



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339
Honolulu, Hawaii 96809-0339

January 23, 2017

TO: The Honorable Senator Josh Green, Chair
Senate Committee on Human Services

The Honorable Will Espero, Chair
Senate Committee on Housing

FROM: Pankaj Bhanot

SUBJECT: **SB 5 – RELATING TO HUMAN SERVICES**

Hearing: Monday, January 23, 2017, 2:55 p.m.
Conference Room 016, State Capitol

POSITION: The Department of Human Services (DHS) appreciates the intent to address chronic homelessness and provides comments. The bill proposes services that may be considered an expansion of the Housing First program. DHS respectfully requests the Legislature support the budget request for \$3 million that will continue Housing First on Oahu and expand Housing First services to the neighbor islands. DHS adopts the testimony of the Governor's Coordinator on Homelessness.

PURPOSE: The purpose of the bill is to establish the housing program for homeless individuals with chronic disease. The bill also appropriates \$2 million in general funds for the program.

Hawaii Revised Statutes (HRS) §346-378 establishes the state Housing First program, and identifies individuals served by Housing First as “chronically homeless.” HRS §346-378(e) defines a “chronically homeless individual” as a homeless individual who has an addiction or mental illness, or both.

The U.S. Department of Housing and Urban Development (HUD) defines a “chronically homeless” individual as a homeless person with a disability who has been homeless continuously for at least 12 months, or has been homeless on at least four separate occasions over the past three years.

This measure proposes to expand or add the definition of an individual with a "chronic disease" that last three months or longer; there is no provision for duration of homelessness. This proposal may unintentionally expand the definition of "chronically homeless" to include temporarily disabled individuals.

If this measure moves forward, the state definition of “chronically homeless” should be amended to conform to the HUD definition for consistency and not create an additional definition.

The Housing First program provides both housing and supportive services to chronically homeless individuals, including individuals with chronic health conditions. Housing First is an evidence-based intervention, which has been implemented successfully on O'ahu. The state's Housing First program provides permanent housing for 117 chronically homeless persons, including many individuals with serious and persistent mental illness and chronic health conditions. Homeless individuals are identified by homeless service providers, and are referred to the Housing First program based on their level of need. The most recent DHS report on the status of the state Housing First program can be found on the DHS website at:

<https://humanservices.hawaii.gov/wp-content/uploads/2017/01/Section-346-378-Housing-First.pdf>.

A preliminary analysis by the University of Hawaii Center on the Family of a subset of state Housing First clients found that estimated healthcare costs for clients dropped an average of 43% in the six months following housing placement – from an average of \$10,570 per client per month to \$5,980 per client per month.

A key principle of Housing First is the pairing of housing along with appropriate supportive services that continue even after an individual is housed. While this measure appears to address the housing needs of homeless individuals with chronic health conditions, it does not address the case management and supportive services component.

The Med-QUEST Division (MQD) is currently looking to expand coverage for case management and supportive services for Medicaid-eligible individuals that are identified as

chronically homeless. By expanding Medicaid coverage to include case management of homeless individuals, a greater amount of general funds could be used for other homeless services without a federal match.

Thank you for the opportunity to comment on this bill.



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

January 23, 2017

TO: The Honorable Senator Josh Green, Chair
Senate Committee on Human Services

The Honorable Will Espero, Chair
Senate Committee on Housing

FROM: Scott Morishige, MSW, Governor's Coordinator on Homelessness

SUBJECT: SB 5 – RELATING TO HUMAN SERVICES

Hearing: Monday, January 23, 2017, 2:55 p.m.
Conference Room 016, State Capitol

POSITION: The Governor's Coordinator on Homelessness offers comments, and defers to the Department of Human Services (DHS) in regard to specific details regarding program implementation, including cost implications. The Coordinator also notes that the program proposed within this bill is similar in nature to Housing First, and asks for the Legislature's support of the Governor's Executive Budget request of \$3 million to sustain Housing First statewide.

PURPOSE: The purpose of the bill is to establish the housing program for homeless individuals with chronic disease. The bill also appropriates \$2 million in general funds for the program.

While the Coordinator appreciates the intent of this bill, there is concern that this measure requires DHS and the Coordinator to be directly responsible for the identification of qualified homeless individuals, the assignment of these individuals to an eligible housing provider, approving and maintaining a list of eligible housing providers, annual inspections of housing units, and administration of ongoing payments for rent and repair and maintenance for the housing units. Neither the Coordinator nor DHS currently

have the specialized knowledge or resources to directly deliver the services described. However, the Coordinator notes that there is already a system in place for the state Housing First program, in which contracted service providers carry out many of the responsibilities that would be required. Hawaii Revised Statutes (HRS) §346-378 establishes the state Housing First program, and describes the principles of a Housing First approach.

The Housing First program serves a broader population than what is described in this measure, and serves individuals identified as “chronically homeless.” HRS §346-378(e) defines “chronically homeless individual” as a homeless individual who has an addiction or mental illness, or both. The U.S. Department of Housing and Urban Development (HUD) defines a “chronically homeless” individual as a homeless person with a disability who has been homeless continuously for at least 12 months, or has been homeless on at least four separate occasions over the past three years. If this measure moves forward, the state definition of “chronically homeless” should be amended to conform with the HUD definition for consistency.

The Housing First program provides both housing and supportive services to chronically homeless individuals, including individuals with chronic health conditions. Housing First is an evidence-based intervention, which has demonstrated much success in other communities across the country. Locally, the state’s Housing First program currently provides permanent housing for 117 chronically homeless persons, including many individuals with serious and persistent mental illness and chronic health conditions. Homeless individuals are identified by homeless service providers, and are referred to the Housing First program based on their level of need. The most recent DHS report on the status of the state Housing First program can be found on the DHS website at:

<https://humanservices.hawaii.gov/wp-content/uploads/2017/01/Section-346-378-Housing-First.pdf>.

Housing First not only provides housing, but also stabilizes health conditions and significantly reduces healthcare costs. A preliminary analysis by the University of Hawaii Center on the Family of a subset of state Housing First clients found that estimated

healthcare costs for clients dropped an average of 43% in the six months following housing placement – from an average of \$10,570 per client per month to \$5,980 per client per month.

A key principle of Housing First is the pairing of housing along with appropriate supportive services that continue even after an individual is housed. While this measure appears to address the housing needs of homeless individuals with chronic health conditions, it does not address the case management and supportive services component.

The Coordinator notes that discussion is actively occurring with MQD and DOH to address supportive services to assist this population in maintaining housing. Specifically, MQD is currently looking to expand coverage for case management and supportive services for Medicaid-eligible individuals that are identified as chronically homeless. By expanding Medicaid coverage, managed health care plans could potentially pick up some of the cost of homeless outreach activities that help people attain housing, and other activities to support a person's ability to maintain housing after placement.

Thank you for the opportunity to comment on this bill.

**January 23, 2017 at 2:55 pm
Conference Room 016**

Senate Committee on Human Services

To: Senator Josh Green, Chair
Senator Stanley Chang, Vice Chair

Senate Committee on Housing

To: Senator Will Espero, Chair
Senator Breene Harimoto, Vice Chair

From: Michael Robinson
Vice President -- Government Relations and Community Affairs

Re: Testimony in Support, SB 5, Relating to Human Services

My name is Michael Robinson, and I am the Vice President of Government Relations and Community Affairs for Hawai'i Pacific Health (HPH). Hawai'i Pacific Health is a not-for-profit health care system, and the state's largest health care provider and non-governmental employer. Hawai'i Pacific Health is committed to providing the highest quality medical care and service to the people of Hawai'i and the Pacific Region through its four hospitals, more than 50 outpatient clinics and service sites, and over 1,600 affiliated physicians. Hawai'i Pacific Health's hospitals are Kapi'olani Medical Center for Women & Children, Pali Momi Medical Center, Straub Clinic & Hospital and Wilcox Memorial Hospital.

HPH is writing in **support** of SB 5 which establishes the housing program for homeless individuals with chronic disease, and appropriates funds. Homelessness has become an increasingly difficult and prevalent issue in our communities. Individuals who are homeless suffer not just from financial difficulties, but face health challenges as well. Many are unable to find the resources needed to deal with their situation and importantly to find appropriate housing. This is especially true for individuals suffering from chronic diseases.

SB 5 provides a vehicle through which individuals suffering from multiple chronic diseases and who are homeless may seek housing opportunities that are safe and secure. Leveraging federal dollars alleviates some of the financial strain on the State.

Thank you for the opportunity to testify.



From: mailinglist@capitol.hawaii.gov
Sent: Sunday, January 22, 2017 8:53 PM
To: HMS Testimony
Cc: cchaudron08@gmail.com
Subject: Submitted testimony for SB5 on Jan 23, 2017 14:55PM

SB5

Submitted on: 1/22/2017

Testimony for HMS/HOU on Jan 23, 2017 14:55PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Camila Chaudron	Individual	Support	No

Comments: Hello, my name is Camila Chaudron, and I am a constituent who lives in Manoa Valley. I support funding to provide housing assistance services to the homeless population. Mahalo.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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