

DEPARTMENT OF VETERANS AFFAIRS

Fund Availability Under VA Homeless Providers Grant and Per Diem Program; Grants for Services to Chronically Mentally Ill Homeless Veterans

AGENCY: Department of Veterans Affairs.

ACTION: Notice of fund availability.

SUMMARY: The Department of Veterans Affairs (VA) is announcing the availability of funds for currently operational VA Homeless Providers Grant and Per Diem Recipients that are providing services at the time of the application to make applications for assistance in the delivery of services to the homeless chronically mentally ill veteran population. The focus of this Notice of Fund Availability (NOFA) under the Special Needs Grant Component of VA's Homeless Providers Grant and Per Diem (GPD) Program is to encourage applicants to collaborate with VA Health Care Facilities in the delivery of such services. This NOFA contains information concerning the program, application process, and amount of funding available.

DATES: *Application deadline.* An original completed and collated grant application (plus three completed collated copies) for each project seeking assistance under this NOFA must be received in the VA Homeless Providers Grant and Per Diem Field Office, by 4 p.m. eastern time on August 17, 2004. Applications may not be sent by facsimile (FAX), e-mail, or other electronic means. In the interest of fairness to all competing applicants, this deadline is firm as to date and hour, and VA will treat as ineligible for consideration any application that is received after the deadline.

Applicants should take this practice into account and make early submission of their material to avoid any risk of loss of eligibility brought about by unanticipated delays or other delivery-related problems.

For a Copy of the Application Package: Download directly from VA's Homeless Providers Grant and Per Diem Program Web page at: <http://www.va.gov/homeless/page.cfm?pg=3> or call the VA Homeless Providers Grant and Per Diem Program Field Office at (toll-free) 1-877-332-0334. For a document relating to the VA's Homeless Providers Grant and Per Diem Program, see the regulations at 38 CFR part 61.

Submission of Application: An original completed and collated grant application (plus three copies) for each project must be submitted to the

following address: VA Homeless Providers Grant and Per Diem Field Office, 10770 N. 46th Street, Suite C-100, Tampa, FL 33617. Applications must be received in the VA Homeless Providers Grant and Per Diem Field Office by the application deadline. Applications must arrive as a complete package. *For those agencies that choose to collaborate with a VA Health Care Facility the documentation to be provided by the VA collaborative partner for assurance of non-duplication of services through collaboration must be included with the application package (see Funding Priority 1).* Materials arriving separately will not be included in the application package for consideration. If all materials are not included in the application package, it will result in the application being rejected or not funded.

FOR FURTHER INFORMATION CONTACT: Guy Liedke, VA Homeless Providers Grant and Per Diem Program, Department of Veterans Affairs, 10770 N. 46th Street, Suite C-100, Tampa, FL 33617; (toll-free) 1-877-332-0334.

SUPPLEMENTARY INFORMATION: This NOFA announces the availability of funds for assistance under the VA Homeless Providers Grant and Per Diem Program (Program) for eligible operational grant and per diem recipients to receive grant assistance with additional operational costs *that would not otherwise be incurred* but for the fact that the recipient is providing supportive housing beds and services or at service centers for the special needs of the chronically mentally ill homeless veteran population.

"Chronically mentally ill" is for purposes of this Program defined in 38 CFR 61.1, Definitions, as: * * * a condition of schizophrenia or major affective disorder (including bipolar disorder) or post-traumatic stress disorder (PTSD), based on a diagnosis from a licensed mental health professional, with at least one documented hospitalization for this condition sometime in the last 2 years or with documentation of a formal assessment on a standardized scale of any serious symptomology or serious impairment in the areas of work, family relations, thinking, or mood."

It is widely accepted by the mental health community that the chronically mentally ill population requires additional resources due to the intensive nature of their care.

Additionally, it has been noted that a significant contributing factor to homelessness is chronic mental illness. Consequently, VA has decided to offer

funding to providers who serve this special need population in a separate NOFA. In an effort to prevent non-duplication of services, encourage cost effectiveness, and ensure the use of appropriate models for treatment of the chronically mentally ill, a funding priority will be given to applicants who collaborate their delivery of services to this veteran population with their local VA Medical Center by agreeing to use a portion of their funding to provide services within the guidelines of the models listed in this NOFA.

VA is seeking, through this NOFA, to identify and select several grant and per diem providers and VA Health Care Facilities to collaborate through the use of the "Critical Time Intervention" (CTI) model and "Vet-to-Vet" (VTV) counseling/assistance model with "Permanent Housing Assistance" (PHA) that will involve treatment of the chronically mentally ill homeless veteran population. Eligible applicants that choose to provide these types of services to the homeless chronically mentally ill will be given a funding priority (see Funding Priority 1). Additionally, VA anticipates that not all eligible entities will have the ability to deliver services in collaboration as listed above and therefore encourages all eligible faith-based and community entities regardless of service delivery method and type to seek funding under this NOFA (see Funding Priority 2).

Public Law 107-95, the Homeless Veterans Comprehensive Assistance Act of 2001, authorizes this Program. It authorizes grants to be offered to both VA health care facilities and operational grant and per diem providers to encourage development by those facilities and providers of programs for homeless veterans with special needs (38 U.S.C. 2061).

Grant and per diem providers may only apply under this Notice for: The provision of service, operation, or personnel with regard to the homeless chronically mentally ill special needs veteran population.

Generally, providers may, in addition to establishing the Vet-to-Vet/Permanent Housing Assistance model, offer the following:

Chronically Mentally Ill:

- (1) Help participants join in and engage with the community;
- (2) Facilitate reintegration with the community and provide services that may optimize reintegration, such as life-skills education, recreational activities, and follow-up case management;
- (3) Ensure that participants have opportunities and services for re-establishing relationships with family;

(4) Ensure adequate supervision, including supervision of medication and monitoring of medication compliance; and

(5) Provide opportunities for participants, either directly or through referral, to obtain other services particularly relevant for a chronically mentally ill population, such as vocational development, benefits management, fiduciary or money management services, medication compliance, and medication education.

Note: Successful applicants will be required to designate at least one representative from the organization to attend a post-award conference. The conference will be held in Washington, DC and is expected to extend over a two-day period. Applicants will be required to cover costs of travel, lodging, and meals associated with their attendance at the post-award conference; however, these costs can be included in budgets submitted for consideration for reimbursement of allowable costs under the grant.

No part of a special need grant may be used for any purpose that would change significantly the scope of the specific grant and per diem project for which a capital grant and per diem was awarded. As a part of the review process, VA will review the original project listed in the special need application to ensure significant scope changes do not occur displacing other homeless veteran populations. VA may reject for Special Needs Funding those applications that significantly alter the original scope (38 CFR 61.62).

Example 1: A provider currently has 50 beds and finds in the course of normal operation that at any given time the project is serving 20 homeless veterans who are chronically mentally ill. This provider could apply for special needs funding to assist in the additional operational costs that are incurred due to providing services to these 20 chronically mentally ill homeless veterans.

Example 2: A provider currently has 50 beds and finds in the course of normal operation that the addition of a staff member would allow the project to serve homeless chronically mentally ill veterans who must be currently referred to other sources. This provider could apply for special needs funding to assist in the additional operational costs that are incurred due to development of providing services to homeless chronically mentally ill veterans.

Example 3: A provider currently has 50 beds serving the general homeless veteran population and now wants to serve "only" chronically mentally ill homeless veterans in the 50 beds. This provider could not apply for special

needs funding, as it would significantly alter the scope of the original project.

A separate special needs application is required for each previously funded grant and per diem project identified by unique project number (*see* Application Requirements in this NOFA).

Special needs funding *may not* be used for capital improvements or to purchase vans or real property. However, the leasing of vans or real property may be acceptable. Questions regarding acceptability should be directed to VA's Homeless Providers Grant and Per Diem Field Office, at 1-877-332-0334. Applicants may not receive special needs assistance to replace funds provided by any Federal, State, or local government agency or program to assist homeless persons.

Authority: VA's Homeless Providers Grant and Per Diem Program is authorized by Pub. L. 107-95, the Homeless Veterans Comprehensive Assistance Act of 2001, section 5(a)(1), codified at 38 U.S.C. chapter 20 (38 U.S.C. 2001 through 2066). The program is implemented by regulations at 38 CFR part 61, codifying final rules published in the **Federal Register** on September 26, 2003 (68 FR 55467), and on June 8, 2004 (69 FR 31883) (revising, effective July 8, 2004, 38 CFR 61.64, *Religious organizations*). The regulations can be found in their entirety in 38 CFR 61.0 through 61.82. Funds made available under this NOFA are subject to the requirements of those regulations.

Allocation: Approximately \$7.5 million is available for the Chronically Mentally Ill (CMI) Homeless Providers Grant and Per Diem grant component of this program. Funding will be for a period not to exceed 36 months, beginning on January 1, 2005. Based on the amount of funding available, the maximum allowable funding to any one operational Grant and Per Diem Special Needs recipient will be \$250,000.00 per project, per year, for three (3) years for a total of \$750,000.00. Based on Grant and Per Diem funding availability, approximately \$6.4 million is expected to be made available over 3 years (internally) for the VA collaborative partners, if any. Maximum funding for VA collaborative partners is \$215,000.00 per project, per year, for (3) three years, beginning in FY 2005, for a total of \$645,000.00 per project. The goal will be to fund 10 CMI GPD projects and 10 VA collaborative partners supporting homeless chronically mentally ill veterans in 20 to 40 beds in each project.

It is important to be aware that VA places great emphasis on responsibility and accountability. VA has procedures in place to monitor services provided to homeless veterans and outcomes associated with the services provided in

grant and per diem-funded programs. Applicants should be aware of the following:

VA per diem payment is limited to the applicant's cost of care per eligible veteran minus other sources of payments to the applicant for furnishing services to homeless veterans up to the per day rate VA pays for State Home Domiciliary care, which is currently \$27.19. Additionally, potential applicants should take into consideration the provisions of 38 CFR 61.61(h): "Grant recipients that concurrently receive per diem and special needs payments shall not be paid more than 100 percent of the cost for the bed per day, product, operation, personnel, or service provided." Awardees will be required to support their request for per diem and special needs payments with adequate fiscal documentation as to program income and expenses.

All awardees that are conditionally selected in response to this NOFA must meet the Life Safety Code of the National Fire and Protection Association as it relates to their specific facility. VA will conduct an inspection or review a current inspection prior to awardees being able to submit a request for payment, to ensure this requirement is met.

Each grant awardee will have the VA liaison that was appointed for its corresponding grant and per diem program monitor services to ensure the special needs grant is being met.

Monitoring will include at least an annual review of each program's progress toward meeting internal goals and objectives in helping the chronically mentally ill homeless veterans as identified in each applicant's original special need application. Monitoring for all participants will also include a review of the agency's income and expenses as they relate to this project to ensure per diem and special needs payments are accurate.

Monitoring of Homeless CMI participants and services provided by GPD recipients and VA collaborative partners will be accomplished according to Northeast Program Evaluation Center (NEPEC) procedures. In the event that the special needs funded program has chosen a collaborative partner, participation in the NEPEC monitoring will also include the collaborative partner. These monitoring procedures will be used to determine successful accomplishment of outcomes for each funded program.

VA encourages all faith-based and community organizations that are eligible entities to carefully review this

NOFA and consider applying for funds to provide services for special needs homeless veteran populations.

Funding Priorities: VA establishes the following funding priorities in order to: (1) Implement the provisions of Public Law 107-95 regarding non-duplication of service and the mandate to make funding available to both the health care facilities of the Department and Grant and Per Diem Providers; (2) promote collaboration between providers and the Department's health care facilities in the delivery of quality services to the chronically mentally ill special needs populations in a cost effective manner, and (3) address geographic dispersion. In this round of special needs funding, VA expects to award approximately \$7.5 million to operational Grant and Per Diem applicants to support beds, services, products, operation, or personnel directly serving the chronically mentally ill special needs homeless veteran population.

Funding priority 1. Eligible operational grant and per diem recipients that choose to (1) focus on serving the needs of the most severe chronically mentally ill with the longest duration of homelessness and (2) collaborate and provide services with a VA collaborative partner as outlined in the models below, and provide documentation of the same in the form of a Memorandum of Agreement (MOA) will be grouped in the first funding priority. The goal will be to fund approximately 10 collaborative projects. Not more than one (1) homeless chronically mentally ill special needs grant will be awarded to the same Grant and Per Diem recipient (defined by tax identification number), and no more than two (2) grants will be awarded to the VA collaborative partner (defined by VA medical facility) regardless of priority. With this criteria, of those eligible entities in the first funding priority that are legally fundable, the highest scoring applicant will be funded first, followed by the second highest scoring applicant, and then by the next highest scoring applicant until 10 collaborative projects are funded. Using the guidance above, should the goal not be met and if funding is still available, remaining funding will go to the second funding priority.

First Funding Priority MOA and Service Delivery Information: The VA collaborative partner will provide the Critical Time Intervention program and the community-based grant and per diem project will provide the Vet-to-Vet with Permanent Housing Assistance program for chronically mentally ill homeless veterans [as is being sought under the Special Needs Grant

Component of VA's Homeless Providers Grant and Per Diem Program.] These programs are to be jointly implemented by VA health care facilities and community-based grant and per diem provider programs, working closely together. These programs will have three components: (i) Critical Time intervention, a time-limited intensive case management intervention for homeless veterans with severe mental illness; (ii) the Vet-to-Vet peer education program coupled with Permanent Housing Assistance; and (iii) time-limited residential treatment offered through the community-based program that is a grant and per diem provider program.

Responsibilities of the VA health center facility (VA collaborative partner): The VA collaborative partner will only provide services to eligible veterans. The VA collaborative partner will also provide the Critical Time Intervention (CTI). It is most likely that staff of the Health Care for Homeless Veterans (HCHV) Program will be able to take the lead in developing the CTI Initiative. CTI is a time-limited intervention designed to provide intensive case management to severely mentally ill homeless veterans to assure their successful transition to the community. Each CTI program will be based on a multidisciplinary team with at least 3 clinicians/case managers. One member of the team must also function as clinical evaluator to facilitate the collection of program information between all parties. The team should also include social workers, nurses or other appropriate personnel with skills in community-based service delivery. Caseloads will be low, similar to those in Assertive Community Treatment (ACT).

The work of the VA CTI team can be described in three phases. During the first phase (3 months) the team establishes a working relationship with the homeless veteran to identify their needs and develop a treatment plan and begin its implementation. During this period the treatment plan is implemented, where possible and appropriate, with placement in a grant and per diem residence on a time-limited basis.

The second 3 months is focused on the transition to the community and to a permanent housing placement wherever possible or another appropriate long-term arrangement where specifically indicated.

The third 3-month period would be devoted to a transition out of the VA CTI Program and into mainstream permanent housing coupled with

mainstream mental health and general medical clinical supports as needed.

A primary portal of entry for this program would be inpatient units where the most seriously troubled, dually diagnosed, homeless veterans could also be referred from other sources. Severity of the population's need and duration of homelessness will be important considerations in application reviews. The target population would be veterans who have been homeless for 30 days or more (when last in the community) and who have severe mental illness and comorbid substance abuse. A second target population would be severely mentally ill homeless veterans who had been homeless for less than a month, are in need of intensive services, but were not currently hospitalized. A third target population would be severely mentally ill veterans who are not literally homeless at present but who have been homeless in the past and are currently at high risk for homelessness.

Responsibilities of the community-based grant and per diem provider program: While VA staff would implement the CTI Program, their efforts would be to coordinate with the grant and per diem provider who would provide time limited residential treatment and develop the Vet-to-Vet and Permanent Housing Assistance program. Staff from the Grant Per Diem Provider Program will support the development of peer education programs, under the Vet-to-Vet model, and initiate community-based housing support through the Permanent Housing Assistance model which would be available for participants in the VA CTI Program, as well as for other homeless veterans receiving treatment through the grant and per diem provider.

The Vet-to-Vet Program is based on a model of peer education, specifically targeted at veterans with serious mental illness. In this educational effort, veterans with serious mental illness, many of whom have been homeless, provide a daily group activity in which homeless veterans with mental illnesses learn from each other how to cope with serious mental illness and how to cope with leaving the ranks of homelessness and return to living as independently as possible in society. Peer educator groups meet every day on an elective basis. While staff may help initiate the program, it is operated by veterans for themselves and the peer counselors are paid for their efforts.

The Permanent Housing Assistance Program is based on community referral models and community supported-housing program models successfully implemented to assist the chronically mentally ill homeless population

transition to and maintain permanent housing. The Permanent Housing Assistance Program includes designated staff that are knowledgeable about the local community's housing resources; have the abilities to appropriately refer veterans to this housing after careful assessment of each veteran's needs, capabilities, and supportive/financial resources; and are able to provide ongoing case management support while veterans are transitioning and eventually living independently in the community. Ongoing follow-up and aftercare strategies are an integral part of the permanent housing assistance program.

Evaluation Procedures and Internal Review Board (IRB) Approval. VA health care facilities that apply for this initiative should be aware that while the evaluation protocol will be designed centrally by VA's Northeast Program Evaluation Center (NEPEC), the VA health care facility will be responsible for having the protocol reviewed by the local Internal Review Board to get proper approval of the written informed consent that veterans will have to sign to participate in the evaluation. NEPEC will provide all necessary materials as well as technical support to assist programs in obtaining this approval. Sites involved in this program do not need to have any previous evaluation experienced staff, as NEPEC staff will guide them through the necessary procedures. Grant and per diem providers should be aware that their staff will be required to participate in training, such as ethics, patient confidentiality, and other similar activities in order to facilitate the evaluation and services to the CMI homeless.

Funding priority 2. Should funding still be available, eligible operational grant and per diem applicants that choose not to collaborate or are unable to collaborate with VA Health Care Facilities will be grouped in the second funding priority. Not more than one (1) special need grant will be awarded to the same Grant and Per Diem recipient (defined by tax identification number). Of those eligible entities in the second funding priority, that are legally fundable, the highest scoring applicants will be funded first until funding is expended.

Agreement and Funding Actions: Conditionally selected applicants will complete a funding agreement with VA in accordance with 38 CFR 61.61 and provide any additional information as required by VA under 38 CFR part 61. Upon signature by the Secretary or designated representative final selection will be completed.

Funding for operational grant and per diem applicants that are finally selected will be for a period not to exceed 36 months beginning on January 1, 2005. VA collaborative partners of finally selected applicants will be funded in accordance with Department internal fiscal guidance for a period of 36 months beginning on January 1, 2005.

Should either the VA collaborative partner or GPD provider not provide services as outlined in their application and MOA, VA may deobligate or discontinue payments for special needs grants to either or both collaborative partners.

A condition to obtain the Special Needs Grant is for the applicant to maintain the original (grant or per diem) program for which the special needs grant is sought. This is not a problem when considering eligible capital grantees. However, by VA calculation it is possible that some of the eligible "Per Diem Only" applicant programs would have their original award expire prior to fully utilizing the special needs funding. This is counterproductive to the intent of the special needs grant. Therefore, if finally selected, "Per Diem Only" applicants will be considered to have met the reapplication requirements of 38 CFR 61.33(b) and their corresponding per diem only award will be extended to run concurrently with their special needs grant. Example: A "Per Diem Only" award funded in 2003 would expire in 2006. Based on the funding availability date of January 1, 2005, if selected under this special need NOFA that corresponding PDO award would be extended to December 31, 2007.

Application Requirements: A separate application is needed for each project number for which you are requesting Chronically Mentally Ill Special Needs Funding. A project number is the last two digits of the year funded, the sequence the application was received, and the State abbreviation for the project location (e.g., 00-125-MA would have been funded in the year 2000, the 125th application received, and the project is located in Massachusetts). If you do not know your project number, call the VA Homeless Providers Grant and Per Diem Field Office (toll-free) at 1-877-332-0334.

The grant application requirements are specified in the application package and this NOFA. The package includes the applicant's required forms and certifications. Additional collaborative documentation as outlined in this NOFA is needed to collaborate with a VA health care facility for the purpose of this grant. Selections will be made based on criteria described in the application and this NOFA. Applicants

who are selected will be notified of any additional information needed to confirm or clarify information provided in the application. Applicants will then be notified of the deadline to submit such information. If an applicant is unable to meet any conditions for grant award within the specified time frame, VA reserves the right to not award funds and to use the funds available for other grant and per diem applicants.

Eligible operational grant and per diem recipients that choose to participate in the study must provide a jointly signed Memorandum of Agreement (MOA) with the applicant agency and the VA collaborative partner under which, if funded, the VA health care facility and the community-based grant and per diem provider agree to offer the services, staff, and documentation as described in the evaluation procedures developed by NEPEC.

Dated: July 8, 2004.

Anthony J. Principi,

Secretary of Veterans Affairs.

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DEPARTMENT OF VETERANS AFFAIRS

Fund Availability Under VA Homeless Providers Grant and Per Diem Program; Grants for Services to Women, Frail Elderly, or Terminally Ill Homeless Veterans

AGENCY: Department of Veterans Affairs.

ACTION: Notice of fund availability.

SUMMARY: The Department of Veterans Affairs is announcing the availability of funds for currently operational Homeless Providers Grant and Per Diem Recipients that are providing services at the time of the application to make applications for assistance in the delivery of services to the homeless veteran population of women, including women who have care of minor dependents; frail elderly; or terminally ill. The focus of this Notice of Fund Availability (NOFA) under the special needs grant component of VA's Homeless Providers Grant and Per Diem Program is to encourage applicants to collaborate with VA Health Care Facilities in the delivery of such services. This NOFA contains information concerning the program, application process, and amount of funding available.

DATES: *Application deadline.* An original completed and collated grant application (plus three completed collated copies) for each special need