

SB 2772

Measure Title: RELATING TO FOSTER CARE.

Report Title: Foster Care; Monthly Board Rate; Appropriation (\$)

Description: Increases the minimum monthly foster care basic board rate and foster care maximum difficulty of care rate. Requires Department of Human Services to report to the Legislature prior to 2015 Regular Session on implementation and cost. Appropriates funds. Effective July 1, 2014.

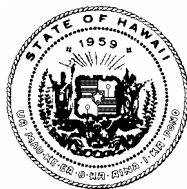
Companion: [HB1694](#)

Package: None

Current Referral: HMS, WAM

Introducer(s): CHUN OAKLAND, ESPERO

NEIL ABERCROMBIE
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February 13, 2014

TO: The Honorable Suzanne Chun Oakland, Chair
Senate Committee on Human Services

FROM: Barbara Yamashita, Acting Director

SUBJECT: **S.B. 2772 - RELATING TO FOSTER CARE**

Hearing: Thursday, February 13, 2014, 1:15 p.m.
Conference Room 016, State Capitol

PURPOSE: The purpose of this bill is to increase the minimum monthly foster care maintenance basic board rate and maximum monthly difficulty of care rate; require Department of Human Services to report to the Legislature prior to 2015 Regular Session on implementation and cost; and appropriates funds. Effective July 1, 2014.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the intent of this bill to increase monthly foster care board payments to its resource families. Following the 2013 Legislative Session, the Department initiated a collaborative process to review and develop recommendations for increasing the foster care board rate. Based on findings from a review of the foster care rates and practices of forty-six (46) other states, the cost of raising children in Hawaii, and the current benefits that resource families in Hawaii receive in addition to tax-free monthly foster care payments; the DHS recommends increasing the monthly foster care payment

based on an age-tiered system indexed to expenditures contained in the United States Department of Agriculture's Expenditures on Children by Families Report. This rate structure is detailed in Option 2 of the attached Hawaii Foster Care Rate Report. The Governor's Supplemental Executive Budget includes the Department's request for funding for increasing foster care board payments.

Regarding raising the maximum monthly difficulty of care (DOC) rate, DHS supports the intent but requires time to determine the cost implications as a result of an increase of the DOC rate. The purpose of DOC payment is to ensure that a foster child receives additional daily care and supervision required due to physical, mental or emotional disability. DOC payments are determined by assessments, diagnoses, and recommendations by treating professionals, such as the child's physician or psychiatrist.

Thank you for the opportunity to testify on this bill.

EXECUTIVE SUMMARY

Introduction

At the close of the 2013 Legislative Session, the Department of Human Services (DHS) initiated a collaborative process to review and develop recommendations for increasing the foster care board payments to resource families caring for children in the DHS' child welfare system (CWS). This effort was in direct response to shared concerns expressed by legislators, resource families, foster youth leaders and DHS during the 2013 Legislative Session. This report reflects the work done since the close of the 2013 Legislative Session and provides background and a methodology that supports the budget request submitted by the DHS to the 2014 Legislature, requesting funds to increase foster board payments to resource families.

Review of Research

The University of Hawaii, College of Social Science, Public Policy Center, through a MOU with the DHS, reviewed the work done nationally and locally by researchers to address payment rates to resource families caring for children in child welfare systems. The Public Policy Center worked closely with the DHS research and planning staff as well as with CWS staff to review current practices, rates, administrative rules and data related to utilization. A summary review follows:

1. Review of National Standards and Individual State Practices in Setting Foster Care Maintenance Rates

Many states have discussed and are engaged in ongoing discussions related to the needs of resource caregivers who are caring for children in the foster care system. Two highly regarded national studies were reviewed including: The Family Foster Care Provider Classifications and Rates Survey (2013), and Hitting the M.A.R.C. Establishing Foster Care Minimum Adequate Rates for Children (2007).

2. Cost of Raising Children in Hawai'i

The United States Department of Agriculture (USDA) Expenditures on Children by Families reports are looked upon by many states and scholars as a reliable tool in assessing costs associated with raising a child as applied to provider rates for family resource families. For the purposes of this report and the DHS' proposed budget, the DHS relied upon the 2011 USDA Expenditures report as the 2012 USDA report had not yet been published. Nevertheless, the methodology used by the DHS was captured so that it could be replicated as new USDA reports are issued and the projections can be recalculated based on the same methodology.

3. Hawai'i's Current Benefits

In addition to the monthly foster care maintenance payments, there are other benefits that foster children and their resource caregivers may be eligible for. These additional benefits were reviewed.

Major Findings

The Family Foster Care Provider Classifications and Rates Survey (2003) reviewed data from 46 states and examined the methodology and amount reported that each state used to reimburse resource caregivers (Hawai'i was not included in this study). The report found:

- Forty (40) states utilize an age-related classification for determining their basic reimbursement rate, with the majority of states using three age categories: 0-5 or 6 years old; a second group of youth up to 12 or 13 years old; and a final group of older youth;
- In the majority of states, most basic foster care rates, fall below the estimated costs of caring for a child based on the USDA rates. A number of states have rates that represent less than half of the estimated cost of care;
- Twenty-five states include clothing allowance in their basic rate;
- Most states pay the same rate for care across the state, regardless of geographic location of the home;
- Most states use a diagnostic tool in the process of determining a child's enhanced needs or level of care. These tools determine additional special needs or difficulty of care required by the foster child/youth. Frequently cited tools were: the Child and Adolescent Functional Assessment S, the Child and Adolescent Needs and Strengths;
- Most states do not revise their foster care rates on a set schedule (e.g. annually) and do not revise the rates based on inflation.

Conclusions

It is difficult to compare monthly foster care rates across states, or rank states, since states use different methodologies for calculating monthly reimbursements and include different expenses in their board rate. Expenses that are covered are not uniform across the states, and there is variation among the states in the reimbursement for clothing, transportation, special needs adjustments, and/or other components.

As with other states, Hawai'i's resource caregivers currently receive additional benefits such as: QUEST health insurance, difficulty of care payments, clothing allowances, special circumstances and/or events payments, designated transportation costs, respite care and child care coverage, limited liability insurance, training, and other additional enhancements and supports.

Recommendations

- Increase the monthly foster care payment to resource caregivers utilizing the

cost projections contained in the United States Department of Agriculture's Expenditures on Children by Families Report.

- Use an age adjusted system utilizing age groupings.
- Include for those eligible families, the current annual clothing allowance of \$600, prorated to a monthly amount of \$50 into the board rate.¹

REPORT

At the close of the 2013 Legislative Session, the Department of Human Services (DHS) initiated a collaborative process to review and develop recommendations for increasing the foster care board payments to resource families caring for children in the DHS' child welfare system (CWS). This effort was in direct response to shared concerns expressed by Legislators, resource families, foster youth and the DHS.

This report reflects the work done since the close of the 2013 Legislative Session and provides background and a methodology that supports the budget request submitted by the DHS to the 2014 Legislature, requesting funds to increase foster board payments to resource families.

Discussion

Several important studies have been published recently to assess the type and methodologies used by states to determine their payment rates for resource caregivers. A study conducted by Kerry DeVooght, Child Trends and Dennis Blazey, Family Foster Care Reimbursement Rates in the U.S. A Report from a 2012 National Survey on Family Foster Care Provider Classification and Rates published in 2013 and funded by the Annie E. Casey Foundation, Casey Family Programs and Child Trends, analyzed payment data from 46 states (Hawai'i was not one of the states included in this study). The study revealed that the majority of states classify children into different payment groups based on the age of the child; all states provided some type of "difficulty of care" or "special needs" categorical assistance using a diagnostic tool selected by the state to determine the child's needs and level of care; most states pay the same rate across the state regardless of the geographic location of the home; the basic rate in the majority of states falls well below the actual expenditures of caring for a child in foster care; and the states vary widely on what they provide and what methodology they use to providing assistance to caregivers. Some states include such items as emergency clothing or a regular clothing allowance, transportation, and personal incidentals, in the basic reimbursement rate and others do not.

A second leading study, Children's Rights, National Foster Parent Association, and University of Maryland School of Social Work, Hitting the M.A.R.C. Establishing Foster Care Minimum Adequate Rates for Children 2007, known as the MARC Report is also frequently cited as an influential report on rate care setting. The MARC report used Consumer Expenditure Survey (CES) data which is a nationally representative annual survey of households that describes the buying habits of American families. The MARC attempted to match the "categories of foster care spending for which the federal government reimburses under Title IV-E." Thus the categories under this report differ from the set of costs reflected in the USDA estimates of the cost of raising children. For example, the MARC report includes "liability and property insurance," while the USDA estimates include a broad category of housing costs, education and health care costs.

¹ Under Hawai'i Administrative Rules, families receiving adoption assistance do not receive a clothing allowance.

The MARC study attempts to establish a minimum adequate rate for children living in foster care. The authors argue that foster children are more costly than non foster children and thus, they adjusted many categories upward. For example the MARC study estimates that foster children spend 15% more in school supplies than non foster children, 10% more on food, and 15% more in personal incidentals. To support the upward adjustment, the MARC report cites a 2002 study by McHugh, The Costs of Caring: A Study of Appropriate Foster Care Payments for Stable and Adequate Care in Australia. McHugh argues that because foster children often suffer from trauma, this results in behaviors and needs that entail increased costs when compared to other children. Most states, however, address this issue by creating an additional payment category called a special needs payment or difficulty of care payment to accommodate the additional costs for individual behavioral and health needs. This is the approach adopted by Hawai'i.

To provide some additional background, some children in the foster care system qualify under the Title IV-E of the Social Security Act for federal financial assistance to help cover state foster care maintenance payments (see 42 U.S. C. 675 (4) (a), for eligible children. For these eligible children who come from low-income families, there is a federal dollar match for the foster care payments. Since the number of eligible children varies at any given time, the DHS uses averages, based on prior years, to estimate the federal and state match for budgetary requests.

In addition, this report addresses just board payment and not all payments that are part of a larger foster care payment system that provides for health care, transportation, special needs/difficulty of care etc. Also note that any increase in the basic board payment that is provided to resource caregivers also applies to families eligible for adoption assistance, permanency assistance, youth receiving higher education board allowance payments, and to young adults who choose to enroll in the new program of extended Voluntary Care to age 21. Importantly, this report does not address Hawai'i's difficulty of care payments which is currently set at a maximum \$570 per month.

Scanning the States

DeVooght et al. surveyed all the states to examine foster care provider classifications and rates. While they attempted to compare the data across the states, they concluded that these data are difficult to analyze since there is significant variation about what is included in the different state's payment and benefit mix. For example, Arkansas had the lowest average board rate at \$427 a month, but they provide a clothing allowance of \$200 "sometimes" and "extraordinary expenses" may be reimbursed, with advanced agreement. Oregon has three levels of care and 4 levels of personal care that are used to determine their rates. Nebraska has a 14-point reimbursement system that determines the rate paid based on the needs of the individual child. No state revises their payment rates automatically on a set time schedule, or revises the rates automatically based on inflation or the cost of living index. (One exception is the District of Columbia that *does* adjust its rates annually based on U.S. Department of Agriculture's Expenditures on Children by Families Report.) DeVooght et al. conclude that the basic foster care rates in most states fall below the cost-of-care estimates for all age groups.

Sample methodologies adopted by specific states are as follows:

1. Oregon

The state began developing its new foster rate system in 2008. Oregon's methodology used five of the cost categories enumerated in Title IV-E and listed in the MARC report: food, clothing, shelter, daily supervision, and personal incidentals. Oregon policymakers then relied upon the USDA estimates of annual expenditures on children of different ages by a middle-income family in the "Urban West."

Oregon then adjusted upward using the McHugh multipliers as recommended in the MARC report. For example, the USDA food amount was increased by 10%, but because Title IV-E does not contemplate reimbursement for mortgage or rent, property taxes or insurance, the USDA housing cost was reduced by 40% to reflect only utilities, household furnishings, and appliances. Currently Oregon's basic rates depending on age range from \$18.90 per day to \$24.36 per day.

2. North Carolina

In 2005 North Carolina assessed its foster care rates with primary reliance on the USDA reports. North Carolina elected used the lowest income bracket of the USDA report income brackets because it most clearly matched the median income levels of North Carolina residents. North Carolina then took the USDA data costs for housing, food, transportation, clothing and miscellaneous and used those rates to establish the basic rates. Currently, North Carolina's basic rates depending upon age range from \$15.62 per day to \$20.84 per day.

3. Indiana

In August 2011, Indiana contracted with the Center of Business and Economic Research at Ball State University to conduct a foster care *survey* of all foster parents for the Indiana Department of Child Services. While states often use some type of data like the U.S Department of Agriculture's Expenditure on Children by Families to consider when establishing their foster board rate, the study in Indiana examined the *specific* expenditures allowable under Title IV-E of the Social Security Act as *reported by current foster parents*. The survey analyzed two groups of children: young children (infants to 4 years of age) and other children (5-18).

The Indiana study measured the *incremental* cost of an additional child which they considered to be more relevant for determining an appropriate foster board payment. The cost categories considered the *median daily cost per day* and included Breakfast, lunch, dinner, snacks, dining out and other food costs; On-going clothing; Increase in utilities; Personal incidentals (personal hygiene and school supplies for those over 5); and Travel and daily supervision. In doing so, Indiana rejected the underlying premises of the MARC Report (2007) which it considered to be unreliable. Based upon its study, Indiana's current basic rate ranges from \$18.28 per day to \$22.90 per day, based upon age.

Hawai'i's Current Approach

Hawai'i uses a base rate of \$529 a month to reimburse resource caregivers. In addition, all foster children in Hawai'i receive QUEST medical insurance covering medical, dental, behavioral health and prescription medications. In addition to the tax free current basic rate of \$529 per month and Med-QUEST coverage, the DHS' currently provides a broad array of other supports for resource families under its administrative rules (HAR 17-1617) including:

1. Difficulty of Care Payments

Difficulty of Care Payments are provided for a child who requires more care and supervision as documented by a treating professional because of the child's physical, emotional, psychological and/or behavioral needs. The difficulty of care payment is determined based upon the child's needs with the

maximum amount of \$570 per month. This difficulty of care allowance is then added to the base foster care board rate.

2. **Other Transportation Costs**

- a. School bus fare or private car mileage – Car mileage is paid to resource families at the current established state mileage rate when free school transportation not available for the months school is in session.
- b. Local bus fare, private care mileage, taxi fare is paid for medical/therapy – Available when transportation services not covered by Med-Quest or Medicaid and when other resources not available. Car mileage paid to resource families at the current established state mileage rate.
- c. Transportation to effect placement or reunify with family out of State – Transportation for out of state travel needs prior approval from DHS.
- d. Transportation for resource caregivers to attend authorized meetings such as trainings.
- e. Transportation for child visitation/ohana time with parents and siblings.

3. **Other Medical Treatments / Medicines for Resource Family Needed as a Result of a Foster Child's Condition**

Up to \$500 per incident or \$500 may be authorized when cleaning supplies or special immunizations, testing or treatment is needed to ensure the child and the resource family's well-being.

4. **Clothing Allowance**

In 2013, the state Legislature increased the allotment for clothing by \$100 to \$600 annually for children in foster care. This fall CWS amended its rules and resource families are no longer required to submit requests to receive the clothing allotment. Instead, resource families will automatically receive semi-annual payments for children in their care. The clothing allowance may now also be used to purchase diapers. In addition, upon placement in a new home, resource families receive an allowance, as needed, to ensure that a child has sufficient clothing.

5. **Group Activity Fees for Organized Group Activities**

This includes organized group activities that are determined necessary for the child's growth and development (e.g. Scouts, YMCA, YWCA, Community Soccer, Community Baseball, Community Swimming, Boys and Girls Clubs).

6. **Enhancement Fund**

Funds from Geist Foundation through Family Programs Hawai'i – limited to \$500/child/year (extracurricular, social activities, hobbies, camps, other enhancements, etc.).

7. **Respite Care Funds**

Each resource family can receive up to 10 days of respite per foster child at \$25/day; Family Programs Hawai'i provides respite resources and supplemental funding.

8. **Child Care**

Resource caregivers may be eligible for child care subsidies for their foster children. BESSD does not include a resource caregiver's income in the child care eligibility determination for foster children.

9. **Additional costs covered for services and care provided to foster children**

Free school lunch, free Summer Program, free A+ after school program at public schools.

10. **Limited Liability Insurance**

Bodily Injury & Property Damage; Defense Payments.

11. **Completion Awards**

\$100 gift cards for completion of Unconditional Licensure and Unconditional Renewal Licensures (which includes mandatory ongoing training requirements).

12. **Support Groups**

Free Statewide Support Groups for resource families and Post-Permanency Families through DHS contractors, various foster care coalitions partially funded by DHS, community-based providers, and others. Child Care and Meals/Snacks are often provided.

13. **Training**

Free Statewide training for resource families and Post-Permanency Families through DHS' contractors, various foster care coalitions partially funded by DHS, and community-based providers. Child Care and Meals/Snacks are often provided.

14. **Family Events**

Free Statewide events for resource families and post permanency families through DHS' contractors, and various foster care coalitions partially funded by DHS, community-based providers, the community, businesses, and foundations. These events are often connected with National Foster Care Month, a National Adoption Month, Recognition of resource families, holiday parties, and summer picnics.

15. **Warm Line, Resource Referrals, Newsletters, Care To Share**

DHS contractor provides newsletters, referrals and other supportive services to families.

Hawaii’s methodology for developing a new foster care board rate is based upon the 2011 USDA Estimated Annual Expenditures on a Child by Middle Income (average before tax income = 79,240) Husband-Wife Families, Urban West (Table 1). The USDA methodology is a recognized tool utilized by states across the nation in determining foster board rates. Because a resource family must be self sufficient prior to the placement of a child in the home, the DHS selected the middle income, before tax, estimated annual child expenditure rate as its starting point.

Table1: Estimated annual expenditures on a child by husband-wife families, urban west, 2011

Before-tax income: \$58,890 to \$101,960 (average =\$79,240)

Age of Child	Housing	Food	Misc.	Total Annual Expense	Total Monthly Expense
0 – 2	\$4,670	\$1,440	\$1,020	\$7,130	\$594
3 – 5	4,670	1,530	1,220	7,420	618
6 – 8	4,670	2,150	1,240	8,060	672
9 – 11	4,670	2,460	1,230	8,360	697
12 – 14	4,670	2,640	1,300	8,610	718
15 – 17	4,670	2,630	1,180	8,480	707

The Western region consists of Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming

In developing Hawaii’s new foster care board rate structure, only three of the cost categories, *housing, food, and miscellaneous*, as listed in the 2011 USDA report, were utilized in deriving Hawaii’s proposed basic foster care board rate.² The other USDA cost categories of transportation, clothing, health care, child care and education were not factored because Hawaii’s resource families currently receive separate individualized payments or subsidies for these expenses, or they are provided through other existing programs. For example, health care is provided for all foster children through the State’s comprehensive Med-QUEST program. Similarly, a free and comprehensive education is provided through the Department of Education After school A-Plus care costs are reimbursed by the CWS and resource families are eligible to participate in the DHS’ Pre-School Open Door’s program. Similarly, transportation costs are reimbursed for specified activities. The DHS provides an annual clothing allowance of \$600 with additional allowances upon placement into a new home, and a \$125 per annum allowance for special occasions such as prom, athletic endeavors or other similar enriching events.

Under the USDA formula, housing expenditures include shelter (mortgage interest, property taxes or rent, maintenance and repairs, insurance, utilities (gas, electricity, fuel, cell/telephone, and water), and household furnishings and equipment (furniture, floor coverings, and major and small appliances).³ Although Title IV-E does not expressly contemplate reimbursement of resource parents for mortgage interest, property taxes or rent, insurance, and

² Lino, Mark (Aug 2013). Expenditures on Children by Families 2012. USDA Center on Nutrition and Policy and Promotion. Publication 1528-2012. Table 3: Estimated Annual Expenditures on a Child by Husband-Wife Families, Urban West, 2012.

³ Ibid. p.2

maintenance and repairs, the USDA housing expenditure standard nevertheless provides a useful benchmark of child rearing costs and is relied upon by myriad other states in setting their foster board payment rates.

The USDA food expenditures for an average family include food and nonalcoholic beverages purchased at grocery, convenience, and specialty stores, dining at restaurants, and household expenditures on school meals.

The USDA Miscellaneous expenses consist of personal care items (haircuts, toothbrushes, etc.), entertainment (television, computers, etc.) and reading materials (non-school books, magazines, etc.).⁴ Hawaii’s basic board rates should cover these miscellaneous expenses as well.

Annual Clothing expenses as estimated by USDA consist of children’s apparel such as diapers, shirts, pants, dresses, and suits; footwear; and clothing services such as dry cleaning, alterations, and repair.⁵ Rather than utilizing the 2011 USDA Annual Estimated Clothing expenditures, the DHS prorated the present \$600 annual clothing allotment, at \$50 per month, into the monthly board board payment rate. Actual payout will be twice a year before the beginning of school and near the Christmas holidays, at \$300 per payment. Resource families may request an additional \$150 per annum to assist with special clothing needs such as prom dresses or sport uniforms, and are also entitled to an additional clothing allowance, as needed, upon initial placement of a child.

Utilizing the 2011 USDA estimated *Housing, Food, and Miscellaneous* expenditures and averaging the USDA age brackets to correspond to an age tiered structure (0-5, 6-11, and over 12 years of age) The, DHS calculated the USDA’s estimated total monthly expenses by age for 2011 and compared this expenditure to DHS’s current 2013 Foster Care board rate.

As shown in Table 2, below, the current 2013 DHS foster care board rate of \$529 per month falls short of meeting the USDA estimated cost of raising a child in Hawai‘i.

Table 2: Annual and Monthly Estimated 2011 USDA Expenditures on a Child by Age in Comparison to Hawaii’s current 2013 Foster Care Board Rate

Based Upon the 2011 USDA Estimated Annual Expenditures on a Child by Husband-Wife Families, Urban West
(Before-tax income: \$58,890 to \$101,960 (average =\$79,240))

Age of Child	Type of Assistance*	2011 Housing Expense	2011 Food Expense	2011 Misc. Expense	2011 USDA Estimated Total Annual Expense	2011 USDA Estimated Total Monthly Expense	Current 2013 CWS Foster Care Board Rate
0 – 5	FC	\$4,670	\$1,485	\$1,120	\$7,275	\$606	\$529
	PA	4,670	1,485	1,120	7,275	606	529
	AA	4,670	1,485	1,120	7,275	606	529
6 – 11	FC	\$4,670	\$2,305	\$1,235	\$8,210	\$684	\$529
	PA	4,670	2,305	1,235	8,210	684	529

⁴ Ibid. p.2.

⁵ Ibid. p.2.

	AA	4,670	2,305	1,235	8,210	684	529
12+	FC	\$4,670	\$2,635	\$1,240	\$8,545	\$712	\$529
	PA	4,670	2,635	1,240	8,545	712	529
	AA	4,670	2,635	1,240	8,545	712	529
	Higher Ed	4,670	2,635	1,240	8,545	712	529
	FC to 21	4,670	2,635	1,240	8,545	712	529

*Legend:

FC- Foster Care

PA- Permanency Assistance

AA- Adoption Assistance

Current Cost of Hawaii's Foster Care System

The current annual cost of Hawaii's Foster Care system using Hawaii's Current 2013 Foster Care Board rate of \$529 a month is \$38,145,132 (Table 3).

Age of Child	Type of Assistance*	Current 2013 Hawaii CWS Monthly Foster Care Rate	June 2013 Number of CWS Foster Children	Monthly Cost of Current Foster Care Board Rate**
0 – 5	FC	\$529	532	\$281,428
	PA	\$529	31	\$16,399
	AA	\$529	322	\$170,338
		subtotal:	885	\$468,165
6 – 11	FC	\$529	326	\$172,454
	PA	\$529	221	\$116,909
	AA	\$529	1,498	\$792,442
		subtotal:	2,045	\$1,081,805
12+	FC	\$529	333	\$176,157
	PA	\$529	571	\$302,059
	AA	\$529	1,740	\$920,460
	Higher Ed	\$529	300	\$158,700
	FC to 21	\$529	135	\$71,415
		subtotal:	3,079	\$1,628,791
Total Monthly Cost:				\$3,178,761
Total Annual Cost:				\$38,145,132

*Legend:

FC- Foster Care

PA- Permanency Assistance

AA- Adoption Assistance

The total annual cost of \$38,145,132 includes all children receiving basic foster care assistance, permanency assistance and adoption assistance. The total annual cost does not include any additional Difficulty of Care (DOC)⁶ payments that a foster child may also receive in addition to their basic foster care board rate.

Alternate Foster Care Board Rate Structures Proposed

The DHS analyzed three different Foster Care Board Rate Structures and the funding required for each Option. The following is an analysis of the three different Options.

⁶ DOC are payments provided in addition to the basic board rate for a child who requires more care and supervision as documented by a treating professional because of the child's physical, emotional, psychological, and/or behavioral needs or as documented by appropriate school personnel when the child requires academic or educational assistance over and above the average assistance needed for a child. (HAR §17-1617-3)

Option 1:

1. Meet 2011 USDA Monthly Expense by 100%
2. Provide Clothing allowance of \$50 per month, with the exception of those on Adoption Assistance (AA)

OPTION 1: Clothing Allowance Per Month: \$50					% USDA Monthly Expense: 100%				
Age of Child	Type of Assist	June 2013 Number of CWS Foster Children	2011 USDA Estimate Total Monthly Expense	Current 2013 CWS FC Board Rate	Net Amt increased	Increased Monthly Board Rate w/o Clothing	Monthly add'l clothing rate	Increased Monthly Board Rate w/ Clothing	Monthly Cost of Increased Board Rate w/Clothing
0 – 5	FC	532	\$606	\$529	\$77	\$606	\$50	\$656	\$348,992
	PA	31	\$606	\$529	\$77	\$606	\$50	\$656	\$20,336
	AA	322	\$606	\$529	\$77	\$606	\$0	\$606	\$195,132
	subtotal:	885							\$564,460
6 – 11	FC	326	\$684	\$529	\$155	\$684	\$50	\$734	\$239,284
	PA	221	\$684	\$529	\$155	\$684	\$50	\$734	\$162,214
	AA	1,498	\$684	\$529	\$155	\$684	\$0	\$684	\$1,024,632
	subtotal:	2,045							\$1,426,130
12+	FC	333	\$712	\$529	\$183	\$712	\$50	\$762	\$253,746
	PA	571	\$712	\$529	\$183	\$712	\$50	\$762	\$435,102
	AA	1,740	\$712	\$529	\$183	\$712	\$0	\$712	\$1,238,880
	Higher Ed	300	\$712	\$529	\$183	\$712	\$50	\$762	\$228,600
	FC to 21	135	\$712	\$529	\$183	\$712	\$50	\$762	\$102,870
	subtotal:	3,079							\$2,259,198
TOTAL:		6,009							
Total Monthly:									\$4,249,788
Total Annual:									\$50,997,456
Current Annual Cost Using Current Board Rate (\$529/mo):									(\$38,145,132)
FY 2014 Clothing Budget Allowance									(\$1,469,400)
Add'l Funds Needed Annually for Board Rate Increase									\$11,382,924

NOTE:

1. Children on Adoption Assistance (AA) do not receive clothing allowance.
2. Costs do not include Difficulty of Care payments which some foster children receive in addition to board payments.
3. Based on the 2011 USDA estimated annual expenditures on a child, Urban West (Before income tax average=\$79,240)
4. The average daily basic rate for children 0-5 is \$21.57; for children 6-11 the rate is \$24.13; and for children 12 and over the rate is \$25.05.

Option 2:

1. Meet 2011 USDA Monthly Expense by 95%
2. Provide Clothing allowance of \$50 per month

OPTION 2: Clothing Allowance Per Month: \$50					% USDA Monthly Expense: 95%					
Age of Child	Type of Assist	June 2013 Number of CWS Foster Children	2011 USDA Estimate Total Monthly Expense	Current 2013 CWS FC Board Rate	Net Amt increased	Increased Monthly Board Rate w/o Clothing	Monthly add'l clothing rate	Increased Monthly Board Rate w/ Clothing	Monthly Cost of Increased Board Rate w/Clothing	
0 – 5	FC	532	\$606	\$529	\$47	\$576	\$50	\$626	\$333,032	
	PA	31	\$606	\$529	\$47	\$576	\$50	\$626	\$19,406	
	AA	322	\$606	\$529	\$47	\$576	\$0	\$576	\$185,472	
	subtotal:	885							\$537,910	
6 – 11	FC	326	\$684	\$529	\$121	\$650	\$50	\$700	\$228,200	
	PA	221	\$684	\$529	\$121	\$650	\$50	\$700	\$154,700	
	AA	1,498	\$684	\$529	\$121	\$650	\$0	\$650	\$973,700	
	subtotal:	2,045							\$1,356,600	
12+	FC	333	\$712	\$529	\$147	\$676	\$50	\$726	\$241,758	
	PA	571	\$712	\$529	\$147	\$676	\$50	\$726	\$414,546	
	AA	1,740	\$712	\$529	\$147	\$676	\$0	\$676	\$1,176,240	
	Higher Ed	300	\$712	\$529	\$147	\$676	\$50	\$726	\$217,800	
	FC to 21	135	\$712	\$529	\$147	\$676	\$50	\$726	\$98,010	
	subtotal:	3,079							\$2,148,354	
TOTAL:		6,009						Total Monthly:	\$4,042,864	
									Total Annual:	\$48,514,368
									Current Annual Cost Using Current Board Rate (\$529/mo):	(\$38,145,132)
									FY 2014 Clothing Budget Allowance	(\$1,469,400)
									Add'l Funds Needed Annually for Board Rate Increase	\$8,899,836

NOTE:

1. Children on Adoption Assistance (AA) do not receive clothing allowance.
2. Costs do not include Difficulty of Care payments which some foster children receive in addition to board payments.
3. Based on the 2011 USDA estimated annual expenditures on a child, Urban West (Before income tax average=\$79,240)
4. The average daily basic rate for children 0-5 is \$20.58; for children 6-11 the rate is \$23.01; and for children 12 and over the rate is \$23.86.

Option 3:

1. Meet 2011 USDA Monthly Expense by 94%
2. Provide Clothing allowance of \$50 per month

OPTION 3: Clothing Allowance Per Month: \$50					% USDA Monthly Expense: 94%				
Age of Child	Type of Assist	June 2013 Number of CWS Foster Children	2011 USDA Estimate Total Monthly Expense	Current 2013 CWS FC Board Rate	Net Amt increased	Increased Monthly Board Rate w/o Clothing	Monthly add'l clothing rate	Increased Monthly Board Rate w/ Clothing	Monthly Cost of Increased Board Rate w/Clothing
0 – 5	FC	532	\$606	\$529	\$41	\$570	\$50	\$620	\$329,840
	PA	31	\$606	\$529	\$41	\$570	\$50	\$620	\$19,220
	AA	322	\$606	\$529	\$41	\$570	\$0	\$570	\$183,540
	subtotal:	885							\$532,600
6 – 11	FC	326	\$684	\$529	\$114	\$643	\$50	\$693	\$225,918
	PA	221	\$684	\$529	\$114	\$643	\$50	\$693	\$153,153
	AA	1,498	\$684	\$529	\$114	\$643	\$0	\$643	\$963,214
	subtotal:	2,045							\$1,342,285
12+	FC	333	\$712	\$529	\$140	\$669	\$50	\$719	\$239,427
	PA	571	\$712	\$529	\$140	\$669	\$50	\$719	\$410,549
	AA	1,740	\$712	\$529	\$140	\$669	\$0	\$669	\$1,164,060
	Higher Ed	300	\$712	\$529	\$140	\$669	\$50	\$719	\$215,700
	FC to 21	135	\$712	\$529	\$140	\$669	\$50	\$719	\$97,065
subtotal:	3,079							\$2,126,801	
TOTAL:		6,009							
Total Monthly:									\$4,001,686
Total Annual:									\$48,020,232
Current Annual Cost Using Current Board Rate (\$529/mo):									(\$38,145,132)
FY 2014 Clothing Budget Allowance									(\$1,469,400)
Add'l Funds Needed Annually for Board Rate Increase									\$8,405,700

NOTE:

1. Children on Adoption Assistance (AA) do not receive clothing allowance.
2. Costs do not include Difficulty of Care payments which some foster children receive in addition to board payments.
3. Based on the 2011 USDA estimated annual expenditures on a child, Urban West (Before income tax average=\$79,240)
4. The average daily basic rate for children 0-5 is \$20.38; for children 6-11 the rate is \$22.78; and for children 12 and over the rate is \$23.64.



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF SB 2772: Relating to Foster Care

TO: Senator Suzanne Chun Oakland, Chair, Senator Josh Green, Vice Chair, and Members, Committee on Human Services

FROM: Trisha Kajimura, Social Policy Director, Catholic Charities Hawaii

Hearing: **Thursday, February 13, 2014, 1:15 pm; Conference Room 016**

Thank you for the opportunity to testify on SB 2772, which increases the rate of monthly board payments for foster children in Hawaii. I am Trisha Kajimura, Social Policy Director for Catholic Charities Hawaii. **I am testifying in support of SB 2772.**

Catholic Charities Hawaii (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawaii for over 60 years. CCH has programs serving elders, children, developmentally disabled, homeless and immigrants. Our mission is to provide services to the most vulnerable of the people in Hawaii.

Catholic Charities Hawaii has a long history of working with children in foster care and their families. We provide training to foster families and work with biological families to maintain custody of their children or become reunified with them. We have an in-depth, professional understanding of the dynamics of child abuse and neglect and the resources it takes for foster parents to effectively parent foster children. Many of these resources are mental and emotional and really cannot be defined by a price tag. However, it is easy to understand that with the high cost of living in Hawaii, \$529 per month is not enough to cover the costs of caring for a foster child.

Hawaii's high cost of living, including the highest cost of shelter in the country¹ and food costs for a family of four at 68% more than the mainland², makes providing for a family difficult as it is. We cannot expect families to provide care for additional children, some with special needs, at their own considerable expense. We must provide foster board payments that are fair and dignified.

Recruitment of resource (foster) families has become increasingly challenging for agencies and it is clear that the significant contribution these families make to our communities by caring for children in need is very important. They are the best chance that these children have for breaking the cycle of family violence that they are caught in. We cannot financially compensate these families for the sacrifices that they make but we must try to reasonably pay for the living expenses of the children that they care for.

Please help us continue to support resource families in caring for Hawaii's children in need. Catholic Charities Hawaii urges you to pass HB 1576.

Thank you for the opportunity to testify. Please contact me at (808)527-4810 or trisha.kajimura@catholiccharitieshawaii.org if you have any questions.

¹ Hawaii 2013 State Housing Profile, National Low Income Housing Coalition. <http://nlihc.org/sites/default/files/SHP-HI.pdf>.

² Based on the U.S. Department of Agriculture's Thrifty Food Plan, which is used as the basis for Supplemental Nutrition Assistance Program benefits. See <http://www.cnpp.usda.gov/usdafoodplanscostoffood.htm>.

TO: Senator Suzanne Chun Oakland, Chair
Senator Josh Green, M.D., Vice Chair
Committee on Human Services

HEARING: Thursday, Feb. 13, 2014
1:15 pm
Conference Room 016

FROM: Chiyomi Chow

RE: SB 2772 – Relating to Foster Care Services

Thank you for the opportunity to testify. I strongly support this bill.

As an adoptive parent, who previously provided foster care, I can tell you that providing foster care is not an easy calling. It takes lots of patience, adjusting of parenting strategies, time and energy, willingness to work with others on the team, and unconditional love.

Resource families already give enough to the children that they open their homes to. They should not have to give of their finances too. We all know that the cost of caring for a child has gone up in the last 24 years, so the foster board rate should reflect that increase.

I am thankful that the Department of Human Services has written their Hawai'i Foster Care Rate Report, which shows the need for an increase. I would like to add that I believe that the foster board rate should reflect the 2012 USDA Estimated Annual Expenditures, instead of the information from 2011. The clothing cost should also reflect the amount provided by the 2012 USDA report, which averages to \$69 per month.

Also, the information that DHS used in their report did not take into account the higher cost of living in Hawaii as compared to the Urban West US. In 2012, the Consumer Price Index (CPI) for the West Urban area was 232.376, and in Honolulu it was 249.474. This 6.8% difference should be calculated into the foster board rate, as well.

Please see the attached three proposed board rate increases which are in similar format with DHS's report.

Again, I strongly support this bill and urge you to increase the foster board reimbursement rate. As custodians of the children in foster care, the State should pay 100% of the children's financial needs.

Sincerely,

Chiyomi Chow

It Takes an `Ohana's Proposed Foster Care Board Rate

It Takes an `Ohana's Advisory Committee is proposing 3 different options in response to DHS's Hawai'i Foster Care Rate Report.

Option A:

1. Meet 2012 USDA Monthly Expense by 100%, plus 6.8% increase due to cost of living higher in Hawai'i
2. Provide Clothing Allowance in alignment with average 2012 USDA Monthly Clothing Expense (\$69), with the exemption of those on Adoption Assistance (AA)

Clothing Allowance Per Month: \$69						% USDA Monthly Expense: 106.8%				
Age of Child	Type of Assist	June 2013 Number of CWS Foster Children	2012 USDA Estimate Total Monthly Expense (Urban West Area)	2012 USDA Estimate Monthly Expense, plus 6.8%	Current 2014 CWS FC Board Rate	Net Amt increased	Increased Monthly Board Rate w/o clothing	Monthly add'l clothing rate	Increased Monthly Board Rate w/ Clothing	Monthly Cost of Increased Board Rate w/ Clothing
0-5	FC	532	\$617	\$659	\$529	\$130	\$659	\$69	\$728	\$387,296
	PA	31	\$617	\$659	\$529	\$130	\$659	\$69	\$728	\$22,568
	AA	322	\$617	\$659	\$529	\$130	\$659	\$0	\$659	\$212,198
	subtotal:	885								\$622,062
6-11	FC	326	\$697	\$744	\$529	\$215	\$744	\$69	\$813	\$265,038
	PA	221	\$697	\$744	\$529	\$215	\$744	\$69	\$813	\$179,673
	AA	1498	\$697	\$744	\$529	\$215	\$744	\$0	\$744	\$1,114,512
	subtotal:	2045								\$1,559,223
12+	FC	333	\$726	\$775	\$529	\$246	\$775	\$69	\$844	\$281,052
	PA	571	\$726	\$775	\$529	\$246	\$775	\$69	\$844	\$481,924
	AA	1740	\$726	\$775	\$529	\$246	\$775	\$0	\$775	\$1,348,500
	Higher Ed	300	\$726	\$775	\$529	\$246	\$775	\$69	\$844	\$253,200
	FC to 21	135	\$726	\$775	\$529	\$246	\$775	\$69	\$844	\$113,940
	subtotal:	3079								\$2,478,616
TOTAL:		6009								
Total Monthly:										\$4,659,901
Total Annual:										\$55,918,812
Current Annual Cost Using Current Board Rate (\$529/mo):										(\$38,145,132)
FY 2014 Clothing Budget Allowance										(\$1,469,400)
Add'l Funds Needed Annually for Board Rate Increase										\$16,304,280

NOTE:

1. Children on Adoption Assistance (AA) do not receive clothing allowance.
2. Costs do not include Difficulty of Care payments which some foster children receive in addition to board payments.
3. Based on the 2012 USDA estimated annual expenditures on a child, Urban West (Before income tax average=\$80,940) representing Western region, consisting of Alaska, Arizona, California, Colorado, Hawai'i, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.
4. Additional 6.8% increase based on difference of 2012 US Bureau of Labor Statistics CPI - All Urban Consumers All Items for West Urban and Honolulu
5. The average daily basic rate for children 0-5 is \$23.93; for children 6-11 the rate is \$26.73; and for children 12 and over, the rate is \$27.75.

It Takes an `Ohana's Proposed Foster Care Board Rate

Option B:

1. Meet 2012 USDA Monthly Expense by 100%
2. Provide Clothing Allowance in alignment with average 2012 USDA Monthly Clothing Expense (\$69), with the exemption of those on Adoption Assistance (AA)

Clothing Allowance Per Month: \$69					% USDA Monthly Expense: 100%					
Age of Child	Type of Assist	June 2013 Number of CWS Foster Children	2012 USDA Estimate Total Monthly Expense (Urban West Area)	Current 2014 CWS FC Board Rate	Net Amt increased	Increased Monthly Board Rate w/o clothing	Monthly add'l clothing rate	Increased Monthly Board Rate w/ Clothing	Monthly Cost of Increased Board Rate w/ Clothing	
0-5	FC	532	\$617	\$529	\$88	\$617	\$69	\$686	\$364,952	
	PA	31	\$617	\$529	\$88	\$617	\$69	\$686	\$21,266	
	AA	322	\$617	\$529	\$88	\$617	\$0	\$617	\$198,674	
	subtotal:	885							\$584,892	
6-11	FC	326	\$697	\$529	\$168	\$697	\$69	\$766	\$249,716	
	PA	221	\$697	\$529	\$168	\$697	\$69	\$766	\$169,286	
	AA	1498	\$697	\$529	\$168	\$697	\$0	\$697	\$1,044,106	
	subtotal:	2045							\$1,463,108	
12+	FC	333	\$726	\$529	\$197	\$726	\$69	\$795	\$264,735	
	PA	571	\$726	\$529	\$197	\$726	\$69	\$795	\$453,945	
	AA	1740	\$726	\$529	\$197	\$726	\$0	\$726	\$1,263,240	
	Higher Ed	300	\$726	\$529	\$197	\$726	\$69	\$795	\$238,500	
	FC to 21	135	\$726	\$529	\$197	\$726	\$69	\$795	\$107,325	
	subtotal:	3079							\$2,327,745	
TOTAL:		6009						Total Monthly:	\$4,375,745	
								Total Annual:	\$52,508,940	
									Current Annual Cost Using Current Board Rate (\$529/mo):	(\$38,145,132)
									FY 2014 Clothing Budget Allowance	(\$1,469,400)
									Add'l Funds Needed Annually for Board Rate Increase	\$12,894,408

NOTE:

1. Children on Adoption Assistance (AA) do not receive clothing allowance.
2. Costs do not include Difficulty of Care payments which some foster children receive in addition to board payments.
3. Based on the 2012 USDA estimated annual expenditures on a child, Urban West (Before income tax average=\$80,940) representing Western region, consisting of Alaska, Arizona, California, Colorado, Hawai'i, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.
4. The average daily basic rate for children 0-5 is \$22.55; for children 6-11 the rate is \$25.18; and for children 12 and over, the rate is \$26.14.

It Takes an `Ohana's Proposed Foster Care Board Rate

Option C:

1. Meet 2012 USDA Monthly Expense by 100%
2. Provide Clothing Allowance of \$50 per month, with the exemption of those on Adoption Assistance (AA)

Clothing Allowance Per Month: \$50					% USDA Monthly Expense: 100%					
Age of Child	Type of Assist	June 2013 Number of CWS Foster Children	2012 USDA Estimate Total Monthly Expense (Urban West Area)	Current 2014 CWS FC Board Rate	Net Amt increased	Increased Monthly Board Rate w/o clothing	Monthly add'l clothing rate	Increased Monthly Board Rate w/ Clothing	Monthly Cost of Increased Board Rate w/ Clothing	
0-5	FC	532	\$617	\$529	\$88	\$617	\$50	\$667	\$354,844	
	PA	31	\$617	\$529	\$88	\$617	\$50	\$667	\$20,677	
	AA	322	\$617	\$529	\$88	\$617	\$0	\$617	\$198,674	
	subtotal:	885							\$574,195	
6-11	FC	326	\$697	\$529	\$168	\$697	\$50	\$747	\$243,522	
	PA	221	\$697	\$529	\$168	\$697	\$50	\$747	\$165,087	
	AA	1498	\$697	\$529	\$168	\$697	\$0	\$697	\$1,044,106	
	subtotal:	2045							\$1,452,715	
12+	FC	333	\$726	\$529	\$197	\$726	\$50	\$776	\$258,408	
	PA	571	\$726	\$529	\$197	\$726	\$50	\$776	\$443,096	
	AA	1740	\$726	\$529	\$197	\$726	\$0	\$726	\$1,263,240	
	Higher Ed	300	\$726	\$529	\$197	\$726	\$50	\$776	\$232,800	
	FC to 21	135	\$726	\$529	\$197	\$726	\$50	\$776	\$104,760	
	subtotal:	3079							\$2,302,304	
TOTAL:		6009						Total Monthly:	\$4,329,214	
								Total Annual:	\$51,950,568	
									Current Annual Cost Using Current Board Rate (\$529/mo):	(\$38,145,132)
									FY 2014 Clothing Budget Allowance	(\$1,469,400)
									Add'l Funds Needed Annually for Board Rate Increase	\$12,336,036

NOTE:

1. Children on Adoption Assistance (AA) do not receive clothing allowance.
2. Costs do not include Difficulty of Care payments which some foster children receive in addition to board payments.
3. Based on the 2012 USDA estimated annual expenditures on a child, Urban West (Before income tax average=\$80,940) representing Western region, consisting of Alaska, Arizona, California, Colorado, Hawai'i, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.
4. The average daily basic rate for children 0-5 is \$22.93; for children 6-11 the rate is \$24.56; and for children 12 and over, the rate is \$25.51.



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To: **Senate Committee on Human Services, February 13, 2014**

From: **Delia Ulma, Statewide Initiative Coordinator**

Re: **Testimony in SUPPORT of SB 2772- Relating to Foster Care Services**

Aloha,

Aloha! My name is Delia Ulma and I am a Statewide Initiative Coordinator for the Hawai'i Youth Opportunities Initiative (HYOI). We are the local site for the national Jim Casey Youth Opportunities Initiative and EPIC 'Ohana is the lead agency for this Initiative in Hawai'i. The Initiative works with systems, such as the Department of Human Services, Child Welfare, other service providers and partners within the public and private sector to create opportunities and support transitioning foster youth to successfully move into adulthood and become a contributing part of our community.

I would like to submit testimony in SUPPORT of SB 2772 to increase foster board payments to an amount commensurate with the support needed in this economy for the care of young people in foster care. For over two decades, the reimbursement rate in Hawai'i of \$529 has not been changed, with foster parents picking up the extra expenses, should there be any. I speak not only in my professional capacity, but as a former foster and now adoptive parent. Expenditures vary from diapers and formula for infants, to increased food needs, utility usage and extracurricular activities for teenagers in care. In our island economy, \$529 does not meet the growing needs of children in foster care.

The work of HYOI focuses on creating and maintaining supports for young people as they transition out of foster care and into adulthood. For many of these young people, there is very little emotional and financial support when they exit foster care. In the U.S., over 25% of young people aging out of care experience homelessness, over 77% of young women will have a child by age 24, 81% of young men will be arrested and only 3% complete a bachelor's degree. Young people may be parents trying to work and go to college, while supporting a young family on their own. The foster board allowances, which become Higher Education Board Allowances if they attend school as young adults or up to age 21 if they are in the voluntary care to 21 program, which begins on July 1, 2014, are a vital resource for them in building a successful life. An amount of \$529 is not sufficient to assist with living expenses, particularly here in Hawai'i. I humbly ask that you support these children and young people in Hawai'i and pass this bill. Mahalo nui loa.



FAMILY PROGRAMS HAWAI'I

TO: Senator Suzanne Chun Oakland, Chair
Senator Josh Green, Vice Chair
Committee on Human Services

HEARING: Thursday, February 13, 2014
1:15pm
Conference Room 016

FROM: Linda Santos, President & CEO
Family Programs Hawai'i

RE: SB 2772 Relating to Foster Care Services

Senators Chun Oakland and Green,

Thank you for the opportunity to testify. Family Programs Hawai'i specializes in services related to the child welfare system. As a partner of the DHS contract, Hui Ho'omalua, FPH provides training and support to resource caregivers statewide. It Takes an Ohana, the "voice of resource caregivers," is one of Family Programs Hawai'i programs.

The state can be very proud of the reduction in the number of children in foster care which has occurred because of the implementation of new programs and best practice. The number of licensed resource caregivers has also declined, but the expectations for these dedicated families has increased.

Support for Resource Caregivers is crucial to the foster care system and the best interests of our children. Reimbursement to Resource Caregivers has not been increased in 23 years while the cost of raising children has dramatically increased. To adequately care for these children, the foster board rate must be increased. Without adequate reimbursement, it is difficult to recruit quality Resource Caregivers.

We respectfully support an increase to the reimbursement rate.



FAMILY PROGRAMS HAWAI'I

TO: Senator Suzanne Chun Oakland, Chair
Senator Josh Green, Vice Chair
Committee on Human Services

HEARING: Thursday February 13, 2014
1:15 pm
Conference Room 016

FROM: Judith Wilhoite
Family Programs Hawai'i

RE: SB 2772– Relating to Foster Care Services

Family Program Hawai'i's It Takes An `Ohana (ITAO) program's Advisory Committee strongly supports SB2772. We also support the work done by the DHS in developing a methodology to determine foster board rates in the *DHS Hawai'i Foster Care Rate Report* and deeply appreciate the DHS budget request for funds to increase the foster board payments. We believe this illustrates the DHS's resolve to better meet the needs of foster children and youth.

Whereas the foster board rates have not been changed in 24 years yet the needs of children and youth have steadily risen, we would like to offer a few recommendations, based on the methodology used by the DHS in the *DHS Hawai'i Foster Care Rate Report*.

At the time the DHS study began, the 2011 USDA data was the most recent data available. We recommend that the more recently published 2012 USDA Monthly Expense be used to calculate the monthly reimbursement rate. Furthermore, the *DHS Hawai'i Foster Care Rate Report* utilizes the "Estimated annual expenditures on a child by husband-wife families, urban West, 2011". This averages the states in the Western region of the US. According to the US Department of Labor, the cost of living in Hawai'i is higher by 6.8% than the figures in the USDA Urban West category. Thus, to guarantee that the needs of children and youth that the State has taken responsibility for are met, we recommend the reimbursement rate is calculated at 106.8% of the 2012 USDA Monthly Expense. We also recommend that we utilize the 2012 USDA recommended monthly clothing allowance with average of \$69 per month for the purpose of calculating the clothing needs of foster children.

To help see how these recommendations affect the budget, they have been charted out in the tables below, utilizing the format that DHS has used in the "Alternate Foster Care Board Rate Structures" proposed on pages 13 – 15 of the *DHS Hawai'i Foster Care Rate Report*.

We thank both the Legislature and the Department for all of the time and energy as well as support expended for this issue and for this opportunity to share our support and recommendations.

It Takes an `Ohana's Proposed Foster Care Board Rate

It Takes an `Ohana's Advisory Committee is proposing 3 different options in response to DHS's Hawai'i Foster Care Rate Report.

Option A:

1. Meet 2012 USDA Monthly Expense by 100%, plus 6.8% increase due to cost of living higher in Hawai'i
2. Provide Clothing Allowance in alignment with average 2012 USDA Monthly Clothing Expense (\$69), with the exemption of those on Adoption Assistance (AA)

Clothing Allowance Per Month: \$69						% USDA Monthly Expense: 106.8%				
Age of Child	Type of Assist	June 2013 Number of CWS Foster Children	2012 USDA Estimate Total Monthly Expense (Urban West Area)	2012 USDA Estimate Monthly Expense, plus 6.8%	Current 2014 CWS FC Board Rate	Net Amt increased	Increased Monthly Board Rate w/o clothing	Monthly add'l clothing rate	Increased Monthly Board Rate w/ Clothing	Monthly Cost of Increased Board Rate w/ Clothing
0-5	FC	532	\$617	\$659	\$529	\$130	\$659	\$69	\$728	\$387,296
	PA	31	\$617	\$659	\$529	\$130	\$659	\$69	\$728	\$22,568
	AA	322	\$617	\$659	\$529	\$130	\$659	\$0	\$659	\$212,198
	subtotal:	885								\$622,062
6-11	FC	326	\$697	\$744	\$529	\$215	\$744	\$69	\$813	\$265,038
	PA	221	\$697	\$744	\$529	\$215	\$744	\$69	\$813	\$179,673
	AA	1498	\$697	\$744	\$529	\$215	\$744	\$0	\$744	\$1,114,512
	subtotal:	2045								\$1,559,223
12+	FC	333	\$726	\$775	\$529	\$246	\$775	\$69	\$844	\$281,052
	PA	571	\$726	\$775	\$529	\$246	\$775	\$69	\$844	\$481,924
	AA	1740	\$726	\$775	\$529	\$246	\$775	\$0	\$775	\$1,348,500
	Higher Ed	300	\$726	\$775	\$529	\$246	\$775	\$69	\$844	\$253,200
	FC to 21	135	\$726	\$775	\$529	\$246	\$775	\$69	\$844	\$113,940
	subtotal:	3079								\$2,478,616
TOTAL:		6009							Total Monthly:	\$4,659,901
									Total Annual:	\$55,918,812
							Current Annual Cost Using Current Board Rate (\$529/mo):			(\$38,145,132)
							FY 2014 Clothing Budget Allowance			(\$1,469,400)
							Add'l Funds Needed Annually for Board Rate Increase			\$16,304,280

NOTE:

1. Children on Adoption Assistance (AA) do not receive clothing allowance.
2. Costs do not include Difficulty of Care payments which some foster children receive in addition to board payments.
3. Based on the 2012 USDA estimated annual expenditures on a child, Urban West (Before income tax average=\$80,940) representing Western region, consisting of Alaska, Arizona, California, Colorado, Hawai'i, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.
4. Additional 6.8% increase based on difference of 2012 US Bureau of Labor Statistics CPI - All Urban Consumers All Items for West Urban and Honolulu
5. The average daily basic rate for children 0-5 is \$23.93; for children 6-11 the rate is \$26.73; and for children 12 and over, the rate is \$27.75.

It Takes an 'Ohana's Proposed Foster Care Board Rate

Option B:

1. Meet 2012 USDA Monthly Expense by 100%
2. Provide Clothing Allowance in alignment with average 2012 USDA Monthly Clothing Expense (\$69), with the exemption of those on Adoption Assistance (AA)

Clothing Allowance Per Month: \$69					% USDA Monthly Expense: 100%				
Age of Child	Type of Assist	June 2013 Number of CWS Foster Children	2012 USDA Estimate Total Monthly Expense (Urban West Area)	Current 2014 CWS FC Board Rate	Net Amt increased	Increased Monthly Board Rate w/o clothing	Monthly add'l clothing rate	Increased Monthly Board Rate w/ Clothing	Monthly Cost of Increased Board Rate w/ Clothing
0-5	FC	532	\$617	\$529	\$88	\$617	\$69	\$686	\$364,952
	PA	31	\$617	\$529	\$88	\$617	\$69	\$686	\$21,266
	AA	322	\$617	\$529	\$88	\$617	\$0	\$617	\$198,674
	subtotal:	885							\$584,892
6-11	FC	326	\$697	\$529	\$168	\$697	\$69	\$766	\$249,716
	PA	221	\$697	\$529	\$168	\$697	\$69	\$766	\$169,286
	AA	1498	\$697	\$529	\$168	\$697	\$0	\$697	\$1,044,106
	subtotal:	2045							\$1,463,108
12+	FC	333	\$726	\$529	\$197	\$726	\$69	\$795	\$264,735
	PA	571	\$726	\$529	\$197	\$726	\$69	\$795	\$453,945
	AA	1740	\$726	\$529	\$197	\$726	\$0	\$726	\$1,263,240
	Higher Ed	300	\$726	\$529	\$197	\$726	\$69	\$795	\$238,500
	FC to 21	135	\$726	\$529	\$197	\$726	\$69	\$795	\$107,325
	subtotal:	3079							\$2,327,745
TOTAL:		6009			Total Monthly:				\$4,375,745
					Total Annual:				\$52,508,940
					Current Annual Cost Using Current Board Rate (\$529/mo):				(\$38,145,132)
					FY 2014 Clothing Budget Allowance				(\$1,469,400)
					Add'l Funds Needed Annually for Board Rate Increase				\$12,894,408

NOTE:

1. Children on Adoption Assistance (AA) do not receive clothing allowance.
2. Costs do not include Difficulty of Care payments which some foster children receive in addition to board payments.
3. Based on the 2012 USDA estimated annual expenditures on a child, Urban West (Before income tax average=\$80,940) representing Western region, consisting of Alaska, Arizona, California, Colorado, Hawai'i, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.
4. The average daily basic rate for children 0-5 is \$22.55; for children 6-11 the rate is \$25.18; and for children 12 and over, the rate is \$26.14.

It Takes an `Ohana's Proposed Foster Care Board Rate

Option C:

1. Meet 2012 USDA Monthly Expense by 100%
2. Provide Clothing Allowance of \$50 per month, with the exemption of those on Adoption Assistance (AA)

Clothing Allowance Per Month: \$50					% USDA Monthly Expense: 100%				
Age of Child	Type of Assist	June 2013 Number of CWS Foster Children	2012 USDA Estimate Total Monthly Expense (Urban West Area)	Current 2014 CWS FC Board Rate	Net Amt increased	Increased Monthly Board Rate w/o clothing	Monthly add'l clothing rate	Increased Monthly Board Rate w/ Clothing	Monthly Cost of Increased Board Rate w/ Clothing
0-5	FC	532	\$617	\$529	\$88	\$617	\$50	\$667	\$354,844
	PA	31	\$617	\$529	\$88	\$617	\$50	\$667	\$20,677
	AA	322	\$617	\$529	\$88	\$617	\$0	\$617	\$198,674
	subtotal:	885							\$574,195
6-11	FC	326	\$697	\$529	\$168	\$697	\$50	\$747	\$243,522
	PA	221	\$697	\$529	\$168	\$697	\$50	\$747	\$165,087
	AA	1498	\$697	\$529	\$168	\$697	\$0	\$697	\$1,044,106
	subtotal:	2045							\$1,452,715
12+	FC	333	\$726	\$529	\$197	\$726	\$50	\$776	\$258,408
	PA	571	\$726	\$529	\$197	\$726	\$50	\$776	\$443,096
	AA	1740	\$726	\$529	\$197	\$726	\$0	\$726	\$1,263,240
	Higher Ed	300	\$726	\$529	\$197	\$726	\$50	\$776	\$232,800
	FC to 21	135	\$726	\$529	\$197	\$726	\$50	\$776	\$104,760
	subtotal:	3079							\$2,302,304
TOTAL:		6009						Total Monthly:	\$4,329,214
								Total Annual:	\$51,950,568
								Current Annual Cost Using Current Board Rate (\$529/mo):	(\$38,145,132)
								FY 2014 Clothing Budget Allowance	(\$1,469,400)
								Add'l Funds Needed Annually for Board Rate Increase	\$12,336,036

NOTE:

1. Children on Adoption Assistance (AA) do not receive clothing allowance.
2. Costs do not include Difficulty of Care payments which some foster children receive in addition to board payments.
3. Based on the 2012 USDA estimated annual expenditures on a child, Urban West (Before income tax average=\$80,940) representing Western region, consisting of Alaska, Arizona, California, Colorado, Hawai'i, Idaho, Montana, Nevada, New Mexico, Oregon, Utah, Washington, and Wyoming.
4. The average daily basic rate for children 0-5 is \$22.93; for children 6-11 the rate is \$24.56; and for children 12 and over, the rate is \$25.51.

hale `opio kaula`i, inc.

Community Programs for Children, Youth and Families

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Executive Director

Sandra Cummings
Controller

TO: Senator Suzanne Chun Oakland, Chair
Senator Josh Green, M.D., Vice Chair
Committee on Human Services

HEARING: Thursday, Feb. 13, 2014
1:15 pm
Conference Room 016

FROM: LaVerne Bishop, Executive Director

RE: SB 2772 – Relating to Foster Care Services

I am writing to affirm the need to increase foster “resource” families’ room and board rate. Our current foster care rates do not cover the actual costs of caring for young people in the foster care system. \$529 a month does not adequately cover the growing costs of food, clothes, and utilities. While impacting recruitment and retention of foster families, it is the young person who is also negatively affected because the current rate does not cover the cost of caring for a child’s basic needs.

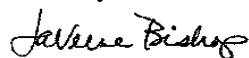
With a more equitable room and board rate, there is less stress on families to make ends meet and more time available to provide the nurturing required by children in state care, resulting in young people being more likely to live with one stable family throughout their time in foster care. When foster children are moved around to multiple homes, they cannot form trusting relationships with caregivers; they have more difficulty in school, and are more likely to have emotional and behavioral issues.

Increasing the stipend for foster care will also help transitioning foster youth who participate in the higher education program. By increasing the funds they have for basic expenses, they will be able to work fewer hours, allowing more time to concentrate on their education. This will increase college graduation rates, leading to greater self-sufficiency and less future dependence on public assistance.

Foster parents are already donating their time to take care of foster youth, if this bill passes, they won’t need to donate their savings too.

Thank you for this opportunity to testify in strong support of SB2772.

Sincerely,



LaVerne Bishop
Executive Director

TO: Senator Suzanne Chun Oakland, Chair
Senator Josh Green, M.D., Vice Chair
Committee on Human Services

HEARING: Thursday, Feb. 13, 2014, 1:15 pm
Conference Room 016

FROM: Brianne Lyn Nagamine

RE: SB 2772 – Relating to Foster Care Services

I, Brianne Lyn Nagamine, a board member of the Hawaii Foster Youth Coalition, submit a testimony in regards to the S.B. No 2772 bill that relates to foster care board payment increase. I believe this bill will benefit foster youth who attend college. I am a former foster youth. I was in the foster care system for almost 4 years. I started living on my own and attending college when I was 17 years old. I remember how hard it was for me to transition into just graduating high school to just having to do it all on my own. The higher ED payments which are the board payments you get once you turn 18 if you attend college has helped me transition. It was very difficult in the beginning; I had to make sure there was money to pay for school and my rent. If you think about it we are talking about foster youth whose parents didn't save up money to send them to college or even teach them the skills to make it on their own. After high school some students may go away for college with their parents help and some will stay home and continue living with their parents. For us foster youth we aren't normal. Many foster youth end up getting kicked out of their foster home after turning 18. They could be living on their own or even homeless with no job.

Back in high school I didn't have a plan for the future because I didn't think it could be possible to have one especially because how expensive it is to just survive here in the islands. When I moved away for college I thought I wasn't going to be able to do it. I felt scared and weak. If it wasn't for scholarships granting me with money for school as well as the higher ED payment and all of the supportive people. I don't think I would have been able to even make it through my first year or even my second year of college. Right now I only go to a community college; keep in mind that the tuition for a community college is cheaper than a university. Next semester which is fall 2014, I plan to transfer over to UH Manoa. Again here I am a full time student who is only able to work part time at the moment and a person who contributes lots of time volunteering so that I am able to gain experience. I barley even survive at times, but that's the sacrifice I make to be able to continue to go to school and have a place to live. Sometimes there is no left over money to buy food or even save for an emergency.

It's hard for us foster youth to be able to stay in school and continue our education when it's already hard for us to survive on a daily bases. This is only coming from my point of view but I know that there are other foster youth who would agree. On my behalf I would like to support

the S.B. No 2772 relating to the foster care increase of board payment bill. I think that if there was an increase in the board payment more foster youth would be able to continue their education and pursue a career they are passionate about. If this bill passes I know that it will be easier for me to focus on my education rather than giving it up to work a job that can't even pay for a month's rent. If the bill doesn't pass then that's fine too because I am very grateful to be able to get these kinds of financial support. I hope that more foster youth will voice their opinion towards this bill because I feel this is a very big opportunity for us, especially for the younger generation. I am glad that I could submit a testimony in order to let my voice be heard and be able to make a difference.

Brianne Lyn Nagamine
2280 Kuhio ave # 489
Honolulu, hi 96815
(808) 212-5835

HAWAII YOUTH SERVICES NETWORK

677 Ala Moana Boulevard, Suite 702 Honolulu, Hawaii 96813

Phone: (808) 531-2198 Fax: (808) 534-1199

Web site: <http://www.hysn.org> E-mail: info@hysn.org

Daryl Selman, President
Judith F. Clark, Executive Director
Aloha House
American Civil Liberties Union of Hawaii
Bay Clinic, Inc.
Big Brothers Big Sisters of Honolulu
Big Island Substance Abuse Council
Blueprint for Change
Bobby Benson Center
Catholic Charities Hawaii
Child and Family Service
Coalition for a Drug Free Hawaii
Courage House Hawaii
Domestic Violence Action Center
EPIC, Inc.
Family Programs Hawaii
Family Support Hawaii
Hale Kipa, Inc.
Hale 'Opio Kauai, Inc.
Hawaii Behavioral Health
Hawaii Student Television
Healthy Mothers Healthy Babies Coalition
Hina Mauka Teen Care
Hui Malama Learning Center
Kaanalike
Kahi Mohala Behavioral Health
KEY (Kualoa-Heeia Ecumenical Youth)
Project
Kids Hurt Too
Kokua Kalihi Valley
Life Foundation
Marimed Foundation
Maui Youth and Family Services
Palama Settlement
P.A.R.E.N.T.S., Inc.
Parents and Children Together (PACT)
Planned Parenthood of Hawaii
REAL
Salvation Army Family Intervention Svcs.
Salvation Army Family Treatment Svcs.
Sex Abuse Treatment Center
Susannah Wesley Community Center
The Catalyst Group
The Children's Alliance of Hawaii
Waikiki Health Center
Women Helping Women
YWCA of Kauai

February 10, 2014

To: Senator Suzanne Chun Oakland, Chair
And members of the Committee on Human Services

Testimony in Support of SB 2772 Relating to Foster Care

Hawaii Youth Services Network (HYSN), a statewide coalition of youth-serving organizations, supports SB 2772 Relating to Foster Care Services.

Our current foster care rates do not cover the actual costs of caring for young people in the foster care system. \$529 a month does not adequately cover the growing costs of food, clothes, and utilities. This makes it difficult to recruit and retain foster families.

Families who are interested in caring for foster children are telling youth workers that they cannot afford the costs that they themselves would have to contribute from their personal funds. They do not choose to become foster families for the money; the issue is that the amount of the board payment does not cover the cost of caring for a child's basic needs.

We can increase the stability of young people in care by increasing the foster care rates because children will be more likely to live with one stable family throughout their time in foster care. When foster children are moved around to multiple homes, they cannot form trusting relationships with caregivers, they have more difficulty in school, and they are more likely to have emotional and behavioral issues.

By maintaining a larger pool of foster families to match with the children, we also increase the probability that the foster family will have similar culture, values, and interests to the child. The child will be more likely to live in a familiar community and continue to attend the same school.

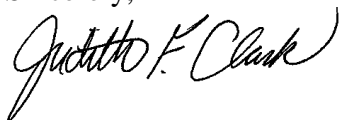
Increasing the stipend for foster care will also help the transitioning foster children who participate in the higher education program. By increasing the funds they have for basic expenses, they will be able to work fewer hours,

allowing more time to concentrate on their education. This will increase college graduation rates, leading to greater self-sufficiency and less future dependence on public assistance.

Foster parents are already donating their time to take care of foster youth, if this bill passes, they won't need to donate their savings too.

Thank you for this opportunity to testify.

Sincerely,

A handwritten signature in black ink that reads "Judith F. Clark". The signature is written in a cursive, flowing style.

Judith F. Clark, MPH
Executive Director



National Association of Social Workers Hawai'i Chapter

February 11, 2014

TO: Senator Suzanne Chun Oakland ~ Senate Committee on Human Services
Senator Josh Green, Vice Chair
and Committee Members

February 13, 2014 at 1:15 p.m. Conference Room 016

FROM: Marty Oliphant, Executive Director
National Association of Social Workers, Hawaii Chapter

RE: SB 2772 Relating to Foster Care - **SUPPORT**

Senator Suzanne Chun Oakland, Senator Josh Green Vice Chair, and members of the Senate Committee on Human Services, my name is Marty Oliphant. I serve as the Executive Director of the National Association of Social Workers, Hawai'i Chapter (NASW). NASW supports the intent of SB 2772 Relating to Foster Care.

We want to thank you for your consideration regarding this important and long overdue measure. Department of Human Services has not raised the monthly board rate for foster care services since 1990. This measure will allow DHS to evaluate the rate increase and its fiscal impact on the State. Hawai'i is the most expensive state to live in and the cost of caring for children have greatly increased since 1990. The current monthly rate for foster board payments is \$529.00. We urge the State to consider an appropriate increase that truly reflects the level of quality care that resource families (foster families) are providing children in Hawai'i.

We urge your favorable consideration of HB 1576.



**FOR YOUTH DEVELOPMENT®
FOR HEALTHY LIVING
FOR SOCIAL RESPONSIBILITY**

To: Senator Suzanne Chun Oakland, Chair
Senator Josh Green, M.D., Vice Chair
Committee on Human Services

Hearing: Thursday, February 13, 2014, 1:15PM
Conference Room 016

From: Michael Broderick *MB*

Re: SB2772 – Relating to Foster Care Services

WRITTEN TESTIMONY ONLY

Dear Chair Chun Oakland,

I write in strong support of SB2722, Relating to Foster Care Services. Resource caregivers play a major role in the lives of our most vulnerable children. It is critical that resource caregivers have the financial resources needed to give Hawaii's foster children the resources they need. SB2772 will help ensure that.

When I was a Family Court Judge, I presided over the Child Protective Services Calendar. Almost on a daily basis, I saw resource caregivers use their own financial resources to pay for essentials for their foster children. That is simply not right. I also personally observed some resource caregivers being forced to stop serving in that capacity because foster board reimbursements failed to cover the cost of caring for their foster children.

If we truly believe that Hawaii's children are the State's most valuable resource, then we must adequately compensate resource caregivers. Basic fairness demands no less.

Thank you for the opportunity to submit testimony on this important Bill.

TO: Senator Suzanne Chun Oakland, Chair
Senator Josh Green, Vice Chair
Committee on Human Services
HEARING: Thursday, February 13, 2014
TIME: 1:15 pm
PLACE: Conference Room 016
FROM: *GERNANI YUTOB, JR., PRESIDENT, HI H.O.P.E.S*
RE: SB 2772

Thank you for the opportunity to testify. My name is Gernani Yutob, Jr., and I am a former foster youth who spent four years in care in Hawai‘i and emancipated when I was 18 almost six years ago. I am also the president of the O‘ahu HI H.O.P.E.S. (Hawai‘i Helping Our People Envision Success) youth leadership board. We are a part of the Hawai‘i Youth Opportunities Initiative whose mission is to ensure that youth leaving foster care become successful adults in their communities. We work with youth and community partners to provide access to education, employment, health care, housing, family relationships, social capital and financial capability.

I would like to submit testimony in support of SB 2772 which increases the minimum monthly foster care basic board rate.

Aside from being the president of the O‘ahu HI H.O.P.E.S youth leadership board, I am also a Class of 2013 graduate, with Academic Distinction, of the University of Hawaii at West O‘ahu as well as a Youth Circle Facilitator with EPIC ‘Ohana, Inc. where I help foster youth create plans for their futures. With success came setbacks. After graduating from Farrington High School in 2008 I was really fearful for the next journey as an adult. Transitioning from a teenager to an adult has got to be one of the most difficult phases in life. I knew that becoming an adult meant “freedom” but it also meant responsibilities. One of those responsibilities was finding a place to rent for \$529 a month, which is the current rate of monthly board payments former foster youth receive while attending college. When my foster mother calculated the costs of renting a room along with other expenses such as utilities, groceries, and other expenses, that’s when reality really hit me. \$529 was not going to be enough to cover all those costs for a month, but she accepted it anyway and used it to pay for my rent, utilities, and groceries! While that money went to pay for my room and board, I struggled during college from the lack of financial support. The scholarships that I was receiving was not enough to cover school-related expenses and other necessities such as clothes, toiletries, etc. Finding a part-time job was difficult as well. I was just grateful to have a place to stay even when it was no longer their legal obligation to take care of me because they wanted the best for me and allowed me to continue living with them even till this day. Because of that, I was able to do well in college and graduate with my Bachelor’s degree in approximately four-and-half years which eventually landed me a job at EPIC one month after graduation!

The cost of living in Hawai‘i is really expensive and makes it nearly impossible to find suitable housing, let alone pay for groceries and other necessities with a measly \$529 check. Did you know only three percent of foster youth who aged out at 18 obtain a four-year degree by the age of 25? Without adequate shelter, success is very limited. Surviving would be the top priority

while school will mostly likely be the least. Fortunately for me I was able to continue living with my foster parents after high school even if they were not legally obligated to do so. Other youth are not presented this opportunity. Most of them do not want to continue living with their foster parents because they want to or have to move out or because of other reasons. Managing school, work, and personal life is a challenging task that college students face, but that challenge is certainly magnified with the foster youth population. I am humbly asking for the increase of monthly foster board payments so that youth transitioning from care can become successful adults.

Mahalo for this opportunity to testify in strong support of SB 2772.



To: Senate Committee on Human Services, February 13, 2014
From: Noy Worachit, HI H.O.P.E.S. Youth Leadership Board (Oahu)
Re: Testimony in SUPPORT of SB 2772- Relating to Foster Care Services

Aloha,

My name is Noy Worachit and I am 20 years old. I emancipated from foster care at the age of 18.5 after having spent 6 years in foster care. I am also the vice-president of the O'ahu HI H.O.P.E.S. (Hawai'i Helping Our People Envision Success) youth leadership board. We are the local site for the Jim Casey Youth Opportunities Initiative and belong to the Hawaii Youth Opportunities Initiative whose mission is to ensure that youth leaving foster care become successful adults in their communities. We work with youth and community partners to provide access to education, employment, health care, housing, family relationships, social capital and financial capability.

I would like to submit testimony in support of SB 2772 which increases the minimum monthly foster care basic board rate.

Young people that have aged out of foster care are eligible for the DHS Higher Education benefit of \$529 a month if they pursue a higher education. We are expected to attend school on a full-time basis and are allowed two-part time semesters, we must maintain a GPA of 2.0 and are eligible until the age of 27 or 60 months, whichever comes first. This benefit is used to cover monthly room and board expenses.

For the past three years, I have attended school full-time and worked part-time with EPIC Ohana with the exception of two-part time semesters when I became pregnant and gave birth to my son, respectively. As a mother of 2 young children, I find it extremely challenging to make ends meet while attending school full-time and only working on a part-time basis. Even with the higher education benefit, scholarships and grants, I still have to take out loans to make it through the semester to pay for books and materials, rent, utilities, food, child care expenses and needs like diapers.

For the first time this semester, I have taken a break from school to just work. I had to make the hard decision of putting my hopes and dream of earning a degree on hold to earn money so my children and I can afford to have a roof over our head, food to eat and the things we need. I don't want my children to have to worry about if our electricity is going to be turned off this month or if mommy is going to have enough money for our field trip.

At least 78% of young women who age out of foster care have children by the age of 21. And our children are twice as likely to enter the foster care system. By raising the board rate, it will give us the support we so badly need to pursue an education to compete in the real world. And just as equally important, we need the support to adequately care for our children so they do not perpetuate this vicious cycle of being involved in the child welfare system.

I humbly ask that SB 2772 be passed into law. Thank you.



SB2772

Submitted on: 2/11/2014

Testimony for HMS on Feb 13, 2014 13:15PM in Conference Room 16

Submitted By	Organization	Testifier Position	Present at Hearing
Sherry Campagna	Individual	Support	No

Comments: Dear Senator Suzanne, Carl Campagna and I are foster parents. We have 2 kids: Leo (CEO of The Littlest Co-Op) and Emma (COO of The Littlest Co-Op). In addition, we are licensed to have up to 3 foster children in our home. Our motto with all of our children is "One for all and all for one". That means no one ever gets more or less than the other. No matter how much our reimbursement from the State is, Carl and I make sure that every kid wears the same kind of clothes, has the same amount of support, eats the same quality of good food, has the same treats, the same recreational activities and so on. We all know that during the last 24 years, the price of food, diapers, toys, books, preschool, rent, electricity, and school supplies and all of the many items that we use every day have increased dramatically in 24 years, but state support for our foster children has remained the same. The foster children we care for in our home have already suffered enough. Should they have to live without these things too? We provide for our foster children out of our own money once their State money has run out every month. There are so many foster families who can't do that. How does that then impact those children and their families? What has happened to our foster children is not their fault, but they often pay the highest price for our social ills. More than anyone else in our society, it is our children who pay the price for problems such as adult joblessness or adult drug addiction or adult mental illness. Please pass this bill so the kids don't continue to suffer and so that their foster families can provide for them as their own.

SB2772

Submitted on: 2/12/2014

Testimony for HMS on Feb 13, 2014 13:15PM in Conference Room 16

Submitted By	Organization	Testifier Position	Present at Hearing
Carl	Individual	Support	No

Comments:

The Honorable Suzanne Chun Oakland, Chair

Senate Committee on Human Services

Hawaii State Capitol

Chair Oakland and Members, Senate Committee on Human Services

RE: SB 2772, Relating To Foster Care

Date: February 13, 2014, 1:15 p.m., Conference Room 016

Testimony: B.J. Leithead Todd in support.

Aloha, my name is Bobby Jean Jean Leithead Todd. I have been a foster parent since 2006. I currently have five hanai sons living with me, three of whom were in the foster care system. Over the years I have also taken in others for short periods of time outside of the foster care system. Of the three boys who came to me as foster children, only the youngest is still in the system as he is a high school senior.

The two older boys who were formerly in the foster care system are students at UHHilo and Hawaii Community College. The other two boys are high school seniors that I have taken in without any help from the state. The amount of assistance was \$529 per month per child in 2006, it remains the same today. My youngest will soon age out so an increase in payments is unlikely to help me directly but if it also applies to the Higher Education assistance, it will help two of the boys.

My older boys have gone from a GED for one and graduating with a 1.8 GPA for the other, to both finishing last semester in college with a 3.5 GPA. My third foster son had a 3.7 this past quarter in high school and we are in the process of getting him admitted to college along with my two other hanai sons who are seniors this year.

When my boys came to me they were already flunking high school and one of them had an arrest hanging over his head (three more after I got him). I was the seventh foster home. It took a long time before they trusted me enough to feel stable enough to start looking past today and plan for tomorrow. At least one of my boys was headed for either the detention center or the Boys Home before I got them. Now we are talking about careers and graduate school. I think it is a much better investment to pay for foster care, than for incarceration.

Along with the photos of my family hanging on the wall, I have framed the letter from college congratulating one of them for making the Dean's List last year (the boy that had multiple arrests in high school). My daughter, a high school valedictorian, who is now on a full ride to grad school jokingly asked

how come his letter was framed and hanging on the wall when none of her multiple award letters was framed. I told her that it was because he had travelled a longer, more difficult road to get there.

As a family law attorney who served as either counsel for parents or as guardian ad litem in about 60 child protective services cases, I am acutely aware of the need for good foster homes. It is incomprehensible to me that the foster care payments have not been increased since 1990. It is time to increase it to reflect the increased price of food and clothing, electricity, gasoline and school fees that have gone up since 1990. If I had not had the kind of income that I do, I do not know if I could have taken on the fiscal challenge of raising my hanai sons as the foster care payments do not cover their expenses. If you want them to participate in sports, extra-curricular events, go to the fair or the movies with friends, bring food for pot-lucks in school, invite friends over to the house, go to school dances, in other words have the life a normal child lives, then you need to increase the foster care subsidy or you will find it increasingly difficult to keep or recruit foster parents.

Sincerely,

B.J. Leithead Todd

Foster Mommy

TO: Senator Suzanne Chun Oakland, Chair
Senator Josh Green, Vice Chair
Committee on Human Services

HEARING: Thursday, February 13, 2014

TIME: 1:15 pm

PLACE: Conference Room 016

FROM: Jamie McLaughlin

RE: SB 2772

Thank you for the opportunity to testify. My name is Jamie McLaughlin and I strongly support this bill.

My family were foster care providers as I was growing up. As a child, I shared our resources and many times went without so we could provide for several children who didn't have families to care for them. Many times my mother had to work two jobs and my father worked overtime to make up for the money the board payments lacked. This led to me (a child myself) helping to take care of the children while my parents worked those extra hours to keep us all fed and sheltered. They selflessly took care of children that were not theirs and were always left with very little money in their pockets. They did it because it was what needed to be done.

I myself wanted to become a foster parent. However, because the rent in Hawaii is so high and the cost of living is sometimes difficult, the payment I was going to receive would not fully help with the added costs. I am not rich. I myself work for a non-profit organization. It's an amazing job, but the pay would not enable me to care for everything a child would need. The board payments would just barely allow me to get by. I am a well-educated, emotionally stable, and happy person. I would make a wonderful foster parent, if not for the small board payment. It saddens me to say this. I don't feel that it's right for finances to be a reason someone cannot help to care for a foster child.

What we have done is shift much of the financial burden for caring for Hawaii's foster children from the state to our foster families. We know many, many foster families reach into their own pockets each day to pay for school supplies or diapers or football uniforms for their foster children. They feel have no choice. We have left them no choice.

Mahalo for this opportunity to testify in strong support of SB 2772.

Jamie McLaughlin

SB2772

Submitted on: 2/11/2014

Testimony for HMS on Feb 13, 2014 13:15PM in Conference Room 16

Submitted By	Organization	Testifier Position	Present at Hearing
Marvin Heskett	Individual	Support	No

Comments: Aloha, Please support the vital function of allowing our community to adequately support displaced youth. Proper compensation will certainly pay back in spades as these youth develop into responsible members of our community rather than a burden on it. Thank you, Marvin