

State Veterans Homes Program

Mission Statement: VA ensures that eligible Veterans’ preferences for long-term services and support are honored by facilitating a high-quality, integrated continuum of care through partnerships with State Veterans Homes.

Vision Statement: The shared stewardship of VA and State Veterans Homes provides Veterans with state-of-the-art care.

The State Veterans Home (SVH) program dates back to the post-Civil War era, when several states established homes to provide shelter and care to homeless and disabled soldiers and sailors. In 1888, Congress first authorized Federal funds for states that maintained these homes.

SVHs are owned, operated, managed, and financed by individual states or Indian tribes. Currently, there are 172 SVHs across all 50 states and the Commonwealth of Puerto Rico offering three levels of care: nursing home care, domiciliary care, and/or adult day health care to approximately 20,000 Veterans. SVHs are primarily intended for Veterans. However, if an SVH was constructed with VA funds, states may admit non-Veteran residents—either spouses of Veterans or parents of service members who died while serving in the U.S. Armed Forces—as long as they do not exceed 25% of the facility population. If the SVH was constructed or renovated solely with state funds, the Veteran resident percentage need only be more than 50%.

State Veterans Homes Program Key Metrics			
	FY22	FY23	FY24
Total Programs	163	165	172
Nursing Home	156	158	166
Domiciliary	49	47	47
Adult Day Health Care	3	3	3
Average Daily Census	19,162	20,353	20,742
Veterans	17,508	18,688	19,087
Non-Veterans (Spouse & Parents)	1,654	1,665	1,655
Total Per Diem Payments	\$1.29 Billion	\$1.50 Billion	\$1.79 Billion
Construction Appropriations	\$50 Million	\$150 Million	\$171 Million
Total Survey	221	213	226
Annual Recognition	203	202	208
For Cause	17	7	16
	1	4	2

SVH includes three major sub-programs: SVH Construction Grants, SVH Quality and Oversight, and the State Home Per Diem.

SVH Construction Grants Program

To receive funding for an SVH, states must sign a Memorandum of Agreement with VA. VA provides reimbursement of up to 65% of allowable costs to states for the construction and renovation of an SVH. VA program staff review and approve initial grant applications from states for listing on the annual VA Priority List, which the VA Secretary then approves. VA must fund projects in order of the VA Priority List until all funds have been awarded. If a state does not receive funding in a fiscal year, they can remain on the list and continue building their facility using only state funds until they are approved for reimbursement. States have five years to complete construction after the award has been signed. The number of awards provided each year depends on the number of projects, their costs, and the amount of appropriation in a given fiscal year.

SVH Quality and Oversight Program

All SVHs are surveyed in accordance with Federal regulations and timelines. VA conducts three types of surveys: recognition, annual, or for cause. During all SVH surveys, the VA survey team uses a recognized industry standard survey process for long-term care support services. The length of the survey is based on the individual number of recognized beds and the level of care in each SVH. The survey team consists of surveyors from the VA-contracted survey vendor as well as a national program manager for SVH Quality and Oversight. Surveys are conducted by reviewing applicable standards outlined in 38 C.F.R. Part 51.

State Home Per Diem Program

VA pays per diem to states for the care of eligible Veterans. There are different per diem rates for nursing home care, domiciliary care, and adult day health care. For nursing home care, the SVH receives a basic per diem payment unless a Veteran qualifies under 38 U.S.C. 1745 for a higher prevailing rate per diem. For adult day health care, the SVH receives a basic per diem payment unless the SVH is recognized as a medical model and the Veteran qualifies under 38 U.S.C. 1745 for a higher prevailing rate for per diem. For domiciliary care, the SVH receives a basic per diem rate. Per diem costs for all levels of care, including the higher prevailing rates, are calculated by VA and reimbursement rates are adjusted and published annually by VA.

Basic Per Diem Rates – VA pays basic per diem rates for Veterans who do not qualify for the prevailing rate. Unlike prevailing rates, basic rates are standardized nationally. However, basic rates vary between levels of care provided (i.e., nursing home, domiciliary, adult day health care). The basic rate is paid for an eligible Veteran at the lesser of either the rate of one half of the daily cost of care each day or the basic rate established by VA in accordance with 38 U.S.C. 1741(a) and (c).

Prevailing Per Diem Rates – Prevailing per diem rates are computed using the Centers for Medicare and Medicaid Services (CMS) Market Basket. VA will multiply the per diem baseline rate from the previous year by the CMS Skilled Nursing Facilities Market Basket increase in effect as of December 28, 2023. The sum establishes the reference total per diem baseline rate from which subsequent fiscal year per diem rates will be calculated for the geographical area in which the SVH is located.

References

Consolidated Appropriations Act, 2023, H.R. 2617, 117th Cong., 2nd Sess. Veterans Affairs. (n.d.). [H.R.2617 - 117th Congress \(2021-2022\): Consolidated Appropriations Act, 2023 | Congress.gov | Library of Congress](#)

*SVH Survey Data Dashboard. Power BI**

*Veterans Affairs. (n.d.). SVH Annual Report Occupancy 2024. **

*Veterans Affairs. (n.d.). SVH Annual Report Expenditure 2024. **

**Links not provided due to having limited access.*

[38 CFR Part 51 regulations](#) govern the SVH program for Nursing Home, Domiciliary and Adult Day Health Care. The regulations outline both social and medical models of Adult Day Health Care.

SHPD Internet site: https://www.va.gov/geriatrics/pages/State_Veterans_Home_Program_per_diem.asp