

LINDA LINGLE  
GOVERNOR



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February 18 August 30, 2010

**MEMORANDUM**

TO: ~~The Honorable John M. Mizuno~~ John M. Mizuno, Chair  
~~House~~ House Committee on Human Services

~~\_\_\_\_\_~~ The Honorable Rida Cabanilla, Chair  
~~\_\_\_\_\_~~ House Committee on Housing

FROM: Lillian B. Koller, Director

SUBJECT: **Informational Briefing – Payments to Health Care Plans**  
**Land Acquisitions to Serve the Homeless**

~~Monday~~ Monday, February 18 August 30, 2010; 9:30 to 11:30 am 10:30  
am  
Conference Room 329325, State Capitol

The Department of Human Services (DHS) would like to provide the following information ~~comments~~ regarding payments to its contracted health care plans for the rest of the State fiscal year. the possible acquisition and/or use of land for the purpose of providing the homeless with secured safe zones, homeless camps, or affordable rental or other types of housing units.

First, DHS does not have access to or control of any land that can be used to serve the homeless.

Second and most importantly, these types of attempts at using public lands for homeless persons have been pursued on a number of occasions and in differing jurisdictions, all without success.

Maui County, the City and County of Honolulu at Aala Park and the Weinberg Villages efforts, although providing some short-term temporary relief, never achieved the results that the proponents of these approaches felt they would achieve.

At your August 15, 2010 Informational Briefing, Comptroller Russ Saito provided your committees with the following information on the State's efforts to address homelessness. Since 2006, homeless shelter capacity has increased from 587 units and 525 beds to 1188 units, a doubling of units, and 785 beds, a 50% increase.

With this capacity and through its homeless programs, the State's outreach providers served 11,680 unsheltered homeless individuals and shelter operators accommodated 9,483 individuals in shelters in 2009. The program helped 4,043 individuals into permanent housing in 2009.

Despite this dramatic capacity expansion to serve the homeless, a certain segment of the homeless, w will need to accept the fact that whether they are provided facilities or just land on which to camp, will not accept anything that is operated under some form of supervised or structured activity that prescribes conduct and use. Without willingness, there will be no success.

pays its five contracted health plans in the QUEST and QUEST-Expanded Access (QExA) Medicaid programs a capitated per member per month (PMPM) payment each month in the third week of the month for that month. The QUEST health plans y were paid for December using 100% State general funds because the

Federal government had not yet approved the new contracts for us to draw down the matching federal funds.

In the third week of January, when the January payments would be due, the Federal government still had not approved the new contracts. Therefore, we had to lag the January payments because we did not have the State funds to cover the payments without the federal funds like we did in December. Because we strive to treat all our health plans equally and will pay none if we can't pay one, we delayed the QExA health plans payments as well.

The good news is that the Federal government recently approved the new contracts and we are currently processing the payments for January and getting ready to make the February payments too. Also, we will be able to make the full March payments to all the health plans.

However, just as we had to do last year, DHS will need to defer the May and June payments to the health plans to July. This means the May payment will be deferred for six weeks (from the third week of May) to July and the June payment will be delayed for one two weeks (third week in June) to July. Timely payments will resume in July for July as well.

Therefore, our only primary challenge for this fiscal year is the April health plan payments. We are actively working on strategies to be able to make the April payments or at least partial payments or provide cash flow offsets.

The primary reason for the funding deficiency is the increased enrollment in the plans. Enrollment in the health plans has been increasing about 13 percent per year. About 240,000 islanders are covered by Hawaii Medical Service Association, Kaiser Permanente and AlohaCare with Quest plans and Ohana Health Plan and EverCare for QUEST Expanded Access for the aged, blind and disabled.

~~State payments to the five health plans providing health coverage for low-income residents total about \$89.90 million a month, of which about \$30 million are state general funds to these five health plans providing health coverage for low-income residents.~~

Thank you for the opportunity to provide comments.

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LINDA LINGLE  
GOVERNOR



RUSS K. SAITO  
Comptroller

Deputy Director

STATE OF HAWAII  
DEPARTMENT OF ACCOUNTING  
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WRITTEN COMMENTS  
OF  
RUSS K. SAITO, COMPTROLLER  
DEPARTMENT OF ACCOUNTING AND GENERAL SERVICES  
TO THE  
HOUSE COMMITTEES  
ON  
HUMAN SERVICES  
AND  
HOUSING  
ON  
August 30, 2010

HOMELESSNESS BRIEFING

Chair Mizuno, Chair Cabanilla, and members of the Committees, thank you for allowing me to comment on this matter. I'd like to address the issues you raise.

First, as to land use of State properties for secured safe zones, I'm not aware of any that are available or suitable for the purpose. However, we are very interested in what the City and private corporations or private landowners are willing to offer in both land and services.

As to affordable rental units, in the State's sphere of interest, the Hawai'i Housing and Finance Corporation has a well described record of helping to bring affordable units for sale and rent onto the market, and are continuing to do so. They too are interested in what the private sector is willing to offer. However, their biggest needs go beyond land to funding and other incentives for developers. The biggest leverage is in improving the economy and creating more and better paying jobs. Until that happens, rent subsidies may offer relief for homeless

individuals that cannot afford the rent but who are otherwise capable of independent living. The question is, how to fund the rent subsidies. All existing programs have waiting lists.

Finding potential sites for the Housing First program, when it is implemented, seems logical. A caution, however, is that the Housing First program does not necessarily need to be based on the use of whole facilities dedicated to Housing First tenants. Building dedicated facilities or clearing out existing facilities for dedicated use may take time. To produce earlier results, disbursing Housing First tenants into individual or multi-tenant units could work well. Besides finding landowners willing to participate, private landlords should be approached about participating in a Housing First program by renting some of their rental units to Housing First tenants.

I look forward to hearing from the ten (10) largest land owners in Honolulu, Hawaii, who you invited to participate in the briefing to reduce homelessness in Hawai'i. For those that are also landlords, I suggest that you encourage their willingness to be landlords to Housing First tenants and others who are homeless.

Thank you for the opportunity to comment on this matter.

## Homeless Solutions That Work

### Hina Mauka Treatment Center

Alan Johnson, President and CEO

- Alcohol and Substance Abuse Treatment
- 1,500 adults and 700 students per year in 21 sites
- Also treat addiction with mental illness
- Outpatient program at I.H.S.



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## Therapeutic Communities (TC) for the Homeless

- Drug-free residential settings,
- Uses a hierarchical model with treatment stages,
- Increased levels of personal and social responsibility,
- Peer influence in group processes assimilates social norms and develops more effective social skills.



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## TC is “Community as Method”

- Use community of those in recovery and some treatment staff as key agents of change,
- TC members interact in ways to influence attitudes, perceptions, and behaviors associated with drug use,
- **Habilitation** -- learning or re-establishing healthy functioning, skills, and values associated with socialized living as well as regaining physical and emotional health.

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## Mutual "Self-Help"

- Self-help means treated individuals manage their change process.
- Mutual means individuals assume partial responsibility for the recovery of their peers -- an important aspect of an individual's own treatment.

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## TC(s) Work – 30 Years of Study

- For three decades, NIDA has conducted several large studies to advance scientific knowledge of the outcomes of drug abuse treatment as typically delivered in the United States. These studies collected baseline data from over 65,000 individuals admitted to publicly funded treatment agencies.
- These studies found that participation in a TC was associated with several positive outcomes. For example, the Drug Abuse Treatment Outcome Study (DATOS), the most recent long-term study of drug treatment outcomes, showed that those who successfully completed treatment in a TC had lower levels of cocaine, heroin, and alcohol use; criminal behavior; unemployment; and indicators of depression than they had before treatment.

National Institute of Drug Abuse (NIDA)  
<http://www.drugabuse.gov/ResearchReports/Therapeutic/Therapeutic2.html>  
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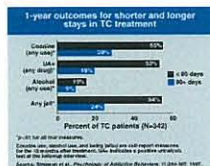
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## Outcomes Depend on Duration

- Traditionally, stays in TCs vary from 18 to 24 months,
- The relationship between retention and good treatment outcomes are related to peer role models, family association, legal pressures, and counselor relationships.



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## TC Components – 2 Principles

### 1. *Community as Change Agent*

- Strict behavioral norms are reinforced with rewards and punishments,
- Self-control and responsibility through hierarchy of increasingly important roles, with greater privileges and responsibilities,
- Changing negative patterns of thinking and behavior through individual and group therapy, group sessions with peers, community-based learning, confrontation, games, and role-playing.

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## TC Components – 2 Principles

### 2. *Efficacy of Self-Help*

- Members become role models who reflect the community values,
- Ordered routine activities counter disordered lives by setting goals and being accountable,
- Ultimately, people learn to appropriately and constructively identify, express, and manage their feelings.
  - "Right living" (learning personal and social responsibility and ethics) and
  - "Acting as if" (behaving as the person should be rather than has been) heighten awareness of attitudes that do impact oneself and their social environment.

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## Opening Doors: Federal Strategic Plan to Prevent and End Homelessness

- The HEARTH Act, enacted by Congress in May 2009 mandated that the USICH produce a "national strategic plan" to end homelessness.
- On June 22, the United States Interagency Council on Homelessness (USICH), the U.S. Departments of Housing and Urban Development (HUD), Labor (DOL), Health and Human Services (HHS), and Veterans Affairs (VA) submitted to the President and Congress the nation's first comprehensive strategy to prevent and end homelessness.
- Require strong partnerships with Congress, states, localities, philanthropy, and faith based and community organizations working as a team.

**"[We] cannot afford to invest in anything but the most evidence-based, cost-effective strategies."**

United States Interagency Council on Homelessness <http://www.ich.gov/>

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## Opening Doors: *Federal Strategies*

- **Increasing leadership, collaboration, and civic engagement**, by a focus on collaboration and intervention.
- **Increase access to stable and affordable housing**, by providing affordable housing and permanent supportive housing.
- **Increase economic security**, expand meaningful and sustainable employment and improve access to mainstream programs and services.
- **Improve health and stability**, by linking health care with homeless assistance programs and housing; advancing stability for youth aging out of foster care and juvenile justice; and improving discharge planning from hospitals and criminal justice systems.
- **Retool the homeless response system**, by transforming homeless services to crisis response systems to rapidly return people to stable housing.

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## Communities Need Leadership

"Building on proven innovations, no one should be without a safe, stable place to call home."

"Today, we unveil a plan that will end all types of adult homelessness by 2015; and to end homelessness among children, family, and youth by 2020."

USICH Executive Director Poppe

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## Federal Grants

- The U.S. Departments of Housing and Urban Development (HUD), Labor (DOL), Health and Human Services (HHS), and Veterans Affairs (VA)
- Substance Abuse Mental Health Services Administration (SAMHSA offers \$400,000 each year for 5 years for local supported innovative programs)
- PATH – Projects for Assistance in Transition from Homelessness

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## Resources

- **National Institute for Drug Abuse (NIDA)**
  - General Inquiries: NIDA Public Information Office, 301-443-1124
  - Inquiries about NIDA's treatment research activities: 301-443-5172
  - Division of Epidemiology, Services, and Prevention Research, 301-443-4000
  - [www.drugabuse.gov](http://www.drugabuse.gov)
  - NIDA educational resources on drug addiction treatment and publications from other sources: [nida.nih.gov](http://nida.nih.gov)
- **Center for Substance Abuse Treatment (CSAT)**
  - CSAT, a part of the Substance Abuse and Mental Health Services Administration, supports treatment services through local grants, disseminates findings to the field, and promotes Treatment Referral Helpline (1-800-662-HELP). CSAT publications are available through the National Clearinghouse on Alcohol and Drug Information (1-800-729-6989): [www.ncadi.hhs.gov](http://www.ncadi.hhs.gov)
- **National Institute of Justice (NIJ)**
  - NIJ supports research, evaluation, and demonstration programs on drug abuse in the context of crime and the criminal justice system. For information and publications, contact the National Criminal Justice Reference Service at 1-800-851-3420 or 301-518-5500. [www.acjrs.gov/](http://www.acjrs.gov/)
- **Therapeutic Communities of America (TCA)**
  - TCA advocates for and promotes understanding of TCA. TCA increases knowledge and methodology, develops and promulgates standards of quality, provides members with information, networking and forums. For more information, call 202-268-3503. [www.therapeuticcommunitiesofamerica.org/](http://www.therapeuticcommunitiesofamerica.org/)
- **United States Interagency Council on Homelessness** - Operating Div.: Federal Strategic Plan to Prevent and End Homelessness <http://www.usich.gov/>
- **Pathways to Housing**: Housing First Model in New York City since Successful since 1992 [http://www.pathwaystohousing.org/contentour\\_model](http://www.pathwaystohousing.org/contentour_model)
- **National Clearinghouse on Alcohol and Drug Information (NCADI)**

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