



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339



February 4, 2014

MEMORANDUM

TO: The Honorable Mele Carroll, Chair
House Committee on Human Services

FROM: Patricia McManaman, Director

SUBJECT: **H.B. 1891 – RELATING TO HUMAN SERVICES**

Hearing: Tuesday, February 4, 2014; 9:30 a.m.
Conference Room 329, State Capitol

PURPOSE: The purpose of H.B. 1891 is to appropriate funds for the hiring of an unspecified number of welfare overpayment investigators and recovery workers in the Benefit, Employment, and Support Services office of DHS

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the intent of this bill, provided it does not adversely impact nor replace the priorities in the Executive Supplemental Budget.

The Department's Supplemental Budget request for FY 2015 includes one (1) recovery investigator which we respectfully request the Legislature to approve.

Additional investigator positions if authorized by the Legislature would help the Department to pursue the recovery of over \$48 million in outstanding public assistance overpayment by approximately 18,000 debtors.

The 2013 Legislature approved four of six positions requested by the DHS for the DHS Investigations Office which were funded effective January 1, 2014. The positions included one fraud investigator and one office assistant for its Kona office, one recovery investigator, and one fraud eligibility worker. With the lifting of the hiring freeze, the DHS is in the process of establishing and recruiting for these four positions.

Program integrity, ensuring against deliberate fraud, and recouping overpayments are core to the Department's mission and ensure the efficient and appropriate use of State and federal funds. The DHS Investigations Office currently has two recovery investigators whose primary assignments are to monitor for repayment 320 individuals prosecuted and on probation for public assistance fraud; locate individuals who have DHS overpayments and for the social services program; and match those with felony arrest warrants and probation and parole violations with those who are on public assistance and remove them from assistance.

Additional positions would allow the Department to pursue cases for collection in the civil courts.

Thank you for the opportunity to provide testimony on this bill.