*
Burt McChesney, *CAVSA*
- IV. Public Comment**

Veterans Homes of California

The Veterans Homes of California (VHC) are long-term residential care facilities that provide California's aged or disabled veterans with rehabilitative, residential, medical, and support services in a home-like environment. Spouses of veterans also are eligible for home membership. Approximately 80 percent of the California Department of Veterans Affairs (CalVet) budget expenditures (excluding capital outlay) are spent on operating veterans' homes, which are budgeted to house about 2,534 veterans in the current fiscal year.

CalVet currently operates Veterans Homes in Yountville, Barstow, Chula Vista, Lancaster, Ventura, Redding, Fresno, and a facility in West Los Angeles on the grounds of the U.S. Department of Veterans Administration Greater Los Angeles Medical Center. VHC-Yountville was established in 1884 and is the largest geriatric facility in the United States.

In fiscal year 2015-2016 the net cost to the state's general fund to operate the homes was \$191 million. CalVet receives revenue for VHC from several sources, including member fees, federal per diem, Medicare and Medi-Cal reimbursements.

This chart indicates the capacity, number of residents and number of staff projected for Fiscal Year 2014-15. It does not separate the total capacity of beds by treatment level.

Facility	Beds (Capacity)	2015-16 Budgeted Beds	Projected Staff, 2014-15 *
Yountville	1,184	1021	853.6
Barstow	400	220	200.9
Chula Vista	400	305	334.6
West Los Angeles*	396	366	449.0
Lancaster	60	60	99.0
Ventura	60	60	99.0
Redding	150	150	263.7
Fresno	300	268	330.0
Totals	2,950	2450	2,629.8

**The three homes in the Los Angeles area – West Los Angeles, Lancaster and Ventura – have been budgeted as one entity and individual staff breakdowns are not provided; the number of staff presented in this table for the three entities are combined staff total for all three.*

There are several levels of medical rehabilitation services, as well as residential services, provided by the VHCs. They are domiciliary care/independent living, intermediate nursing care, memory care, outpatient clinic, residential care/assisted living, and skilled nursing care.

An Outside Perspective on the California Veterans' Homes

At the request of Assemblymember Jacqui Irwin, the Little Hoover Commission undertook a review of the veterans' homes system, publishing two reports: One that took a systemwide view, and another that concentrated on the Yountville home.

Findings and Recommendations of the LHC's reports:

1. *The veteran population is changing, and so are its needs:* Veterans of the Gulf War and the ongoing conflicts in Iraq and Afghanistan "may need support earlier in life and for more years due to the severity of their service-connected disabilities." The report cites a USDVA study that found "rates of service-connected disability among Iraq and Afghanistan veterans are about double that of previous cohorts, and more return from their service with post-traumatic stress disorder, traumatic brain injuries and amputations."
2. *The homes are not very efficient:* The system serves about 2,600 people, from an estimated 1.71 million California veterans, at a cost of about \$71,000 per bed.
3. *The legislature should eliminate domiciliary care from the veterans' home program:* Domiciliary care includes room and board with limited direct supervision for self-sufficient residents. Residents have access to all of the home's services, activities, and medical care, and can transfer to higher levels of care as needed and as space becomes available. The demand for these spaces is declining, even as the need for housing for homeless vets increases. There is an acute and growing demand for skilled nursing beds, for which the wait lists are very long.
4. *Establish a process to evaluate and review homes to determine whether to close or continue:* Some homes are unable to meet their capacity, because of an apparent lack of demand.
5. *CalVet should dedicate a small management team that is empowered to respond nimbly and urgently to critical infrastructure issues on the campus:* The Yountville campus comprises many aging buildings, specifically its Holderman Building, which is in substantial disrepair.
6. *CalVet needs a better process for residents and staff members to share concerns and grievances anonymously about the living and working conditions at the Yountville veterans home:* The commission found staff and residents who were confused by existing avenues of complaint, or who feared retaliation if they were to raise their concerns.
7. *CalVet urgently needs a state-of-the-art Skilled Nursing Facility:* Not only is the SNF at Yountville housed in the aging Holderman Building, whose deficiencies are well-documented, the share of available SNF beds falls well short of demand, even now, and that shortage is expected to only grow more acute.

The Master Plans for the California Veterans' Homes

A 2017 budget bill – AB 97 – imposed a requirement that CalVet prepare a master plan for the operation of the homes, both individually and as an overall system. The master plans are due by July 1, 2019. The bill stipulated that the master plans' development *should* use a “stakeholder process” and requires:

1. An assessment of how the prioritization of veterans with a rated 70 percent or greater service-connected disability for admissions into veterans' homes fits within the plan, to include:
 - a. An assessment of the current and projected long-term care needs of California's veterans;
 - b. Data on the current waiting lists, an analysis of how the new prioritization criteria will affect the number of admitted veterans with a rated 70 percent or greater service-connected disability;
 - c. Information on the potential trade-offs of the new prioritization criteria, with a focus on how veterans who do not qualify for prioritized admission will be impacted;
 - d. An analysis of what changes will be needed in the homes to accommodate the needs of the new prioritized veterans;
 - e. A multi-year analysis of the estimated costs and savings associated with the new prioritization criteria.
2. A strategy to maximize the entire footprint of the land at all the homes, as well as to preserve what is already there in terms of physical homes. This includes an evaluation of leases at the homes and consideration of the addition of facilities such as outpatient clinic and multifamily housing.
3. Evaluate the need for each level of care at each home and make the level of care provided at each home consistent with the results of the evaluation.
4. A discussion of how veterans with complex mental and behavioral health needs will be accommodated in the plan.