NINETY-EIGHTH NATIONAL CONVENTION
OF
THE AMERICAN LEGION
Cincinnati, Ohio
August 30, 31, September 1, 2016

Resolution No. 185: State Veteran Home Per Diem Reimbursement
Origin: Georgia
Submitted by: Convention Committee on Veterans Affairs & Rehabilitation

WHEREAS, State Veterans Homes were founded in the late 1800s for indigent and disabled Civil War veterans and continue to serve generations of veterans today; and

WHEREAS, Title 38, United States Code Subchapter V – Payment to State Homes authorizes the Department of Veterans Affairs (VA) to pay per diems for care in State Veterans Homes to those veterans with a 70 percent or greater service-connection rating or any veteran in need of such care for a service-connected disability; and

WHEREAS, A Government Accountability Office (GAO) Report 06-264 in March, 2006, *Data Gaps Impede Strategic Planning for and Oversight of State Veterans' Nursing Homes*, identified that certain aspects of VA's per diem reimbursement policy had not been applied consistently and VA headquarters officials have not been consistent in explaining to VA Medical Centers whether they could approve reimbursement to state veterans' nursing homes for care provided to veterans; and

WHEREAS, Public Law (P.L.) 109-461, Veterans Benefits, Health Care, and Information Technology Act of 2006, authorized the Secretary of VA to publish a Strategic Plan for Long-Term Care for VA to include specific plans for working with Medicare, Medicaid, and private insurance companies to expand the availability of such long-term care, which included State Veterans Homes; and

WHEREAS, In response to the P.L. 109-461 in August 2007, VA submitted the long-term care strategic plan to Congress with the effective dates through Fiscal Year (FY) 2013; and

WHEREAS, A GAO Report 09-145 in January, 2009, *Long-Term Care Strategic Planning and Budgeting Need Improvement*, reported that, "many veterans who need long-term care do not receive it from VA, but instead receive care from other providers that is financed by programs such as Medicaid, Medicare, private health or long-term care insurance, or self-financing by the patients"; and

WHEREAS, GAO Report 09-145 concluded as a result, in VA's long-term care strategic planning, determining future workload is a multi-step process requiring estimating the number of veterans who will need long-term care, the number of those veterans seeking care through the VA and the number of veterans VA will serve, which is expected to increase by 167 percent between FY 2007 and 2013 and that VA provided unrealistic cost assumptions and workloads in its FY 2009 budget submission; and

WHEREAS, VA pays State Veterans Homes a per diem that covers approximately one-third of the cost of providing these services to eligible veterans, which is less than the actual daily cost of care provided by Medicare/Medicaid rate; and

WHEREAS, The American Legion has supported enactment of legislation to require VA per diem payments be at a rate of 50 percent of the national average cost of providing care in State Veterans Homes, to increase the VA per diem rate closer to the Medicare/Medicaid rate; and

WHEREAS, In September 2009, The National Association of State Veterans Homes and State Directors of Veterans Affairs recommended that Congress pass a clarifying amendment to P.L. 109-461 to postpone the mandatory implementation of the VA per diem program due to the lower cost of VA's per diem amount, compared to the Medicare/Medicaid rate which would shift all the cost burden on the State Veteran Home operating budget; and

WHEREAS, The American Legion remains concerned that Congress has not provided clarification of Public Law 109-461 and VA has not factually reported its planning workload projections to assist State Veterans Homes budgets; now, therefore, be it

RESOLVED, By The American Legion in National Convention assembled in Cincinnati, Ohio, August 30, 31, September 1, 2016, That The American Legion support legislation to amend Title 38, United States Code to provide clarification to the State Veterans Home, Centers for Medicare and Medicaid Services and the Department of Veterans Affairs (VA) per diem reimbursements; and, be it further

RESOLVED, That The American Legion support legislation to increase VA per diem payments to a rate of 50 percent of the national average cost of providing care in a State Veterans Home to more closely align to the Medicaid/Medicare rate; and, be it finally

RESOLVED, That VA accurately report its planning workload projections and budget submissions in future fiscal years to account for the 167 percent increase in long-term care workload identified by the Government Accountability Office.