

Report and Recommendations

Veterans' Services Work Group Governor's Task Force on Federal Forest Payment and County Services

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Executive Summary

Background:

There are over 359,000 veterans residing throughout Oregon's thirty-six counties. These men and women are served at the federal level, through the United States Department of Veterans' Affairs. The USDVA is subdivided into three distinct administrations: the Veterans' Benefits Administration (VBA), Veterans Health Administration (VHA), and the National Cemeteries Administration (NCA).

VBA provides monetary compensation and pensions; VHA maintains health care facilities for "qualified" veterans; and the NCA manages the national military cemetery network.

Created in 1945, Oregon Department of Veterans' Affairs (ODVA) provides supplemental assistance for veterans. It exists to help veterans navigate the system in order to maximize available benefits. While ODVA cannot adjudicate claims, state Veterans' Services Officers (VSOs) assist in claim preparation, inform veterans about education and/or employment benefits, and provide tailored assistance (e.g. conservatorships).

In recent years, ODVA has expanded outreach through development of a multi-tiered VSO program. A major thrust of that effort is a partnership between ODVA and thirty-four counties (Marion and Polk do not maintain VSOs). CVSOs are county (or contract) employees that work within communities with local organizations to provide added outreach for veteran populations. Through this relationship, ODVA provides credentialing, partial funding, training, and review for County Veterans' Services Officers (CVSOs).

When assessing the existing partnership it is important to recognize that CVSOs are not state employees. CVSOs maintain VSO accreditation standards delegated to the state from USDVA, but are not directly accountable on any supervisory basis. It is in form and function a collaborative venture between the state and county governments. The state provides assistance to counties to maintain this program.

Note: the 2007-09 Legislative Adopted Budget provides \$3,500,842 for CVSO programming.

Mounting pressures associated with diminishing federal forest payments have put this partnership at risk. While CVSOs provide a vital public good, they are not required by statute. Counties may reduce and/or discontinue funding at any time. However, because funds are bound through a match formula, counties discontinue CVSO programming at a cost. Counties opting out of the match relationship will likely experience reduced and/or eliminated CVSO capacities.

Recommendations:

1. Preserve current (minimum) service levels among counties: adjust/amend formulas to ensure 2007-2008 baseline levels. Note: this provides at least \$25,000 per biennium for most counties (often more) and would alleviate some of the devastation within counties hardest hit with the loss of both economic opportunity and federal forest compensation do not suffer loss of critical assistance for veteran population/s.
2. Emphasize economic impact of CVSO loss/s: Successful benefit/compensation claims bring “outside” dollars into local economy. Statewide, federal veterans’ benefits exceeded \$1,229,527,000 in non-taxable income (see attach-1). Counties want decision-makers to understand the direct relationship between CVSOs and benefit/revenue “capture.”
3. Review existing law and/or policies associated with cost-sharing for state/local programs. With added flexibility, counties may be able to share overhead costs for delivery of indirectly associated services.
4. Review “wrap-around” opportunities in human services associated with veterans’ and families. There is widespread recognition and concern of current insufficiencies in access for addiction counseling, mental/health care, and housing for growing requirements associated with veterans’.
5. Incentives for volunteer-friendly transportation options: for transport to/from health care and veterans’ programming: several counties mentioned the challenges associated with keeping vehicles (already purchased with fuel accounts available) moving because of a lack of drivers.

Existing State/County Relationship

CVSOs

Unlike many other policy areas under review (within the scope of this task force), the state/county relationship is relatively flexible and well defined; its structure is funded through an agreed upon partnership model. Thirty-four counties receive a baseline amount of support for CVSO service. Communication between ODVA and the CVSO association is open; they have already begun discussion/s on refining possible funding formulas for greatest impact.

Note: this effort includes static as well as reduced federal forest payments.

All VSOs are accredited through the same process. CVSOs can perform the same duties as any other VSO within the state. This is an important point. ODVA is responsible to USDVA for maintaining accreditation standards established at the federal level for all VSOs in Oregon. This process ensures both benefit/program awareness as well as compliance with federal law/regulations. In addition to VSO duties, most CVSOs also act as a referral resource for veterans within their respective communities for issues involving education, employment, health, and housing opportunities.

Unfortunately, VSOs are limited by law in the span of services they can provide. Unlike their peers in the Department of Human Services, federal regulations (and privacy demands) prevent a “one-stop service.” This makes competent CVSOs even more valuable: these men and women perform daily heroics bringing the patchwork of available assistance together for veterans without the benefit of a user-friendly support structure.

At issue is the nature of the relationship itself: what happens if/when a county must reduce its match? Does the state develop a tiered supplement to backfill good-faith efforts? Should the state assume the full burden when counties opt out completely? If so, should the state transfer funds to maintain county staffing, or shift state ODVA resources and fill reduction with state personnel?

Note: CVSOs are understandably opposed to state VSOs stepping in to a potential void (as are most county leaders and ODVA). As professionals dedicated to quality care for veterans, they understand their communities and want to help make the system work. ODVA is already understaffed for the growing challenges associated with the growth in need within the veterans’ community; additional responsibilities in a constrained budget climate would have consequence.

The importance of an effective CVSO program is well established. Attachment 1. illustrates the impact of veterans’ benefits throughout the state and counties. After robust and thoughtful discussion, consensus is/was to advocate continued support (however adjusted) to counties that act in “good faith.”

Although a “county by county” approach may be difficult, there is a rational argument to be made for a flexible formula that includes: county match, county veteran population, regional access (to VBA, VHA, VCA), as well as impact of loss of projected benefits revenues (areas with high veterans’ population, but low benefit yield). Oregon is in the top tier of veterans’ benefits capture – at least a portion of that success is related to the existing CVS0 partnerships.

Needs Perspective

Emerging Needs:

Sustaining the CVS0/ODVA partnership is critical, but existing capacity is not keeping up with the challenges. Federal forest payments aside, county leaders believe the following needs should be addressed:

1. Existing public health and primary care access: Although this issue impacts more than veterans, it compounds the challenges experienced by veterans’ families.
2. Access to addictions counseling/mental health care for veterans’ and families: There is widespread concern about the impact of returning veterans’ (and families) on an already overwhelmed system of care.

Note: trigger events (television coverage of Afghanistan and Iraq) are increasing the number of veterans from past conflicts requesting care, and new veterans in need of care following frequent deployments were emphasized by mental health care advocates and ODVA staff.

3. Housing opportunities for veterans’ and families: Discussion centered on various models, but access to affordable and/or programmatic housing is recognized as a significant need. This will be further impacted with the loss of current funds; partnership opportunities are being sought throughout rural Oregon.
4. State/Federal flexibility for county planning and coordination: There are assistance programs such as chemical dependency prevention and mental health counseling that have proven synergies. Counties believe that more flexibility in funding delivery models will provide a structure of care that is both more effective and efficient for veterans’ and families. Leaders believe tailored programming could help alleviate long term impact.
5. Incentives for volunteer-friendly transportation options: Counties believe the lack of easily available transportation curtails available preventative and/or early intervention success of federal/state provided programming. There is interest in

exploring non-taxable income, tax credits, and/or limited liability for volunteer services.

Note: transport options for veterans care are overlooked and under-funded. Advocates are frustrated with the current level of funding for transportation for veterans (\$30,000 statewide); they believe incentives for volunteerism could offset barriers and increase level of care.

Recommendations

1. Preserve current (minimum) service levels among counties: adjust/amend formulas to existing baseline to serve veterans and protect against probable loss in non-taxable federal benefit/revenues so that counties hard hit with loss of both economic opportunity and federal forest compensation do not suffer loss of critical assistance for veteran population/s.

CVSOs provide a host of services critical for veterans' and families. In counties that reduce investments in the partnership, veterans will likely have no alternative for assistance accessing earned benefits. Current minimum standards could be maintained through a supplement (short term basis) to the "most impacted counties" (either a doubling of the base amount and/or per capita supplement). Whatever the method, each county should maintain access to CVSO services for veterans in need.

2. Emphasize economic impact of CVSO loss/s: Successful benefit/compensation claims bring "outside" dollars into local economy. Statewide, federal veterans' benefits exceeded \$1,229,527,000 in non-taxable income (see attach-1). In the first quarter of 2008, Douglas County veterans received over \$12 Million in benefits. Counties want decision-makers to understand this level of impact.

Although veterans' would likely not approve of this characterization, benefits are a vital part of the economic health of a community, and even more so to those counties that have traditionally depended upon timber resources. Realized benefits bring non-taxable funds into the local economy. CVSOs assist with claims that bring in dollars; fewer CVSOs mean fewer successful claims. Fewer successful claims will translate into opportunity costs in fewer federal dollars spent in the region.

3. Review existing law and/or policies associated with cost-sharing for state/local programs. With added flexibility, counties may be able to share overhead costs for delivery of indirectly associated services.

There may be cost-savings associated with commingling administrative and/or facilities budgets; local/non-profit/state partnerships could yield funds for

operational activities. Counties and regional government partners may not be able to share resources for legitimate reasons, but these should be reviewed for intent (and not merely honored because of tradition).

4. Review “wrap-around” opportunities in human services associated with veterans’ and families. There is widespread recognition and concern of current insufficiencies in access for addiction counseling, mental/health care, and housing for growing requirements associated with veterans’.

Emerging interest in veterans’ programs at the federal level should be linked to associated impacts at the local level. For example, Traumatic Brain Injury and community based patient care funds could be leveraged with veterans’ and family counseling (and readjustment) programming. Creativity and flexibility in outcome-based measurement should be explored.

5. Tax incentives associated with low-cost/non-profit/volunteer transportation options for veterans to/from health care: several counties mentioned the challenges associated with keeping vehicles (already purchased with fuel accounts available) moving because of a lack of drivers. Proposal for a tax-free and/or tax cut for retirees could relieve pressure as well as increase service.

PERS employees could be provided a tax-free and/or penalty-free incentive for providing transportation duties for veterans’ and families in need of care outside the community. This could be similar to the Oregon State Police (OSP) method of hiring retirees back for specified periods of time to “fill a gap.” We could utilize available retirees (especially in rural/remote areas of the state) and incent 10-20 hours of work per week.

Discussion Points for Long Term

Big Picture:

The subcommittee spent considerable time focused on wrap-around strategies for current and emerging needs. Several of these issues warrant future consideration (and at least cursory acknowledgement for budgeting in the current climate).

1. Intergovernmental partnerships providing employment, health care (county/basic preventative care), and housing should be expanded and/or developed. Growing recognition of the linkage between mental health and homelessness was identified; pilot projects around the state that appear to be making progress were discussed. Significant progress could be made with so-called “frequent flyer” clients of public services; this would potentially provide opportunities to transfer funds from crisis to preventative programming.

2. Regional planning/program delivery opportunities should be explored. For some of the lesser-populated counties, funds could be maximized through targeted regional efforts. This approach is already common in some rural counties; veterans' services might provide a foundation for cluster delivery modeling.

Note: counties with smaller populations may not have the inherent capacity to provide services at the level required to “make a dent” in the problems.

Among the Tier-1 counties (those with anticipated double-digit loss of discretionary funding because of federal forest payment reductions), these seven have the added challenge of a small population base (less than 80,000):

Josephine (78,350 total population; 10,783 veterans)

Curry (21,100 total population; 3,467 veterans)

Coos (63,000 total population; 8,729 veterans)

Columbia (45,000 total population; 5,640 veterans)

Klamath (64,600 total population; 8,020 veterans)

Polk (64,000 total population; 6,914 veterans)

Grant (7,650 total population; 813 veterans)

The remaining counties (Douglas, Lane, Jackson, Linn, and Benton) in Tier-1 have assessed valuation that in most cases provides greater capacity to absorb revenue loss while providing at least a minimum baseline of human services programming. Every county will be significantly impacted with the loss of federal forest payments; some counties – those with smaller populations – even more so.

Small population counties could benefit from enhanced regional service delivery modeling.

3. Care advocates should coordinate efforts for increases in federal investments in rural veterans' and families. The Association of Community Mental Health Programs (AOCMHP), and representatives from the Association of Oregon Counties (and others in attendance) committed to working collaboratively for rural-specific strategies for funding. This included efforts to increase and/or expand CVS0 capacities as well as county/local health and housing capacities.

New Models:

There was unanimous consent on the need to expand, not reduce, ongoing outreach efforts. This assessment was made with open eyes about current local, state, and federal budget constraints. Projected impacts from the Afghanistan and Iraq Wars upon past, present, and future veterans' and families populations suggest the need for early intervention efforts.

Local leaders are looking for new models – flexible partnerships that allow community needs to dictate tailored solutions. Outcome measured block grants, public/private partnerships, and/or enhanced local powers for self-financing policy initiatives may be warranted.

Summary

The anticipated loss of revenue associated with federal forest payments will significantly impact the counties – and the veterans that reside in them. The primary relationship between the state and counties, the CVSO program, can and will survive this biennium. ODVA, AOC, and CVSOs are working collaboratively together on funding formula strategies to provide the best care possible given the available resources.

Current formulaic maneuvers are not sustainable. The 2009 Legislature will have hard choices to make should the federal forest payments reduce revenues to the draconian levels now being discussed. The recommendations provided in the executive summary reflect a short-term approach to a policy area that will likely become even more complex with time. Local/county flexibility and partnership opportunities should become a constant in every future discussion: the era of a one-size solution is likely over.