



STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3378
HONOLULU, HAWAII 96801-3378

In reply, please refer to:
File:

HOUSE COMMITTEE ON HEALTH

H.C.R. 0223, REQUESTING THE AUDITOR TO CONDUCT A COMPARATIVE FINANCIAL AND MANAGEMENT AUDIT OF THE DEPARTMENT OF HEALTH'S COMMUNITY MENTAL HEALTH CENTER AND WAIANAЕ'S INDEPENDENTLY OPERATED COMMUNITY MENTAL HEALTH CENTER.

Testimony of Chiyome Leinaala Fukino, M.D.
Director of Health

April 3, 2009
10:30 AM

1 **Department's Position:** The Department respectfully opposes this measure.

2 **Fiscal Implications:** None.

3 **Purpose and Justification:** The proposed resolution is based on the notion of comparable
4 administrative operations of the State-operated Community Mental Health Centers (CMHC) versus the
5 contracted provider, Hale Na'au Pono, in the defunct Wai'anae Community Mental Health Center. This
6 requires clarification.

7 The Adult Mental Health Division's eight community mental health centers are state operated
8 and fully staffed by state employees. The funding comes through the Legislature as part of the
9 Executive Budget, funding actual state positions and state operations as part of the Department of
10 Health's structure. State CMHCs are not awarded contracts. The Adult Mental Health Division has
11 absolute control over the resources of the Community Mental Health Centers, allowing the Division
12 Chief to redirect, as necessary, the programs and staff in order to quickly respond to "State's Interest"
13 needs.

1 Hale Na'au Pono's Wai'anae Community Mental Health Center was never a State Community
2 Mental Health Center. It was, in fact, unique as the only private, contracted mental health center. It was
3 a contracted provider that successfully answered an RFP and received a contract to provide a number of
4 services similar, but not identical, to those at a State CMHC.

5 On April 1, 2008, at its own request, Hale Na'au Pono voluntarily withdrew from its community
6 mental health treatment services contract with the Adult Mental Health Division. Hale Na'au Pono no
7 longer operates as a community mental health center, either under contract to a State entity or
8 independently; therefore, an audit comparing the current cost of Hale Na'au Pono operations to a State
9 operated CMHC would be moot. A legislative audit seemingly designed to reestablish Hale Na'au Pono
10 as a contracted community mental health center, outside of the bounds of the State procurement process,
11 is an inappropriate means to accomplish this goal.

12 Thank you for the opportunity to provide testimony.

Testimony on
House Concurrent Resolution 223

Requesting the Auditor to conduct a Comparative Financial and Management audit of the Department of Health's Community Mental Health Center and Wai`anae's Independently operated Community Mental Health Center

Aloha Members of the Committee:

As Hawai`i faces critical questions over the quality of our mental health services and the cost effectiveness and efficiency of maintaining a system of such services, one of the terms which we find used often is TRANSFORMATION. A major grant was received just a few years back from the Federal government wrapped around that very term.

Approximately a quarter century ago, the same issues which face Hawai`i today were on the minds and hearts of the people in the mental health field, both from the views of the practitioners, the consumers of services, and the communities throughout these islands. Over a decade of work with the Department of Health's Mental Health Division took place to see what changes would occur if Wai`anae was separated from the Leeward District into its own catchment area. The State selected Hale Na`au Pono as a demonstration model to determine the efficacy of community owned and governed, independent, non-profit Community Mental Health Centers (CMHC) in Hawaii. On July 1, 1987, Wai`anae received its designation as a catchment area, and the transition of Hale Na`au Pono from a State-run agency to a private, non-profit status was completed on July 1, 1988.

How has this demonstration model fared over these years? What are the lessons to be learned? Can a private, not for profit community based mental health center meet the needs of the community? Can it do the job cheaper, more efficiently, better than a State system of satellite centers run by Honolulu experts? If there is ever a time when these questions should be examined dispassionately, it is now, while Hawai`i struggles in the midst of the financial as well as mental health crisis.

The Wai`anae community had agitated for an independent center after the community leaders found that the State was not able to provide the appropriate services which met the cultural, social, and psychological needs of the people from this community. The kupuna of the Wai`anae coastline organized to invite the State out of the community and leave to the community the responsibility to carry out the services. This novel concept probably was an off-shoot of the Kennedy era Office of Economic Opportunities program which also brought to Wai`anae the old "Model Cities" program.

The DOH was very cooperative to this invitation. The University of Hawaii School of Medicine seconded a psychiatrist to Wai`anae on a half-time basis, and we became a training ground for some of the students from that school. From the University's School of Social Work and Sociology Department came two professors who volunteered to sit on our board of directors. We started with a mix of other volunteers from Honolulu who acted as initial Board members with a mix of Wai`anae community members. Over time, all of our board members were from the community - clients, family members or general community folks.

This Wai`anae center became the first community mental health center (CMHC) in Hawai`i to be nationally accredited by the Commission on Accreditation of Rehabilitation Facilities (CARF). In January 1995, Hale Na`au Pono went through its first national accreditation survey by CARF for case management and outpatient programs and received the maximum three year accreditation. In April 2007, Hale Na`au Pono received its fifth consecutive three year accreditation from CARF; continuing our accreditation through 2010. Since HNP's first CARF accreditation, the services accredited have increased to include: ACT, Case Management/Service Coordination: Integrated AOD/MH, Case Management/Service Coordination: Mental Health Adults, Case Management/Service Coordination: Children & Adolescents, Case Management/Service Coordination: Mental Health Psychosocial Rehabilitation Adults, Community-Based Rehabilitation: Adults, Out-of-Home Treatment: Family Services Children and Adolescents, Outpatient Treatment: Integrated AOD/MH Adults, Outpatient Treatment: Mental Health Adults, Outpatient Treatment: Mental Health Children & Adolescents, Community Services: Respite Services. Wai`anae's center is accredited in more specific services than any other organization in the State of Hawaii, including Children's, Adult, and Alcohol and Drug Services. Hale Na`au Pono is the only community mental health center in the State to be accredited by CARF.

Today, national accreditation is required to be obtained or sought after by all contracted organizations with the DOH. None of the other CMHC's are accredited by CARF.

Hale Na`au Pono also operates a Clubhouse for adults with serious mental illness. The Clubhouse has received international accreditation through the International Commission on Clubhouse Development (ICCD) as well.

Hale Na`au Pono has, over the years distinguished itself from all other CMHCs in Hawaii, as well as from other service organizations, in that it provides a full compliment of services for children as well as adults. Unlike many organizations, it also provides Alcohol and Drug Treatment services, thus including in its compliment of services all three of the major behavioral health Divisions found within the State's Department of Health. It recently expanded to include DD/MR services, in line with the DOH's fourth service under its Behavioral Health line of services. No other CMHC incorporates all four services under its wings or operates its own Clubhouse.

Hale Na`au Pono has won 1st place national recognition for its system of services (Managed Behavioral Healthcare Leadership Award) from the 4th Annual National Managed Healthcare Congress (1999). Hale Na'au Pono was selected by the National Asian American Pacific Islander Mental Health Association to be one of only five sites in the nation to assist in the development and implementation of a curriculum designed to teach cultural competency to graduate students through internships within the local community.

Hale Na'au Pono was selected by the State Department of Health to take part in adapting the Evidenced Based Practices: Illness Management and Recovery model to be more culturally relevant and significant within the local community. As a result, it has developed a unique program entitled Voyage to Recovery, which has been highlighted by the Adult Mental Health Division for its cultural and social adaptations at its Best Practices Conferences, and has been proposed for export to countries in the Pacific by Dr. Thomas Hester, former Chief of the Adult Mental Health Division. It has also been well received by numerous Native American groups including Canadian 1st Nations.

Consultants advising the Adult Mental Health Division have recognized Hale Na`au Pono's achievements. For example, on March 30, 1998, in a report by the Technical Assistance Collaborative (TAC) of Boston to the AMHD, the following was stated, *"We were most impressed by the knowledge of staff at the Wai'anae Mental Health Center with regard to their patients who are currently in the hospital (HSH), as well as those who have been discharged. We also found that the discharged patients we tracked are living in clean, safe, and attractive environments and are receiving appropriate care in the community."* On March 11, 2002, Hale Na`au Pono hosted a visit by a special panel from the Department of Justice charged with advising Judge Chang on the development of a Remedial Strategic Plan for community services. This panel has also visited Hale Na'au Pono on subsequent visits to the state of Hawaii. The special panel selected Hale Na`au Pono due to its positive reputation in the mental health community and for its culturally responsive services. Similarly, Hale Na'au Pono was visited in 2004 by Dr. Kenneth Minkoff, a special court monitor appointed to monitor the progress of the state in meeting the requirements set out by the court. Dr. Minkoff also commented that he was interested in visiting Hale Na'au Pono due to its reputation for providing services uniquely tailored to the cultural needs of the local community. In his subsequent "Exit Interview", Dr. Minkoff noted special praise for the work of Hale Na`au Pono's ACT services, proposing that direct service providers may want to visit Hale Na`au Pono to see how such fine services were being carried out.

Other observers have noted that one of the reasons for Hale Na`au Pono's outstanding services to its clients was the comprehensive nature of its services. Under a single roof, it has been able to provide a full range of out-patient services for its adults with serious mental illness. It is able to meet the psychiatric, therapy, nursing, case management, employment placement, peer support, and other clinical needs of its consumers from the most intensive (ACT) to the least (Outpatient) services. It has been able to meet the housing needs of these consumers with either finding independent living or providing group home living needs for its consumers (8 to 16 and 24 hour housing

services). It has created and sustained an excellent psychosocial program through its Clubhouse providing an avenue for the consumers to have their employment, social, spiritual, and cultural development. It has been able to intertwine the lives of its consumers into the well-being of the community, finding acceptance in the community of those suffering from the disability of serious mental illness. Within this single organization, it has been able to support its adult consumers with a multitude of programs unmatched by any other single provider in Hawai'i, programs including Representative Payeeship service, Smoking Cessation training, Health and Wellness classes, specialized Mental Health/Drug and Alcohol dual diagnosed treatment, Anger management training, Women's Group, Men's Group, exercise through Tai Chi and Chi Kung, Alcohol Tobacco and other drugs Treatment and Prevention, Diabetes Support, Social outings, Agriculture/Aquaculture practice, emergency on-call, Kumu Ola Pono Master Recovery Plan, and our Voyage to Recovery curriculum.

Hale Na`au Pono has been able to meet many of the needs of its children by providing therapeutic individual and group homes, including homes for the many children who, not many years ago, had to be placed in different parts of the continental U.S. for care. Our program provides for the Developmentally Delayed and Mentally Retarded citizens of the community as well.

The Ho`okaulike program providing Alcohol and Drug Treatment for the Wai`anae coastline community has been treating a multitude of individuals over the past decade.

HCR 223 calls for a comparative financial and management audit between the DOH's system of community mental health centers and Hale Na`au Pono. After these years of standing as a model of an independent, community control CMHC, it is most appropriate that the legislature take this important step to see if there is indeed a better way to meet the needs of the citizenry of Hawai'i. This comparative study can not be relegated to the Department of Health itself, for it would be in an obvious conflict of interest to do so. Nor would it be appropriate to place this comparative study in the State Council on Mental Health for that council is merely advisory to the Department of Health and under the administration of the DOH.

Hale Na`au Pono feels that it has a responsibility to a commitment made when it started on this venture a quarter century ago to cooperate in such a study. The people of Hawai'i deserve to have this comparison made, from which the Legislature can be more fully advised of the advantages and disadvantages of providing services under a private or a government controlled system.

Mahalo for considering this testimony.

Pōkā Laenui, Executive Director
Hale Na`au Pono

Testimony on
House Concurrent Resolution 223

Requesting the Auditor to conduct a Comparative Financial and Management audit of the Department of Health's Community Mental Health Center and Wai`anae's Independently operated Community Mental Health Center

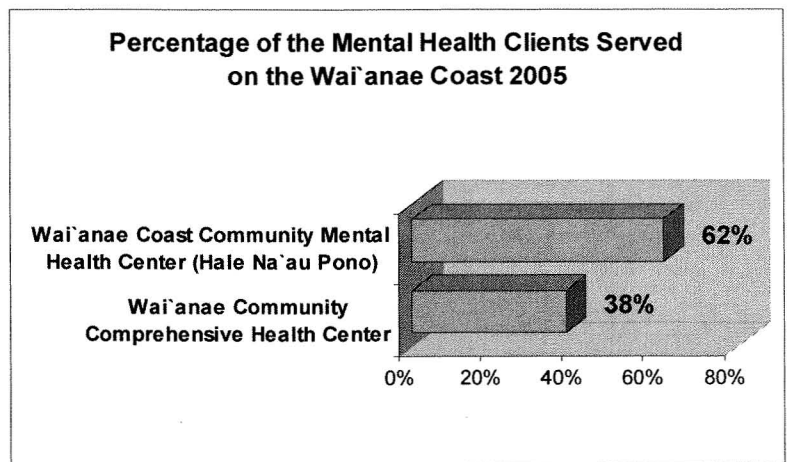
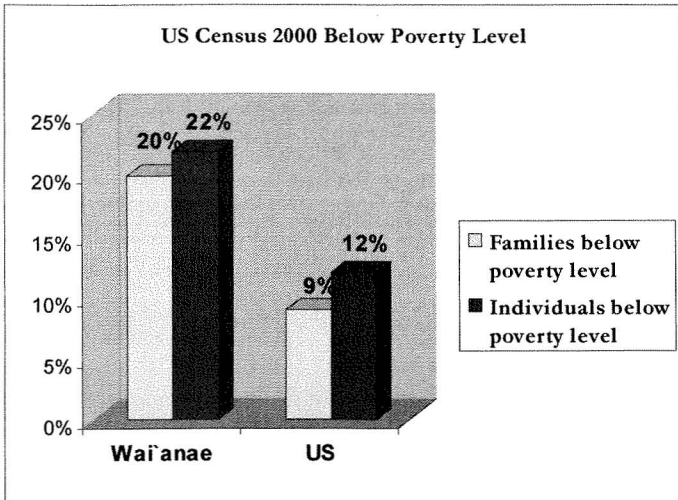
Submitted By: Lulu Bagnol

Aloha Members of the Committee,

I have worked for the World Health Organization, Centers for Disease Control, the Hawai`i State Department of Health, and most recently, Hale Na`au Pono. Among these agencies, I have never experienced real, true compassionate, and unconditional love healthcare like I have at Hale Na`au Pono.

The culture competency of the agency and staff is beyond excellence; the Hawaiian sensitivity is far superb, and most of all, the case workers, administration, and the leadership are role models that WHO, CDC, and HDOH can learn from. In 1999 Hale Na`au Pono won the national Managed Care Behavioral Health Care Leadership Award by the National Managed Healthcare Congress and in 2007, the "Outstanding Executive Director of 2007" by the Mental Health America of Hawai`i (formerly Mental Health Association). If the state of Hawai`i wants to be a leader in mental health care and become an example for other states in leading cultural-based programs and best practices, **Hale Na`au Pono is the KEY for this leadership.**

As you can see from the graphs below, Hale Na`au Pono serves the most number of persons with mental illness on the Wai`anae Coast, and in a geographical area that has higher poverty than the rest of the U.S.



Members of the committee, please let's take serving the serious mentally ill more seriously...the clients we serve will be ultimately impacted with no place to go and no one can truly understand and assist their lives like Hale Na`au Pono.

Mahalo nui loa,

Lulu Bagnol

Lulu Bagnol, MPH, CHES, Doctorate Candidate

April 3, 2009

To: Representative Ryan Yamane, Chair
Committee on Health
Hawai'i State House of Representatives

From: June Shimokawa, Private Citizen
3557A Kaimuki Avenue, Honolulu, HI 96816
(808) 732-6791 junets@clearwire.net

TESTIMONY IN SUPPORT OF HCR 223 Requesting the Auditor to Conduct a Comparative Financial and Management Audit of the Department of Health's Community Mental Health Centers and Wai'anae's Independently Operated Community Mental Health Center.

Chair Yamane, Vice Chair Nishimoto and members of the Committee,

Thank you for the opportunity to testify in support of HCR 223. My name is June Shimokawa. I retired from a career in human services and administration in 2001 and while continuing to be a community activist, I hold no position from which to speak except as a concerned island resident. Let me say here that in the decade before I retired (the 1990s), I had the opportunity to get to know people living and working in the Wai'anae Coast through a variety of mutually shared community concerns, which provided me great appreciation for the sense of community I felt in the Wai'anae Coast to which my friends were contributing.

It is this kind of caring community spirit which is essential for the recovery of health among people whose life circumstances place them on the margins of society – for recovery of health both physical and mental. The people I got to know include those who staff and serve as volunteers of various not-for-profit human service agencies, including Hale Na'au Pono.

In 2008, the community-based and culturally sensitive mental health center, Hale Na'au Pono, suffered a financial blow which has severely limited this organization in fulfilling its vision and mission – to be a place based on what is just and being upright in heart – to help people feel better about themselves, to feel supported and loved in a familiar environment.

We're all aware that the need for community mental health services escalates in times of limited financial resources, public and private. For this reason, I believe that Resolution 223, supported by Hale Na'au Pono, which calls for a management, program and financial audit of the community mental health centers operated by the state of Hawai'i and Hale Na'au Pono is a very strategic and timely thing to do. I would expect that the Legislature will want to ensure that whatever funds appropriated for community mental health services are spent effectively. The kind of audit being called for is strategic and should provide essential information for decision making.

Thank you for hearing HCR 223 and urge your support . Thank you for the opportunity to testify.

nishimoto2-Bryce

From: Candace Van Buren on behalf of Rep. Scott Nishimoto
Sent: Thursday, April 02, 2009 10:15 AM
To: HLTtestimony
Subject: FW: Legislature asked to compare audit of DOH & Hale Na`au Pono HCR 223
Attachments: Draft Testimony on HCR 223.doc

Follow Up Flag: Follow up
Flag Status: Flagged

-----Original Message-----

From: Don [mailto:donhutton@hotmail.com]
Sent: Wednesday, April 01, 2009 2:27 PM
To: Rep. Scott Nishimoto
Cc: Poka_Laenui
Subject: Legislature asked to compare audit of DOH & Hale Na`au Pono HCR 223

The Honorable Scott Nishimoto
Vice Chair of the Health Committee

Dear Mr. Nishimoto

I understand that House Concurrent Resolution 223 will be heard on Friday, April 3, 2009. I strongly request that Hale Na`au Pono be considered to provide the mental health services outlined in attached "Testimony on House Concurrent Resolution 223."

I am a resident of the Leeward Coast and have observed several successes with Hale Na`au Pono's mental health program prior to its discontinuance this year. As noted in the attached Testimony they are an acclaimed facility providing services in a manner trusted and accepted by their many clients. It is a definite plus for their clients that they trust those who provide services.

Your kind consideration to continue the services of Hale Na`au Pono is requested.

Mahalo,

Donald W. Hutton, PE
808-218-1172

nishimoto2-Bryce

From: Candace Van Buren on behalf of Rep. Scott Nishimoto
Sent: Thursday, April 02, 2009 10:16 AM
To: HLTtestimony
Subject: FW: Legislature asked to compare audit of DOH & Hale Na`au Pono

From: Don [mailto:donhutton@hotmail.com]
Sent: Wednesday, April 01, 2009 2:34 PM
To: Rep. Scott Nishimoto
Cc: Poka_Laenui
Subject: Legislature asked to compare audit of DOH & Hale Na`au Pono

The Honorable Scott Nishimoto
Vice Chair of the Health Committee

Dear Mr. Nishimoto

I understand that House Concurrent Resolution 223 will be heard on Friday, April 3, 2009. I strongly request that Hale Na`au Pono be considered to provide the mental health services outlined in attached "Testimony on House Concurrent Resolution 223."

I am a resident of the Leeward Coast and have observed several successes with Hale Na`au Pono's mental health program prior to its discontinuance this year. As noted in the attached Testimony they are an acclaimed facility providing services in a manner trusted and accepted by their many clients. It is a definite plus for their clients that they trust those who provide services.

Your kind consideration to continue the services of Hale Na`au Pono is requested.

Mahalo,

Delora M. Hutton

Ellen Awai
2639 Laau St. #1
Honolulu, HI 96826-5629
cell: (808) 551-7676
email: Awai76@aol.com

April 2, 2009

Representative Scott Nishimoto
Vice Chair for Health Committee
Hawaii State Capitol Room #441
Honolulu, HI 96813

SUBJECT: HCR 223 Hearing April 3, 2009 Conference Room #329 at 10:30 a.m.

Dear Representative Nishimoto,

Please support HCR 223 to audit Hale Na'au Pono and the Adult Mental Health Division (AMHD)'s Community Mental Health Centers. This audit will clearly prove to everyone, that Hale Na'au Pono has been in their rights in providing services to those with severe mental illness in the Waianae community. Waianae is one of Hawaii's unique cultural communities isolated on the island of Oahu. Hale Na'au Pono has designed programs such as the ACT program, a team approach to those most vulnerable, which are culturally competent to the needs of that community. In my meetings in Washington DC with the Substance Abuse Mental Health Services Administration (SAMHSA) Center for Mental Health Services (CMHS), Hale Na'au Pono has received national recognition for its programs and has been praised in its cultural alternative accomplishments.

National Alliance on Mental Illness (NAMI)'s Grading the States Report of 2009 confirms the nation's crisis in psychiatric care. In NAMI's last 2006 report, Hawaii had an overall grade of C and was ranked about the 11th state in the nation. Since coming in dead last, 51 of 50 states, in previous NAMI ratings prior to 1990, Hawaii was the *most improved of any state* in the nation as compared with the nation's D grade. After more than a decade under the federal mandate, Dr. Thomas Hester created the Omnibus Plan for the Hawaii State Hospital and the Community. His plan got Hawaii out of federal oversight, but Hawaii *"is now at risk of sliding backward. In 2006, Hawaii received a C grade that has not changed in 2009. However, the environment is changing."* This would mean falling back into federal oversight and forcing the state legislature to allocate funding back into the mental health system.

The 2009 report stated some of Hawaii's urgent needs:

- Restore and strengthen ACT programs
- Overcome inpatient bed shortage
- Expand community alternatives
- Improve workforce distribution to meet public and rural needs

These are just some of the issues addressed by Hale Na'au Pono. With Dr. Hester's departure in May 2008, the Department of Health (DOH)'s AMHD has sought to destroy everything that was needed to pass the federal mandate, including the services of Hale Na'au Pono. This was due mainly to the discrimination and biases of those left in charge in their battle for control. As a

former AMHD employee, you may recall my letter to the Governor that I had cc: to you where I have seen this practice directed at me and can give my own personal testimony on this issue. I was an accomplished employee that had created a very successful peer specialist training and certification program for the state but was terminated for what I believe was my efficiency.

In protecting state employees, many unable to do their jobs, Hawaii has cut back on services needed in the community. The services and expenses from DOH will be shifted over to already overcrowded emergency rooms, the Department of Public Safety's prisons, the Police and the jails, and to Judicial court system. Sentinel events such as suicides and murders as we have recently seen will increase. So the real costs for saving a few dollars in the state budget will be placed on the community, and this would include a larger homeless population.

I have participated in hearings that Senator Suzanne Chun-Oakland and Senator David Ige have had with the DOH, their providers of service, and advocates such as myself. Important mental health services in Hawaii have been cut, such as:

- ACT programs, a team approach for the most vulnerable mental health consumers which serviced rural communities such as Waianae
- Case management services from 12 hours to only 3.5 hours a month,
- Homeless outreach now serviced by only one agency with 2 outreach workers for the entire island of Oahu
- Support groups and warmlines with our only state wide consumer-run organization, United Self Help
- The Hawaii Certified Peer Specialists Program with 130 specialists statewide, which certified mental health consumers for jobs in the mental health field
- Research by Mental Health Services Research, Evaluation, and Training (MHSRET) with the University of Hawaii which provided supporting evidence of the need for these mental health services

Contracted service providers were told recently that they will not be paid for their services for 4 months, till the next fiscal year because the state has run out of money. How can any agency survive in an environment caused by the state's inefficiency! Many of these providers are turning to the State's Department of Human Services (DHS) for help. DHS is responsible for federal Medicaid dollars in Hawaii, which could have greater stability than seeking the services of the DOH. With issues such as these, an alarming and growing shortage of national access to inpatient and outpatient care, NAMI is asking each state to advocate to all the U.S. legislators on HR1415 the Medicaid Emergency Psychiatric Care Demonstration Project Act of 2009. I also urge you to support this important federal legislation. Please support the HCR223 audit.

Mahalo and Aloha,

Ellen K. Awai, HCPS, CPRP
Mental Health Advocate

Attachment

E. Awai
Attachment

Based on its Grading the States Report of 2009, NAMI is advocating for HR 1415, the Medicaid Emergency Psychiatric Care Demonstration Project Act of 2009, which I have sent to U. S. Representative Abercrombie and Representative Hirono. (You can find NAMI's entire Report, on their website www.nami.org.)

- ❖ Nearly 127,000 inpatient beds have been lost since 2000 and more than 197,000 since 1990,
- ❖ There are now fewer than 10.8 beds per 1,000 per adults living with serious mental illness, and
- ❖ Only 11 states in NAMI's survey were able to share any type of data on how long it takes to get an inpatient psychiatric bed through an emergency room
- ❖ 8 states were unable to report on the actual number of inpatient beds in their state (As it looks in the NAMI report, Hawaii seems to be one of them).

HR 1415 seeks to expand the number of emergency psychiatric beds available in communities by establishing a pilot program to allow states to apply for federal Medicaid matching funds. This will demonstrate that covering inpatient services will improve overall care and reduce the burden on overcrowded emergency rooms and improve the efficiency and cost-effectiveness of acute psychiatric care.

Unfortunately, Medicaid does not reimburse for these emergency services, even while the federal EMTALA law mandates that these services must be provided if they were provided in the emergency room of a general hospital.