



U.S. OFFICE OF SPECIAL COUNSEL

1730 M Street, N.W., Suite 300
Washington, D.C. 20036-4505

The Special Counsel

April 29, 2016

The President
The White House
Washington, D.C. 20500

Re: OSC File No. DI-13-1275

Dear Mr. President:

Pursuant to my duties as Special Counsel, I am forwarding to you a Department of Veterans Affairs (VA) report based on disclosures received from a whistleblower formerly employed at the John D. Dingell VA Medical Center (Dingell VAMC), Department of Mental Health, Detroit, Michigan. I reviewed the report and, in accordance with 5 U.S.C. § 1213(e), provide the following summary of the agency investigation and whistleblower comments as well as my findings.

The whistleblower, Linda Z. Altus, was a case manager in the Housing and Urban Development-Veterans Affairs Supported Housing Program (HUD-VASH) at the Dingell VAMC from July 2, 2012, until November 23, 2012. She alleged numerous violations of VA rules governing the mission, management, and goals of the HUD-VASH program, resulting in a failure to provide fundamental services to Detroit's homeless veteran population. Ms. Altus consented to the release of her name.

The Office of the Medical Inspector (OMI), which conducted the investigation, partially substantiated Ms. Altus's allegations. While the report found that the Dingell VAMC's HUD-VASH program has performed satisfactorily, the investigation substantiated allegations concerning the management and oversight of the program. The report confirmed that HUD-VASH management failed to provide training and the support and resources necessary for case managers to function safely and effectively. It also confirmed that management did not require case managers to conduct candidate assessments, or require case managers to assess veterans' needs and recovery goals. The investigation did not substantiate Ms. Altus's allegation that management did not hire staff in a timely manner.

The report set forth the five following recommendations for the Dingell VAMC: (1) provide HUD-VASH case managers with cell phones; (2) implement a system for tracking case managers while working in the community; (3) improve office space for veteran interactions; (4) comply with guidelines and handbook provisions mandating that case managers have the resources needed to do their jobs; and (5) implement a training program to ensure that both newly hired and existing case managers are properly trained. In addition, the report recommended that the Veterans Health Administration (VHA) conduct a comprehensive review of the Dingell VAMC's

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HUD/VASH program. In a supplemental report, the VA notified OSC that the actions recommended in the original report were completed.

OSC referred Ms. Altus's allegations to then-Secretary Eric K. Shinseki for investigation and report under 5 U.S.C. § 1213(c) and (d). Secretary Shinseki delegated responsibility for investigating the matter to the Under Secretary for Health who, in turn, directed OMI to conduct an investigation. Former VA Chief of Staff Jose D. Riojas provided the results of the OMI investigation to OSC.¹ The agency submitted a supplemental report in response to OSC's inquiry regarding the status of the actions recommended in the original report. Ms. Altus commented on the initial agency report pursuant to 5 U.S.C. § 1213(e)(1).

I. The Whistleblower's Disclosures

The HUD-VASH program is the principal source of permanent supportive housing for veterans experiencing homelessness and a critical component toward achieving the President's goal of ending homelessness among veterans by 2015. A key element of the program is VA's case management services which are, according to the VHA Handbook, "designed to facilitate the attainment of the veteran's recovery goals by supporting stability in safe, decent, affordable, and permanent housing of the veteran's choice."

Ms. Altus disclosed that the Dingell VAMC HUD-VASH program failed to comply with numerous provisions of the VHA Handbook 1162.05 and, as a result, failed to provide veterans with the services necessary to secure and maintain permanent housing. According to Ms. Altus, Dingell VAMC case managers were relegated to acquiring housing vouchers and, when they became available, distributing them to eligible veterans. Specifically, Ms. Altus asserted that management failed to provide necessary support and resources to case managers including office space, information technology equipment, and vehicles to conduct outreach and meet with veterans and their families. Ms. Altus also contended that management failed to properly train case managers within 90 days of their start date as required by the VHA Handbook. She further alleged that management failed to require case managers to conduct candidate assessments as mandated in the VHA Handbook. Instead, case managers were instructed to rely on information provided in forms submitted by referring agencies to assess candidates, rather than conduct their own independent evaluations. According to Ms. Altus, HUD-VASH managers failed to require case managers to assess veterans' needs and recovery goals, another requirement of the VHA Handbook. The Dingell VAMC

¹ The Office of Special Counsel (OSC) is authorized by law to receive disclosures of information from federal employees alleging violations of law, rule, or regulation, gross mismanagement, a gross waste of funds, an abuse of authority, or a substantial and specific danger to public health and safety. 5 U.S.C. § 1213(a) and (b). OSC does not have the authority to investigate a whistleblower's disclosure; rather, if the Special Counsel determines that there is a substantial likelihood that one of the aforementioned conditions exists, she is required to advise the appropriate agency head of her determination, and the agency head is required to conduct an investigation of the allegations and submit a written report. 5 U.S.C. § 1213(c) and (g). Upon receipt, I review the agency report to determine whether it contains all of the information required by statute and that the findings of the head of the agency appear to be reasonable. 5 U.S.C. § 1213(e)(2). I will determine that the agency's investigative findings and conclusions appear reasonable if they are credible, consistent, and complete based upon the facts in the disclosure, the agency report, and the comments offered by the whistleblower under 5 U.S.C. § 1213(e)(1).

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management did not expect case managers to support the veterans once they were placed in housing, as is contemplated by the HUD-VASH program.

II. The Agency Report

The OMI investigation partially substantiated Ms. Altus's allegations. While according to the findings, the Detroit HUD-VASH program has "satisfactorily accomplished" the VA's performance measures and ensured that homeless veterans are being placed in permanent housing, the investigation concluded there was merit to Ms. Altus's allegations concerning the management and oversight of the program. The OMI investigation substantiated the following allegations: (1) management failed to provide the necessary support and resources needed by the HUD-VASH staff to function safely and effectively; (2) management failed to provide required training; (3) management failed to require case managers to conduct candidate assessments; and (4) management failed to require case managers to assess veterans' needs and recovery goals. The investigation did not substantiate the allegation that management failed to hire staff in a timely manner. The report made five recommendations to the Dingell VAMC and one to the VHA to address the problems identified in the report.

III. Ms. Altus' Comments in Response to the Agency Report

Ms. Altus questioned the accuracy of the OMI finding regarding the accomplishments of the Detroit HUD-VASH program. She suggested that the factual findings in the report downplayed the seriousness of the situation. Ms. Altus cited what she believed were shortcomings with the investigation, including its failure to hold anyone responsible for the gross mismanagement she believes occurred. In addition, Ms. Altus suggested additional actions in response to the findings, including removing HUD-VASH from the auspices of the Mental Health Department; reinstating the homeless coordinator position; allowing case managers to conduct screenings and psychological assessments; compensating case managers at the GS-12 level; hiring only experienced licensed social workers with Masters degrees; providing HUD-VASH case managers with individual, fully-furnished offices and reliable equipment; educating referral sources about the "Housing First" approach towards addressing homelessness; developing a plan to assist veterans in transitional housing to access permanent housing; and conducting an audit to determine how HUD-VASH funds are being spent.

IV. The Agency's Supplemental Report

The VA notified OSC that the actions recommended in the original report have been completed. All HUD-VASH case managers have been issued functioning cell phones. The Dingell VAMC instituted a system to track the location of case managers in the field, which includes the implementation of a "buddy system" and the daily posting by the case manager of his or her schedule on an office whiteboard. The Dingell VAMC addressed the need for office space for veteran interviews, counseling, and secure computer displays by moving the HUD-VASH staff into dedicated shared office space and designating three offices as "swing" offices for private communications with veterans. The Dingell VAMC created a

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tracking system to monitor all Office of Information Technology requests to ensure that every case manager has a working laptop and access to a vehicle to support community based activity within the program. Finally, as recommended by the report, the VHA conducted a comprehensive review of the Dingell VAMC's HUD-VASH program. This review concluded that the Dingell VAMC had addressed all target areas in the OMI report and made substantial progress regarding program operations.

V. The Special Counsel's Findings and Conclusions

I have reviewed the original disclosure, the agency reports, and Ms. Altus's comments. Based on that review, I have determined that the agency's reports contain all of the information required by statute and the findings appear reasonable. I note the concerns raised by Ms. Altus in her comments. Her dedication to Detroit's homeless veterans is commendable and I thank her for bringing this matter to our attention. Important reforms to the HUD-VASH program have occurred as a result of her disclosure.

As required by 5 U.S.C. § 1213(e)(3), I have sent copies of this letter, the unredacted agency reports, and Ms. Altus's comments to the Chairmen and Ranking Members of the Senate and House Committees on Veterans' Affairs.² I have also filed a copy of this letter, the redacted agency reports, and Ms. Altus's comments in our public file, which is available online at www.osc.gov, and closed the matter.

Respectfully,



Carolyn N. Lerner

Enclosures

²²The VA provided OSC with a report containing employee names (enclosed), and a redacted report in which employees' names were removed. The VA cited Exemption 6 of the Freedom of Information Act (FOIA) (5 U.S.C. § 552(b)(6)) as the basis for its redactions to the report produced in response to 5 U.S.C. § 1213, and requests that OSC post the redacted version of the report in our public file. OSC objects to the VA's use of FOIA to remove these names because under FOIA, such withholding of information is discretionary, not mandatory, and therefore does not fit within the exceptions to disclosure under 5 U.S.C. § 1219(b), but has agreed to post the redacted version as an accommodation.