



State of California

LITTLE HOOVER COMMISSION

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Little Hoover Commission Calls for a New Direction For State's \$306 Million Veterans Homes Program

The Little Hoover Commission, in a report sent Wednesday to Governor Brown and the Legislature, called for greater self-sufficiency in the state's veterans homes program and less reliance on the General Fund to free up resources to serve more California veterans, particularly those incapable of caring for their own health.

The recommendations are part of a comprehensive, 16-month look at the state's eight-home system that found unnecessarily high costs to California taxpayers compared to other states and also determined that fewer than 1 percent of the state's 1.7 million veterans benefit from the 2,610-bed program run by the California Department of Veterans Affairs (CalVet). With so much of the state's investment in veterans tied up in the homes program, the Commission recommended CalVet consider whether it should modify the program, including closing or repurposing facilities, along with more cost-effective alternatives to its homes, such as home and community-based programs for aged and disabled veterans.

"California has an obligation to fulfill its promise to those veterans already living in the homes and those waiting to get in. But times and circumstances change and California must incorporate the best new vision for veterans care," said Commission Chairman Pedro Nava. "We must start questioning assumptions and past decisions about what kind of care veterans want and need and how it is best delivered."

The Commission, in its report, *A New Approach to California's Veterans Homes*, also recommended prioritizing beds for those who most need the care, as well as intelligently revising residential-only services in the homes to focus on skilled nursing care. During its study the Commission learned that residents are generally admitted on a first come, first served basis, rather than based on their financial or health needs. Additionally, the Commission learned 80 percent of veterans on waiting lists for admission to a veterans home need skilled nursing, while residents who need no specialized care occupy one in three beds statewide. Some states limit their veterans homes to skilled nursing care. California, by comparison, has 933 residential-only domiciliary beds and 859 skilled nursing beds.

The Commission, citing \$185 million in annual General Fund costs to run the \$306 million veterans home program, also recommended changes in state law requiring that residents tap all available resources to help pay for their care, including enrollment in state and federal benefit programs and maintaining health insurance coverage throughout their stay in the homes. Other states reviewed by the Commission demonstrate that veterans homes can be more self-sufficient, in some cases, operating without state General Fund support.

The Little Hoover Commission is a bipartisan and independent state agency charged with recommending ways to improve the efficiency and effectiveness of state programs. The Commission's recommendations are submitted to the Governor and the Legislature for their consideration and action. For a copy of the report, visit the Commission's website: www.lhc.ca.gov.