



NATIONAL COALITION *for* HOMELESS VETERANS

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Policy Statement: Homeless Providers Grant and Per Diem Program

WASHINGTON, May 30, 2018— The Homeless Providers Grant and Per Diem (GPD) Program, permanently authorized by Congress and administered by the U.S. Department of Veterans Affairs (VA), has been the foundation of community-based homeless veterans assistance since 1992. With nearly 14,000 beds nationwide serving roughly 25,000 men and women each year, the GPD Program is often the first and most significant step toward recovery for veterans experiencing homelessness. By helping homeless veterans obtain stable housing, health services, employment and other income supports, the GPD Program has helped hold the line against increases in veteran homelessness despite continued economic stagnation, the housing crisis, high veteran unemployment and drawdown of active duty forces from recent conflicts.

The effects of military service under stressful conditions – particularly combat exposure – typically do not manifest themselves right away. By maintaining the infrastructure of the homeless veteran response system – with the Grant and Per Diem Program at its core – and ramping up VA’s ability to prevent veteran homelessness through the Supportive Services for Veteran Families (SSVF) Program, America can ensure that returning veterans will always have the support they need in times of crisis.

How does the GPD Program work?

The Grant and Per Diem program is modeled on the idea that for some populations of homeless veterans, the best way to help them exit homelessness is to address the causes of their homelessness, and to equip them to solve their problems permanently. These can be economic hardships, employment challenges, behavioral disorders, substance abuse disorders, or legal challenges among many other possible challenges. In this model, the philosophy most closely mirrors the “teach a man to fish” maxim.

GPD features two primary types of funding: “Capital” and “Per Diem” grants. Capital grants provide up to 65% of the cost to acquire, renovate or construct facilities that are used to provide short-term supportive housing and service centers for homeless veterans. These funds may also be used to purchase vans to conduct outreach or provide needed transportation for homeless veterans.

Capital grant recipients receive priority for Per Diem grants, which fund GPD programs’ operational costs at a maximum rate of \$45.79 per day per veteran housed. By incorporating additional funding streams and collaborating with other local community- and faith-based service providers, grantees maximize the benefits of this relatively modest investment from the federal government with the objective of returning clients to permanent housing and income security as quickly as possible.

Mission: The National Coalition for Homeless Veterans will end homelessness among veterans by shaping public policy, promoting collaboration, and building the capacity of service providers.

Why is GPD critical?

GPD often serves as a transition point for veterans as they obtain permanent housing; in 2014, 71% of veterans in GPD transitioned to permanent housing. GPD graduates receive treatment for primary and mental health issues, substance abuse disorders, or help with securing employment or other income, which allows them to achieve and sustain permanent housing without the use of long-term or permanent housing subsidies. The goal of GPD is permanent housing, with the majority of graduates sustaining that housing themselves through employment or entitlement benefits.

The most recent data from the VA points to a need to maintain the current number of beds nationwide to continue to provide emergency housing and rapid stabilization services to homeless veterans with specialized needs – women veterans, single veterans with dependent children, veterans transitioning out of incarceration, veterans with mild to moderate mental illnesses, veterans who become homeless due to sudden or worsening economic hardship and loss of employment. Most of these clients will be able to stabilize and advance to permanent housing with relatively short-term supports.

What should Congress do?

NCHV recommends that Congress make appropriations for the Grant and Per Diem Program at the level of need demonstrated in communities. The maintenance level of funding for current GPD beds is \$257 million. As such, NCHV recommends that this program continue to receive this funding until data can demonstrate a different level of need in communities across the country. It was most recently appropriated for by PL 115-141, and will need appropriations again for Fiscal Year 2019.

Additionally, the program must be modernized in order to keep pace with the department's goal to end and prevent veteran homelessness. Congressional oversight and limited legislative action can open opportunities for current GPD providers to adapt to local needs. Advancement of formerly homeless veterans into permanent housing should become the expected outcome for GPD grant recipients, and innovative uses of existing beds must be facilitated. The payment structure to the non-profit grantees should be changed from the outdated *per diem* model to a more effective, and cheaper to administer, grant model.

In December, 2016, the VA took the first steps towards this goal by issuing a reapplication revamp of the program. This revamp instituted a reapplication process for all grantees which focused programs into five new models: Bridge Housing, Low Demand, respite Care, Clinical Treatment, and Service-Intensive Transitional Housing. The goal was to bring this long-standing program more closely in line with the newer, wider world of veteran homelessness services that did not exist in 1992 when GPD was created. NCHV recommends that this progress be continued by moving from the *per diem* model to a more streamlined and flexible grant model.

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