

GRANT AND PER DIEM PROGRAM

- 1. PURPOSE.** This Veterans Health Administration (VHA) Handbook establishes procedures for the Health Care for Homeless Veterans (HCHV) Homeless Providers Grant and Per Diem (GPD) Program and sets forth the national authority for the administration, monitoring, and oversight of GPD-funded community-based programs.
- 2. SUMMARY OF CHANGES.** This is a revised Handbook clarifying the duties of those assigned responsibilities under the GPD Program, addressing staffing changes associated with implementing and monitoring GPD-funded programs nationally, and addressing program enhancements as a result of the Government Accountability Office (GAO) and the Department of Veterans Affairs (VA) Office of Inspector General (OIG) reviews.
- 3. RELATED ISSUES.** VHA Directive 1162 (to be published).
- 4. FOLLOW-UP RESPONSIBILITY.** The Office of Mental Health (116E), Health Care for Homeless Veterans Programs, is responsible for the contents of this Handbook. Questions may be directed to the Associate Chief Consultant, Homeless and Residential Rehabilitation and Treatment Services, at (202) 273-8446.
- 5. RESCISSIONS.** VHA Handbook 1162.01, dated March 1, 2006, is rescinded.
- 6. RE-CERTIFICATION.** This VHA Handbook is scheduled for re-certification on or before the last working day of August 2012.

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Under Secretary for Health

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GRANT AND PER DIEM PROGRAM

1. PURPOSE

This Veterans Health Administration (VHA) Handbook establishes procedures for the Health Care for Homeless Veterans (HCHV) Homeless Providers Grant and Per Diem (GPD) Program and sets forth the national authority for the administration, monitoring, and oversight of GPD-funded community-based programs. *NOTE: Specifics included in this Handbook are inspection procedures and included in the appendices are check sheets and formats for information that is to be completed and submitted as part of the initial and annual inspection process. Additionally, this Handbook describes Department of Veterans Affairs (VA) medical center support duties, methods to mentor and monitor community-funded programs, and guidance regarding oversight of organizations funded through GPD grants.*

2. BACKGROUND

a. Subject to the availability of appropriations, Title 38, United States Code (U.S.C.) Section 2011, states that the Secretary of Veterans Affairs must provide grants to assist public or non-profit private organizations in establishing new programs through a competitive process, for up to 65 percent of the cost of acquiring, renovating, or constructing facilities or to purchase vans. Title 38, U.S.C., Section 2012 states that the Secretary of Veterans Affairs must provide (subject to the availability of appropriations) per diem to grant recipients or entities eligible to receive a grant that provide supportive services and/or supportive housing to homeless veterans. By statute, VA may also provide grants to assist community providers in meeting the needs of special populations.

b. The GPD Program has been successful in establishing services for homeless veterans. Since its inception, the program has grown significantly. Grants have been awarded nationally since 1994. Community-based providers funded under the GPD Program exist in all states, the District of Columbia, Guam, and Puerto Rico. These GPD Programs offer communities a way to assist homeless veterans with housing and services while assisting VA medical centers in providing housing or services for veterans by augmenting, or in some cases supplementing, care. Program designs are diverse, ranging from a 100-bed independent-living project to a 6-bed project providing recuperative-care housing.

c. Community-based programs are funded through a national competition in response to a Notice of Fund Availability (NOFA) published in the Federal Register according to rules and regulations and any other funding priorities as announced in NOFA. It is imperative that VA recognize these projects as independent and operating based on designs as put forth (and rated) in the proposal. As VA has no authority to instruct or manage programs, it provides guidance and oversight to ensure operations are in compliance with VA inspection standards and that the program offering the services is the same as was described in the original proposal, or as modified through program scope changes.

d. The GPD Program, an essential and critical part of VHA, is vital for providing safe transitional housing and supportive services for homeless veterans. Community-based programs funded under the GPD Program did not start becoming operational until 1996. At that time, there were a limited number of programs providing services and oversight was achieved through coordination with VA homeless program staff at each medical center. Since that time, the number of operational programs has increased dramatically, requiring conformity of inspection and oversight procedures. The increase in operational programs also requires enlisting additional staff assistance and support, as well as delegating additional duties to VA medical centers. Therefore, this Handbook has been developed.

3. AUTHORITY

The statutory authority for VA's Homeless Providers GPD Program is found at 38 U.S.C. §§2011, 2012, 2061, and 2064. The implementing regulations are found at Title 38 Code of Federal Regulations (CFR) Part 61.

4. DEFINITIONS

a. **Capital Grant.** Capital grant is a grant for construction, renovation, or acquisition of a facility or for acquisition of a van.

b. **Capital Lease.** Capital lease is a lease that will be in effect for the full period in which VA may recover all or portions of the capital grant amount under 38 CFR 61.67.

c. **Fee.** Fee means a fixed charge for a service offered by a recipient under 38 CFR 61.82, that is in addition to the services that are outlined in the recipient's application and which is not paid for by VA per diem or provided by VA, (e.g., cable television, recreational outings, professional instruction, or counseling).

d. **Homeless**

(1) Homeless is lacking a fixed, regular, and adequate night-time residence, or having a primary nighttime residence that is:

(a) A supervised publicly or privately-operated shelter designed to provide temporary living accommodations (including welfare hotels, congregate shelters, and transitional housing for the mentally ill);

(b) An institution that provides a temporary residence for persons intending to be institutionalized; or

(c) A public or private place not designed for, or ordinarily used as, a regular sleeping accommodation for human beings.

(2) The term homeless does not include imprisonment or other detainment pursuant to Federal or State law. Imprisonment or other detainment does not include probation or parole.

e. **New Construction.** New construction means the building of a structure where none existed, or an addition to an existing structure that increases the floor area by more than 100 percent.

f. **Non-profit Organization.** Non-profit organization means a private organization has no part of the net earnings which may accrue to the benefit of any member, founder, contributor, or individual. The organization must be recognized as a 501(c)(3) or 501(c)(19) non-profit organization by the United States Internal Revenue Service, and:

(1) Have a voluntary board;

(2) Have a functioning accounting system that is operated in accordance with generally accepted accounting principles, or must designate an entity that will maintain a functioning accounting system for the organization in accordance with generally accepted accounting principles; and

(3) Practice nondiscrimination in the provision of supportive housing and supportive services assistance.

g. **Operating Costs.** Operating costs is expenses incurred in operating supportive housing, supportive services, or service centers with respect to:

(1) Administration (including staff salaries; costs associated with accounting for the use of grant funds, preparing reports for submission to VA, obtaining program audits, and securing accreditation; and similar costs related to administering the grant after the award);

(2) Maintenance, repair, and security for the supportive housing;

(3) Van costs or building rent (except under capital leases), e.g., fuel, insurance, utilities, furnishings, and equipment;

(4) Conducting on-going assessments of supportive services provided for, and needed by, participants and the availability of such services; and

(5) Other costs associated with operating the supportive housing or service center.

h. **Participant.** Participant means a person receiving services based on a grant or per diem provided under 38 CFR Part 61.

i. **Public Entity.** Public entity includes:

(1) A county, municipality, city, town, township, local public authority (including any public and Indian housing agency under the United States Housing Act of 1937), school district, special district, intrastate district, council of governments (whether or not incorporated as a nonprofit corporation under State law), any other regional or interstate government entity, or any agency or instrumentality of a local government; and

(2) The governing body or a governmental agency of any Indian tribe, band, nation, or other organized group or community (including any Native village as defined in section 3 of the Alaska Native Claims Settlement Act, Public Law 92-203) certified by the Secretary of the Interior as eligible for the special programs and services provided by the Bureau of Indian Affairs.

j. **Rehabilitation.** Rehabilitation means the improvement or repair of an existing structure. *NOTE: Rehabilitation does not include minor or routine repairs.*

k. **State.** State means any of the several states of the United States, the District of Columbia, the Commonwealth of Puerto Rico, any territory or possession of the United States, or any agency or instrumentality of a state exclusive of local governments. The term does not include any public and Indian housing agency under the United States Housing Act of 1937.

l. **Supportive Housing.** Supportive housing means transitional housing with supportive services.

m. **Supportive Services.** Supportive services means services, which may be designed by the recipient or program participants that address the needs of homeless veterans. Supportive services does not include inpatient acute hospital care, but does include:

(1) Outreach activities;

(2) Providing food, nutritional advice, counseling, health care, mental health treatment, alcohol and other substance abuse services, and case management services;

(3) Establishing and operating child care services for dependents of homeless veterans;

(4) Providing supervision and the security arrangements necessary for the protection of residents of supportive housing and for homeless veterans using supportive housing or services;

(5) Providing assistance in obtaining permanent housing;

(6) Providing education, employment counseling and assistance, and job training;

(7) Providing assistance in obtaining other Federal, State, and local assistance available for such residents including: mental health benefits, employment counseling and assistance, veterans' benefits, medical assistance, and income support assistance; and

(8) Providing housing assistance, legal assistance, advocacy, transportation, and other services essential for achieving and maintaining independent living.

n. **VA.** VA means the Department of Veterans Affairs.

o. **Veteran.** Veteran means a person who served in the active military, naval, or air service and who was discharged or released under conditions other than dishonorable.

5. SCOPE

a. The GPD Program has the delegated authority to provide VA medical facilities the information necessary to properly inspect, collect required information, and submit the required documents to closeout a grant and process, or continue, per diem payments for non-profit, State, or local government providers funded under VA's Homeless Providers GPD Program.

b. In addition, the GPD Program has the delegation of authority for working with community-based providers awarded grants and/or per diem funds under the GPD Program.

6. RESPONSIBILITIES OF THE OFFICE OF MENTAL HEALTH FOR HOMELESS VETERANS PROGRAMS

The Office of Mental Health (116E), HCHV Programs, GPD Office, VHA Central Office is responsible for ensuring that:

a. Non-profit organizations, Indian Tribal governments, and State and local governments selected for GPD funding are selected according to public law criteria and rated according to criteria stated in 38 CFR Part 61.

b. Funds for acquisition, new construction, rehabilitation, life and safety renovation, vans, technical assistance, and special needs grants are distributed to the GPD-funded program expediently and in a manner consistent with public law authorizing the GPD Program and VA regulations.

c. Guidance, based on relevant laws, rules, and regulations, and analysis of collected data, is provided to Veterans Integrated Service Network (VISNs) and VA medical centers to ensure that:

(1) Operational GPD-funded community-based programs are maintained and that the programs provide quality services that are in compliance with existing laws and regulations; and

(2) GPD-funded community-based programs are operating as stated and designed in the original proposal that was submitted and approved for funding.

d. Funds are distributed from VHA Central Office to the medical center for per diem payments.

e. Initial and revised per diem rate requests received from awardees are approved, or denied, within 30 days of receipt by the GPD Office.

7. RESPONSIBILITIES OF THE VISN DIRECTOR

Each VISN Director is responsible for ensuring that:

a. A VISN Homeless Coordinator is designated;

b. The VISN Homeless Coordinator, or designee, is available for participating in the initial and yearly re-inspections of programs funded under the GPD Program, in coordination with the VA medical center inspection team; and

c. The VISN Homeless Coordinator provides regional oversight and establishes methods and procedures to ensure that GPD is conducted in accordance with this Handbook.

8. RESPONSIBILITIES OF THE VA MEDICAL CENTER DIRECTOR

Each medical center Director is responsible for:

a. Providing and maintaining oversight of operational GPD-funded community-based programs to ensure the programs provide quality services that are in compliance with existing laws and regulations.

b. Providing and maintaining oversight of GPD-funded community providers to ensure they are operating the program as designed in the original GPD proposal that was submitted and approved for funding.

c. Designating a VA medical center liaison for each GPD-funded community-based program in the medical center's catchment area and re-designating a liaison each year. If the liaison position is vacated, the Director must, within 30 days, designate a new liaison and forward that person's name through the VISN Homeless Coordinator to the GPD Office. **NOTE:** *Those liaisons that were hired for the position and funded through centrally-directed funds to perform liaison duties must not be assigned other tasks that would interfere with GPD responsibilities.*

d. Ensuring that the liaison is aware of, and takes part in, required VA ethics training. **NOTE:** *Special emphasis must be given to avoid conflict of interest.*

e. Conducting timely initial and yearly re-inspections of operational GPD-funded community-based programs.

f. Reviewing yearly inspections of GPD-funded programs and making a determination for approval of continued per diem payments based on the program meeting requirements and standards as set forth in this Handbook.

g. Establishing a plan of correction for deficiencies noted in inspection reports, establishing reasonable timeframes for programs to address deficiencies, and tracking that progress to ensure that deficiencies are corrected.

h. Forwarding copies of all inspection documents and deficiencies noted to the VISN Homeless Coordinator annually by March 31. **NOTE:** *Failure to submit inspections, or not submit in the prescribed format, may result in funds being withheld.*

i. Ensuring that VA medical center personnel are available for conducting an initial and an annual inspection of each community-based program funded under the GPD Program that is

operational in the medical center's catchment area. Inspections must include a team review of the GPD-funded program's general operation including, but not limited to:

- (1) **Fire and Safety Compliance.** Ensuring that the project complies with fire and safety codes relevant to operations and the level of care provided.
- (2) **Facility Adequacy.** The facility must be adequate to ensure that the services offered by the GPD-funded program can be accommodated by the building acquired, constructed, or renovated by grant funds.
- (3) **Facility Completeness.** Ensuring that the facility has been purchased, constructed, and/or renovated in accordance with plans submitted and approved by the Office of Construction and Facilities Management (00CFM).
- (4) **Clinical Care.** Clinical care must be provided to ensure that the:
 - (a) Care provided to residents meets the standards prescribed by local codes and is within the framework of professional health care delivery standards, and operational and/or clinical authority;
 - (b) Program activities and/or supportive services are implemented and conducted as designated in the grant application; and
 - (c) Record keeping and participant files are compliant with GPD Program regulations.
- (5) **Nutrition.** Food and Nutrition Service must ensure that:
 - (a) Food preparation areas contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner; and
 - (b) If meals are served as part of the community-based program design, the meals are prepared in a sanitary manner, are nutritionally balanced, and appropriate for the program participants.
- (6) **Grant Compliance.** Grant compliance means that all activities put forth in the entity's original application are carried out as prescribed in the proposal and any addendums (change of scope) to the application are implemented as prescribed in addendum documentation. **NOTE:** *The "Project Plan Section" of the proposal includes the GPD-funded program's goals and objectives. These goals and objectives delineate program participant activities and serve as an evaluation tool to assess the program's achievement level, as well as compliance with the grant.*
- (7) **Security.** Issues pertaining to security and law enforcement must be appropriately addressed.
- (8) **Staff.** VA medical center staff must have the appropriate backgrounds, education, and experience necessary to review and inspect community-based programs under the preceding categories.

(9) **Operation.** Successful operation is accomplished by:

(a) Ensuring that an appropriate instrument (i.e., Memorandum of Agreement (MOA), Memorandum of Understanding (MOU)) that meets with the standard practices of the particular medical center and the VISN is used for assisting with the implementation, administration, and oversight of the GPD-funded program. *NOTE: Contracts are not appropriate instruments to use to establish oversight.*

(b) Ensuring that the entity receiving GPD funding has implemented and is operating the project as put forth in the original GPD proposal (or as modified by program addendums).

(c) Ensuring that all program services are being provided and that the goals and objectives stated in the proposal are being met.

(10) **Billing**

(a) Monthly billing for per diem payments must be accurate regarding:

1. Veteran eligibility,
2. The number of bed days of care, and
3. Costs associated with operational costs of the community-based program.

(b) This is accomplished by:

1. Ensuring that the liaison reviews the accuracy of the billing and that GPD vouchers are submitted to the GPD Office.

2. Ensuring that the system of billing is standardized to conform to medical center business practices.

(11) **Data Collection.** Program participant data must be collected as per program evaluation procedures developed by the VA Northeast Program Evaluation Center (NEPEC).

(12) **Payment.** The medical center Director makes the final determination for monthly per diem payments for services rendered by the community provider.

(13) **System of Records.** A system of records must be established for documents related to initial and annual program inspections, as well as records of per diem reimbursement.

9. RESPONSIBILITIES OF THE VISN HOMELESS COORDINATOR

Each VISN Homeless Coordinator has VISN-level responsibility for oversight and monitoring of the GPD programs in their VISN. Each VISN Homeless Coordinator is responsible for:

- a. Participating in the initial and annual inspections of GPD-funded programs (see subparas. 14a through 14i) using this Handbook and GPD Program regulations (see 38 CFR Part 61) as guidelines.
- b. Reviewing copies of the completed initial and annual re-inspections of GPD-funded programs in the VISN, and ensuring completeness.
- c. Reviewing the medical centers' plans of correction that have been developed as a result of inspection deficiencies noted in GPD-funded programs and tracking follow-up activities associated with the deficiencies. *NOTE: This may require facilitating actions to assist in correcting deficiencies.*
- d. Ensuring the annual re-inspections of GPD-funded programs are submitted timely and in the proper format according to this Handbook and are reviewed and approved by the VA medical center Director (see App. A).
- e. Forwarding reports regarding the status of each inspection package for their VISN, as requested by the GPD Office.
- f. Forwarding a copy of the inspection packages to the GPD Office once all inspections for the VISN are complete.
- g. Ensuring GPD-funded community programs are monitored and evaluated as prescribed by established protocols.
- h. Working with GPD Liaisons and medical center Quality Management staff to develop risk management and reporting systems for GPD-funded programs.
- i. Reviewing GPD critical incidents and initiating appropriate investigation and follow-up activities in collaboration with the medical center.
- j. Providing regular reviews of GPD Liaison clinical and administrative documentation to ensure compliance with GPD policies and procedures.
- k. Monitoring liaison follow-up of GPD-funded program clinical care and administrative issues.
- l. Providing support, guidance, and advice to GPD Liaisons through regular communications, including site visits to facilitate mentoring, problem solving, and compliance issues.

10. RESPONSIBILITIES OF THE GPD LIAISON

Each VA GPD Liaison is responsible for:

a. Providing services to, and oversight of, the GPD-funded community-based programs as outlined in this Handbook and the GPD regulations.

b. Verifying the veteran status and eligibility of program participants. *NOTE: For purposes of eligibility for participation in GPD-funded programs, “veteran” is defined as a person who served in the active military, naval, or air service, and who was discharged or released under conditions other than dishonorable.*

c. Verifying admission and discharge dates of program participants for billing purposes.

d. Collecting and submitting GPD-funded program participant data as outlined by NEPEC evaluation procedures.

e. Complying with criminal conflict of interest laws and Executive Branch Standards of Conduct to avoid conflicts of interest in carrying out liaison duties. *NOTE: Liaisons must avoid being employees, Directors, trustees, general partners, or officers of the grantee(s) for which they have oversight.*

f. Providing oversight of GPD-funded program participants' care and, at times, case management of those participants at sites where organizations are receiving per diem payments. Case management is defined as the provision of services by VA clinical staff to homeless veterans, which includes:

(1) Monitoring the care in, and assessing the compliance of the program receiving per diem as outlined in the recipient's original grant application.

(2) Intervening to facilitate compliance, or correction, of the program, when appropriate.

NOTE: When “necessary” (see following subpars. 10f(3) thru 10f(5)) could mean: when determined by the liaison that the provider does not offer particular services needed by the veteran; when requested by the veteran; when requested by the GPD-funded program (on a case-by-case basis); or when determined necessary by the liaison from admission screening.

(3) Arranging, when necessary, and coordinating the care.

(4) Linking, when necessary, and referring to VA medical facilities, VA Regional Offices, and/or community agencies.

(5) Intervening, when necessary, and advocating on behalf of the veteran to fill gaps in the delivery of services.

NOTE: *The organization in receipt of per diem funding has primary responsibility for the veteran's care. The per diem recipient organization must provide care as prescribed in the original grant proposal. The preceding services in subparagraphs 10f(3) thru 10f(5) must be accomplished through a goal-oriented approach.*

g. **Clinical Relevance.** GPD Liaisons must ensure that their clinical documentation include the following on all veterans in the clinical record. **NOTE:** *All clinical documentation must be in compliance with local VA medical center policy and procedures.*

(1) An admission note that describes a plan of care which includes:

- (a) Reason for referral (including justification for any readmissions);
- (b) Program to which the veteran is admitted;
- (c) Pertinent past treatment history; and
- (d) Preliminary treatment or service plan.

(2) Progress notes as clinically indicated (that are related to the veteran's progress toward the veteran's goals), which include:

(a) A discharge note. **NOTE:** *The discharge note needs to correlate to the information on NEPEC Form D. (Refer to NEPEC monitoring procedure at: <http://vaww.nepec.mentalhealth.med.va.gov/PHV/HCHV/hchGPDy6.pdf>)*

- (b) Summary of service.
- (c) Description of aftercare plans.

NOTE: *Interdisciplinary planning must be considered if clinically indicated and if staffing is available.*

11. GPD LIAISON DESIGNATION

a. The GPD liaison designated by the VA medical center Director must have experience working with community-based providers and be qualified to provide oversight of each program and provide case management for program participants. **NOTE:** *When possible, to ensure the continuity of care, it is essential that the liaisons that are serving as case managers in this program be the same clinicians that have provided care in the past for VHA's homeless veterans.*

b. The Deputy Under Secretary for Health generates the initial request for designation of the VA liaison for each community-based program funded by the GPD Program, through a request for appointment sent to the VA medical center Director through the VISN Director. There is a 30-day response time to this request.

c. Should the designated liaison leave VA service or be assigned other duties, the medical center Director is responsible for designating a replacement and notifying the GPD Office in writing within 30 days.

d. Annual re-designation of the GPD Liaison must be accomplished by the medical center Director and this must be noted on the inspection documentation.

12. GPD LIAISON TRAINING AND DUTIES

The liaison is the key point of contact between the GPD-funded program and the GPD Office. The success of individual programs depends greatly on the rapport and collaborative efforts established between the liaison and the community provider. *NOTE: Each of the grant recipient programs were chosen because they reflected a solution to a need in the community and, as such, may not necessarily fit into what would be considered a traditional model. At times, the liaison may be challenged to meet the requirements of the medical center, the GPD Office, the GPD-funded program, and the veteran.*

a. **GPD Training.** Each liaison is required to contact the GPD Office to schedule an appointment for training. Liaisons must complete their training in one of the following formats: online web-based training, face-to-face conference, or phone conference with GPD staff.

b. **NEPEC Training.** Additional training from NEPEC is required for the liaison. NEPEC contacts the liaison after GPD-funded program activation to schedule an appointment for this training. Liaisons designated out-of-cycle, or as replacements to the liaison designated at initial GPD-funded program activation, must contact NEPEC to schedule the training.

c. **Expectations of the Liaison.** The duties listed in paragraph 10 are the liaison responsibilities. The following are the expectations of the liaison, deemed necessary to carry out those responsibilities and ensure program oversight, are not to be viewed as inclusive or limited. Additionally, liaisons are under the direction of the medical center Director, therefore, the following expectations may be expanded, or limited, based on medical center policies, protocols, standards, position descriptions, staffing levels, etc.

(1) The liaison is expected to:

(a) Assemble a team of subject-matter experts.

(b) Forward the findings, of the complete inspection and/or re-inspection requirements to the required offices.

(c) Establish an accurate system of billing with fiscal service and compliant with the business practices of the medical center.

(d) Forward, on a monthly basis, copies of per diem payment vouchers to the GPD Office.

(e) Act as the primary resource for GPD Program information between the GPD-funded program and VA.

(f) Monitor the provider, at least quarterly, throughout the year for compliance to ensure the GPD-funded program is being administered as outlined in the grant proposal.

1. This monitoring must include performance reviews.

2. At a minimum, the liaison must use NEPEC data, as well as the goals and objectives put forth by the provider in the grant application, as benchmarks for grant recipient program performance.

3. The performance reviews must be documented in the GPD liaison's administrative file on the GPD provider (see subpar. 16q).

4. The program improvement actions, based on these reviews, must be implemented by the GPD provider.

(g) Ensure all NEPEC documentation is completed and forwarded to the appropriate recipient.

(h) Attend monthly liaison conference calls.

(i) Ensure proper program monitoring and mentoring (see par. 16).

(2) When on-site at a GPD program, it is expected that the liaison will perform a cursory environmental review and identify any obvious hazards or other deficiencies, which need to be corrected.

(a) If a significant hazard and/or deficiency is noted, the GPD Liaison must notify the provider and appropriate local VA personnel for inspection and follow-up.

(b) Any hazards and/or deficiencies noted must be documented in the GPD Liaison's administrative file on the GPD provider.

13. CONFLICT OF INTEREST

As part of the initial designation and annual re-designation, the GPD Liaison is required to comply with the provisions of "Confidential Filer" regulations and submit to the Office of General Counsel (OGC) Form 450, Confidential Financial Disclosure Report, to ensure there is no actual or apparent conflict of interest between the liaison and the provider organization (see 5 CFR Subpart 2634.900). Names of designated liaisons must be forwarded by VA medical centers to Regional Counsels. *NOTE: The GPD Office may assist Regional Counsel in identifying liaisons.*

14. PROGRAM INSPECTIONS

a. **Authority.** Program rules set forth in 38 CFR Section 61.65 state: "VA may inspect the facility and any records of an entity applying for or receiving assistance under this part at such

times as are deemed necessary to determine compliance with the provisions of this part. The authority to inspect carries with it no authority over the management or control of any entity applying for or receiving assistance under this part.”

(1) Inspections are to ensure grant compliance. Primarily, inspections function to ensure all activities put forth in the GPD-funded program’s original application are carried out as prescribed in the proposal. It is imperative that VA medical center staff, with the appropriate backgrounds, education, and experience, are a part of the inspection team reviewing the specific categories in community-based programs.

(2) To establish the formal relationship between the medical center and the community provider, an appropriate instrument (i.e., MOA, MOU), that meets with the standard practices of the particular VA medical center and the VISN, must be used for assisting with the implementation, administration, and oversight of the community-provider program. Particular attention must be paid to security arrangements with GPD-funded programs that are leasing buildings on VA medical center grounds. **NOTE:** *Contracts are not appropriate instruments to use to establish oversight.*

b. **Initial Inspection.** The initial inspection procedure is a comprehensive review guided by this Handbook and the GPD Program regulations. Initial inspections of GPD-funded programs must be conducted at the completion of the grant phase, prior to per diem being awarded. These initial inspections must be reviewed and approved by the medical center Director in coordination with the VISN Homeless Coordinator and the GPD Office.

(1) Initial inspections place special emphasis on ensuring that the provision of supportive services is delivered, as per the original grant, by including in the inspection team VA staff with clinical backgrounds and experience working with homeless veterans.

(2) Initial inspections include a fiscal review of the matching grant requirement (capital grants awards only). This fiscal review, conducted by the GPD Office, is based on the documents on file and records procured from the GPD-funded program.

(3) The liaison must submit the completed initial inspection package, which has been signed by the medical center Director, to the VISN Homeless Coordinator for review. Once the VISN Homeless Coordinator determines that the inspection package is complete, the VISN Homeless Coordinator forwards the package to the GPD Office for per diem rate determination, program activation date, and final inspection approval.

c. **Annual Re-inspection.** Recurring inspections are to occur annually between the months of January through March. Completed inspection reports must be routed through appropriate offices and then submitted to the GPD Office annually, no later than May 1. Failure to submit inspection reports, or failure to submit them in the prescribed format, may result in funds being withheld. Annual re-inspections of the community providers receiving per diem are to be conducted in the same manner as the initial inspection to ensure that the services are still being delivered. Review and approval of the continuation of the GPD-funded program (or determination of needed corrective actions), based on re-inspection results, is the responsibility

of the medical center Director. Once completed, the re-inspection package must be forwarded to the VISN Homeless Coordinator for review and tracking.

d. **All Inspections**

(1) The inspection team must include the VISN Homeless Coordinator, or designee, the GPD Liaison, and other VA medical center personnel typically responsible for inspections of community-based care facilities including representatives from Social Work Service, Fiscal Service, Nutrition and Food Service, Contracting Service, Nursing Service, Facilities Management or Engineering, Mental Health and Behavioral Sciences Service, and VA Security Service, as necessary, based on the scope of the awardees' original grant application.

(2) The GPD Liaison is responsible for ensuring that a copy of any final inspection report is given to the GPD provider.

e. **Clinical Care Inspections.** Clinical care inspections must ensure that:

(1) Care provided to residents meets the standards prescribed by local codes and is within the framework of professional health care delivery standards and operational and/or clinical authority.

(2) The program activities and/or supportive services are implemented and conducted as designated in the grant application.

(3) Record keeping and participant files conform to the grant recipients' written policies and procedures and/or applicable state or local guidelines and/or applicable accrediting bodies (e.g., Commission on Accreditation of Rehabilitation Facilities (CARF), The Joint Commission (TJC)).

(4) The clinical care review checklist (see App. A) is completed.

f. **Life Safety Inspections.** Life safety inspections must ensure:

(1) **Facility Adequacy (Capital grant only).** The facility constructed, acquired, or renovated can accommodate the services offered by the community organization as put forth in the grant proposal.

(2) **Facility Completeness (Capital grant only).** The facility has been purchased, constructed, and/or renovated in accordance with plans submitted to, and approved by, the Office of Construction and Facilities Management (00CFM), VA Central Office. *NOTE: Initial inspections require that the medical center review the original project plans and ensure that the grantee has acquired or built what was agreed to in order to obtain the grant award. The Office of Construction and Facilities Management (00CFM), VA Central Office, can provide copies of project plans, drawings, etc.*

(3) **Fire and Safety Compliance.** The facility must comply with codes relevant to operations and level of care provided. Recipients of grants and recipients of per diem must

comply with the Life Safety Checklist (LSC) and all applicable State and local housing codes, licensing requirements, fire and safety requirements, and any other requirements in the jurisdiction in which the project is located regarding the condition of the structure and the operation of the supportive housing or service center.

(4) **LSC.** The items required by GPD regulations are delineated in the Facilities Management Checklist (see App. A). It is expected that Office of Construction and Facilities Management team members will supplement this checklist with the appropriate section of the LSC as it pertains to the awarded project. **NOTE:** *In addition to the checklist, the GPD-funded program must provide each Office of Construction and Facilities Management team member a copy of the Certificate of Occupancy (CO) on the initial inspection for the site to be included in the inspection package. The CO, or a letter as to why a CO is not needed, must come from the governing entity (city, county, township) and must have a statement to the effect that the facility can operate and provide services and/or transitional housing for the purpose intended.*

g. **Security Inspections**

(1) Security inspections ensure that issues pertaining to security and law enforcement are appropriately addressed. This includes, but is not limited to, the Chief, Police Service, or designee, participating in the planning of programs located on medical center property (to include a comprehensive risk assessment of each program and on-going monitoring) and coordinating with GPD-funded programs for the purpose of conducting a comprehensive risk assessment of each program. **NOTE:** *In performing a risk assessment of community-based providers, VA Police are acting as part of the health care team overseeing those entities. Particular attention must be paid to security arrangements with GPD-funded programs that are leasing buildings on VA medical center grounds. Clear delineation of authority and responsibility of the VA medical center's Police Services must be outlined in the MOA instrument. Security surveys and inspections of GPD-funded programs must be consistent with existing VA policy requirements (38 CFR 1.218, VA Handbook and Directive 0730).*

(2) The security inspections checklist is in Appendix A. **NOTE:** *Security inspections of GPD-funded programs need to include a review of those pertinent items that are addressed on the vulnerability assessment instrument of VHA outpatient activities.*

h. **Nutrition Inspections**

(1) Nutrition inspections ensure that:

(a) Food preparation areas contain suitable space and equipment to store, prepare, and serve food in a safe and sanitary manner.

(b) Meals are served as part of the community-based program design.

(c) Meals are prepared in a sanitary manner, are nutritionally balanced, and appropriate for the program participants.

(2) The nutrition inspection checklist is in Appendix A.

i. **Van Inspections.** Some GPD-funded programs, as part of the initial grant award, received funding to purchase vans to provide outreach to and/or transportation for homeless veterans. If an entity received funding for this purpose, the inspection team must review van usage to ensure activities associated with the van are as designated in the original proposal. The inspection team must complete the van usage section in VA Form 10-0316c (see App. A).

15. FISCAL

a. **Per Diem Rate Requests**

(1) The GPD Auditor approves or denies all per diem rate requests within 30 days of receipt of all required submission documents. Providers submit this information directly to the GPD Program Office.

(2) If approved, the effective date of per diem rate(s) is the date the required submission documents are received by the GPD Office.

(3) If denied, subsequent submission documents will be the basis for determining the effective date.

(4) Providers are required to request a per diem rate upon initial activation of the per diem portion of the grant. Any subsequent requests are required, only if the provider wants to increase the rate or upon request from the GPD Program.

(5) On an annual basis, providers must report to the GPD Program their actual per diem rate based on the financial reporting fiscal year. The required submission documents for providers and the instructions for completing these documents are posted and available on the GPD Program web site at: <http://vaww1.va.gov/homeless/page.cfm?pg=35>

b. **VA GPD Grant Closeout.** (For all grant awards other than per diem). Upon completion of the grant activity, the VA GPD Program requests the provider submit detailed transactions charged to the activity as recorded in their general ledger. This extract will be used to verify total project costs recorded on the final billing invoice.

c. **Oversight.** Oversight and audit of providers are conducted in accordance VA Directive 0071. All fiscal procedures conducted by the GPD Office are controls to help detect over billings by awardees, and thus minimize or prevent material over payments.

d. **Forms and Instructions**

(1) All fiscal forms and documents, including instructions for completion, are available on the GPD Program website.

(2) Failure of a provider to submit any required fiscal document, or any other fiscal document requested by VA, may result in withholding, suspension, and/or termination of funding to that awardee.

16. PROGRAM MONITORING AND MENTORING

a. **Project Numbers.** Project numbers are assigned to GPD applications as they arrive in any given funding period. The first two numbers denote the year of funding, the second set of numbers denotes the sequence the application was received, and the third set consists of characters representing the State in which the project will exist. These project numbers are assigned by the GPD Office. All correspondence regarding GPD-funded programs must include the project numbers as reference.

b. **Case Management.** Liaisons are expected to provide case management, when necessary, at sites where organizations are receiving per diem payments. For these purposes, case management is defined as provision of services by VA professional staff to homeless veterans (see subpara 10f).

c. **Special Reporting Circumstances.** At times, situations occur that require additional reporting actions. The guidance for these types of occurrences and the required reports currently exists in VA policies, Directives, and regulations. Consultation in this regard is to be with the VA medical center's Compliance Officer, Clinical Administrative Officer, Police Service, or Chief of Staff. Medical centers must incorporate GPD-funded programs into a critical incident reporting procedure. Policies and procedures must be consistent with VHA Handbook 1050.01.

d. **Allegations of Impropriety.** Any and all allegations of impropriety at the GPD-funded program site by GPD-funded program employees, VA employees, or the program participants must be addressed immediately and documented through use of the appropriate VA mechanism, (i.e., VA Patient Representative, Quality Management, Board of Inquiry, Office of Inspector General (OIG)).

(1) Information about actual or possible violations of criminal laws related to VA programs, operations, facilities, or involving VA employees, where the violation of criminal law occurs on VA premises, must be reported by VA management officials to the VA police component with responsibility for the VA station or facility in question. If there is no VA police component with jurisdiction over the offense, the information must be reported to Federal, State, or local law enforcement officials, as appropriate.

(2) Criminal matters involving felonies must be immediately referred to Office of the Inspector General (OIG), Office of Investigations. VA management officials with information about possible criminal matters involving felonies must ensure, and be responsible for, prompt referrals to the OIG. Examples of felonies include, but are not limited to: theft of government property over \$1000, false claims, false statements, drug offenses, crimes involving information technology systems, and serious crimes against a person, i.e., homicides, armed robbery, rape, aggravated assault, and physical abuse of a VA patient.

e. **Length of Stay and Extensions.** Length of stay in transitional housing programs is limited to 24 months. However, individual participants may be extended past their 24 months, "if permanent housing for the veteran has not been located or if the veteran requires additional time to prepare for independent living" (see 38 CFR 61.80(d)). Liaisons must review and

approve requests for extension. The Liaison reviews the nature of the request and ensures that the request and the subsequent extension is in keeping with the veteran's course of treatment plan. Notification of any extensions are to be forwarded to the GPD Office. The GPD Office forwards these extension notifications to NEPEC to ensure accurate data collection.

f. **Change of Scope.** The GPD Office must approve any change to the original application. Program changes include: services provided, staffing, admission and/or discharge criteria, etc. These changes must be conducted through the GPD Office with input from the liaison. Requests for such changes must originate with the GPD-funded program, sent through the liaison to the GPD Office for final approval or denial. Copies of requests for any change(s) must be sent to the VISN Homeless Coordinator. *NOTE: The GPD-funded program is responsible for providing all aspects and levels of care as written in the original grant proposal, unless there is a change on record in the GPD Office.*

g. **Change of Site.** Site changes are reviewed and approved or denied through the GPD Office. Requests for changes in site must originate with the GPD-funded program and be forwarded to the GPD Office.

h. **Participant Eligibility.** For the purposes of eligibility for participation in a GPD-funded program, "veteran" is defined as: "a person who served in the active military, naval, or air service, and who was discharged or released under conditions other than dishonorable" (see 38 CFR 61.1).

i. **Episodes of Care.** VA will not pay per diem for transitional housing for any homeless veteran who has had three or more episodes (admission and discharge for each episode) of care without a waiver (see 38 CFR 61.33). The veteran may receive housing and services from the provider, if the provider so chooses to offer them without per diem payment. VA may waive the episode requirement, if the services offered are different from those previously provided and/or may lead to a successful outcome. The GPD Liaisons must review and approve or deny the waiver based on their best clinical assessment of the individual case. A memorandum for the record, stating that a waiver has been granted, must be forwarded to the GPD Office, and placed in the veteran's computerized patient record system (CPRS).

j. **Participant Absence.** VA will not pay per diem for any additional days of absence when a veteran has already been absent for more than 72 hours consecutively (scheduled or unscheduled). Payment is made for day(s) in and not day(s) out. Discharge as it relates to program evaluation protocols differ. *NOTE: Consult the NEPEC GPD monitoring procedure at: <http://vaww1.va.gov/homeless/page.cfm?pg=23>, to determine when discharge forms are to be completed.*

k. **Billing and/or Payment.** The Liaison must establish an accurate system of billing with the GPD-funded program for the purpose of per diem payment.

(1) **System of Billing.** The system of billing must be accurate in regard to veteran eligibility for GPD services and number of bed days of care. Establishing the billing system is to be done with the medical center Fiscal Service to ensure that all medical center business rules are met. Transitional housing billing is based on bed days of care multiplied by the established per diem

rate for the specific program; for service centers, it is based on the number of hours served (not to exceed 8 hours in any given day) multiplied by the hourly rate established for the specific program.

(2) **Billing Documentation.** Per diem payment is for services and housing by day. Therefore, the GPD-funded programs must, at a minimum, provide to the medical center an invoice that reflects veterans that are receiving services daily; in the case of service centers, it is hourly. Additional documentation needed for billing depends upon the medical center's business rules and the level of the record-keeping system. Generally, GPD-funded programs provide a listing by the month of veterans by name and personal identification number, and the days present, adjusted by daily absences. For service centers, it can be a list with the veteran's name, permanent identification number, services received, and for how long (use hourly rate). Periodically, it is recommended that liaisons verify invoices by asking to see the supporting documentation for the invoice, (i.e., daily sign-in log, or other documentation showing that the veteran was present and receiving services on that day). **NOTE:** *Per diem payments are made to the same organization that is the recipient of the capital grant award (or in cases of Per Diem Only, the organization that was initially awarded the Per Diem Only grant). Any changes in organizations to receive per diem payments, from the original awardee, must be made through the GPD Office.*

l. **Retroactive Payments.** Retroactive payment of per diem is limited to not more than 3 days prior to VA approval of the veteran participant's eligibility.

m. **Per Diem Payment Voucher.** In addition to medical center billing requirements, the GPD-funded programs must summarize the billing information using the Per Diem Payment Voucher (see App. B) and submit it with their daily census to the liaison. Daily census documents must be retained by the medical center and must not be forwarded with this one-page voucher. The liaison reviews, approves, and forwards the voucher to the GPD Office. The completion and submission of the voucher is essential, as it determines the amount of funding that will be allocated to the medical center for the project. **NOTE:** *Failure to submit the voucher, or not submitting the voucher in the prescribed format, may result in funds being withheld.*

n. **Funds Allocation.** Funds are sent to the VA medical center each quarter. The funds are project-specific with the notation containing the project number. A typical notation would be: HCHV Grant Per Diem 00-66-KS. Without prior approval by the GPD Office, this funding can not be used for anything other than the intended project.

o. **Corrective Actions and Due Process**

(1) The following procedure must be followed for any items that are identified as problematic or in non-compliance during an initial inspection, annual re-inspection, or a scheduled or unscheduled site visit to a GPD-funded program:

(a) A "Need for Corrective Actions" letter from the VA medical center Director, with a copy to the GPD Office and to the VISN Homeless Coordinator, must be forwarded to the GPD-funded program designating the program or facility items that are unsatisfactory. This correspondence must specify a date of expected response.

(b) The VA medical center Director reviews the response from the GPD-funded program for adequacy, and may, if necessary, request additional information or more specifics.

(c) If the response is adequate, per diem continues to be paid by VA for services.

NOTE: Parties may negotiate the corrective actions, as long as corrective actions meet relevant law and regulations. Any major departure from the original grant application requires a "Change of Scope."

(d) If the response is not adequate, the medical center Director may withhold per diem payment and/or stop any new admissions to the program until the situation is adequately rectified. *NOTE: The withholding of per diem payment can only be done in consultation with the GPD Office.* For more severe infractions, a suspension of per diem payment can be issued; suspensions are conducted in consultation with the GPD Office.

NOTE: The GPD-funded program must be notified in writing of the intent to withhold or suspend per diem payments and it must be given 30 days to respond as to why withholding or suspension should not occur. For health or safety issues, withholding may take place immediately as VA does not, by regulation, pay for substandard care.

(2) If funds are withheld, and once the situation is corrected, the GPD-funded program may be paid the withheld funds for the services rendered. However, if funds are suspended, even though the situation is corrected, the GPD-funded program will not be paid for those services rendered during the suspension. Per diem payments may be reinstated from the date of satisfactory correction.

(3) As a final alternative, the project can be terminated. The GPD Office has primary responsibility for the termination of a GPD award. The VA medical center Director must contact the GPD office if this is warranted.

p. **Program Management**

(1) Each year by regulation and as part of the yearly inspection process, the GPD-funded program is required to provide an overview of how they have met the goals and objectives as stated in the original grant proposal (see 38 CFR 61.80 (14)(c)).

(2) As new programs are awarded, copies of the original grant proposals are sent to the GPD Liaison. It is the Liaisons' responsibility to contact the GPD Office if they do not have all proposals of programs for which they provide oversight.

NOTE: The liaison must determine if a GPD-funded program is meeting its goals and objectives. The method of recording, reviewing, and providing oversight of these activities is contained within the inspection forms. If activities are not being performed, or goals and objectives are not being met in the program, corrective action procedures are warranted and must be initiated (see subpar. 16o.).

q. **Administrative Files.** The GPD Liaison must maintain adequate administrative documentation to adequately provide oversight for grant administration. The GPD Liaison must maintain an administrative file for each GPD-funded program that can be reviewed by the VISN Homeless Coordinator or the GPD Office. Items in the Administrative File must include, but are not limited to:

- (1) A copy of the grant;
- (2) Changes in site or scope;
- (3) Critical incidents;
- (4) Inspection reports;
- (5) Environmental reviews;
- (6) Minutes from meetings;
- (7) Any interim reviews of goals and objectives, and
- (8) Other administrative correspondence.

17. NEPEC PROGRAM EVALUATION

a. Congress has mandated that VA homeless programs be monitored and evaluated. NEPEC is responsible for this task. Monitoring protocols and training are available to assist in these efforts.

b. NEPEC is the office of primary responsibility for any questions concerning program evaluation. ***NOTE:*** *Failure to submit the NEPEC documents may result in funds being withheld until the documents have been received.*

18. REFERENCES

- a. Title 38 U.S.C. Sections 2011, 2012, 2061, and 2064.
- b. Title 38 CFR Part 61.0.

**VA FORM 10-0361C, VA HOMELESS PROVIDERS GRANT
AND PER DIEM PROGRAM**

Below is an embedded copy of Department of Veterans Affairs (VA) Form 10-0361c, VA Homeless Providers Grant and Per Diem Program. The fillable version of VA Form 10-0361c can be found on the Veterans Health Administration (VHA) Forms website at:

<http://www.va.gov/vaforms> .

You should use the latest version of Adobe Acrobat Reader to view this form.



VA Form
10-0361c-fill.pdf

August 8, 2007

VHA HANDBOOK 1162.01
APPENDIX B

VA FORM 10-0361D, VA HOMELESS PROVIDERS PER DIEM PAYMENT VOUCHER

Below is an embedded copy of Department of Veterans Affairs (VA) Form 10-0361d, VA Homeless Providers Per Diem Payment Voucher. The fillable version of VA Form 10-10-0361d can be found on the Veterans Health Administration (VHA) Forms website at: <http://www.va.gov/vaforms> .

You should use the latest version of Adobe Acrobat Reader to view this form.

