

## LITTLE HOOVER COMMISSION

March 27, 2017

Pedro Nava Chairman Sean Varner The Honorable Eloise Reyes State Capitol, Room 4015 Sacramento, CA 95814

Vice Chairman
Scott Barnett

RE: SUPPORT FOR ASSEMBLY BILL 1365 (REYES)

David Beier

Anthony Cannella Senator Dear Assemblymember Reyes:

Jack Flanigan

Chad Mayes Assemblymember

Don Perata

Sebastian Ridley-Thomas Assemblymember

> Richard Roth Senator

Janna Sidley

Helen Torres

Carole D'Elia Executive Director The Little Hoover Commission supports Assembly Bill 1365, the measure you authored to require the California Department of Veterans Affairs (CalVet) to develop a planning strategy for the state's system of veterans homes.

In its 2017 report, A New Approach to California's Veterans Homes, the Commission found that California's veterans population is rapidly changing and becoming more diverse. The Commission called for some changes to streamline the veterans homes program to better meet current needs, yet, it is not clear how well the program must change to best meet future needs. Though in the past the veterans homes have served as a means to expand care options for California's veterans, other options should be considered in the future – including repurposing homes that may have outlived their usefulness or not lived up to their promise. To evaluate how well the veterans homes program is meeting the needs of California's veterans, the Commission recommended CalVet establish a process to systematically and regularly review each veterans home to determine its best use given current and projected needs of California's veterans.

The Commission also found the budget for the veterans home program to be overly complicated, making it difficult to understand the true cost of operating the veterans homes, as well as how costs may vary by home and by level of care. To enhance fiscal transparency and make it easier for policymakers and others to understand what drives the costs of providing care in the veterans homes, the Commission also recommended CalVet augment fiscal reports to the Legislature to include specific information, such as the upfront costs and reimbursements for each home over a period of several years, the cost of care per resident and by level of care, as well as the costs of facility maintenance. The Commission suggested this information should be made available online in an accessible format.

Because Assembly Bill 1365 would require CalVet to submit financial reports of the veterans homes to the Legislature and post them online, as well as require the department to regularly review the use of each veterans home to determine how best to use it in the future, the Commission supports this measure.

As the bill moves through the legislative process, I will be writing letters on behalf of the Commission to legislators urging aye votes. If I or the Commission can provide any further assistance or expertise, please do not hesitate to ask.

Sincerely,

Carole D'Elia Executive Director

c: Commissioners, Little Hoover Commission