



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

January 30, 2018

TO: The Honorable Representative John Mizuno, Chair  
Committee on Health and Human Services

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 1894 – RELATING TO HUMAN SERVICES**

Hearing: Thursday, February 1, 2018, 9:30 a.m.  
Conference Room 329, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) supports the proposed bill to the extent it does not displace priorities identified in the Governor's supplemental budget. Adding a department grant manager aligns with our transformation efforts and mission to support the well-being of individuals, families, and communities in Hawaii.

**PURPOSE:** The purpose of the bill is to authorize the Department of Human Services to contract the services of a dedicated capture manager responsible for securing grants and other funding opportunities for the Department of Human Services.

DHS provides benefits and services to one in four Hawaii residents, or nearly 360,000 individuals. The state's Medicaid program, QUEST Integration, provides medical insurance coverage for nearly one-half of Hawaii's children. We currently manage an annual budget of nearly \$3.5 billion, of which 64.5 percent is federally funded.

In state fiscal year 2017, DHS received 36 grant awards for a total amount of \$1,938,266,000. The majority of these grants funds are block granted by the federal government to the State and are distributed to recipients as cash assistance, Supplemental Nutrition Assistance Program (SNAP) benefits, and medical insurance coverage. These funds

have eligibility, reporting, and other compliance requirements attached to the receipt of these funds, and are not competitive grants.

However, as part of the DHS mission to transform the way we deliver these benefits and services, and as part of the Governor's package, DHS proposed two measures that may benefit from a grants manager. HB2366/SB2793 requires DHS to use an integrated and multigenerational approach to delivering human services to reduce the incidence of intergenerational poverty and dependence on public benefits, and HB2361/SB2788 creates the health analytics program within the Med-QUEST division that will allow DHS to maintain and analyze the state's all-payers medical claims data to improve overall health care planning and service delivery. These measures are in addition to the investment and transformative work DHS is doing to build an integrated IT system. The ability to seek competitive grants with dedicated staff responsible for the management of grant opportunities for DHS will improve our ability to obtain funding from sources other than state general funds, and will support DHS efforts to become more innovative toward our goal to reduce incidences of poverty.

The proposed grant manager would be able to apply cross-program knowledge to secure grant opportunities that further the goals of DHS as we transform to an integrated service delivery system with a focus on supporting every recipient's human potential, reducing incidences of intergenerational poverty, reducing abuse and neglect, and improving the community's overall health and well-being.

Thank you for the opportunity to provide comments on this measure.



**Testimony to the House Committee on Health and Human Services  
Thursday, February 1, 2018; 9:30 a.m.  
State Capitol, Conference Room 329**

**RE: SUPPORTING HOUSE BILL NO. 1894, RELATING TO HUMAN SERVICES.**

Chair Mizuno, Vice Chair Kobayashi, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** House Bill No. 1894, RELATING TO HUMAN SERVICES.

The bill, as received by your Committee, would:

- (1) Authorize the Department of Human Services (DHS) to contract a grant writer to serve as a capture manager for the State;
- (2) Require DHS to report to the 2019 and 2020 Legislatures lists of grant or funding opportunities sought or applied for, grants awarded and funding received, and recommendations and proposed legislation;
- (3) Appropriate an unspecified amount of general funds for fiscal year 2018-2019 to contract the services of a dedicated capture manager for DHS; and
- (4) Take effect on July 1, 2018, and sunset on June 30, 2020.

Federally Qualified Health Centers (FQHCs) provide desperately needed medical services at the frontlines in rural communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of health.

Because the majority of our patients are Medicaid recipients, reimbursement for services provided at FQHCs is extremely complex given the multiple streams of funding received from the federal and State governments. The availability of funding is often volatile due to changes in federal and State laws as well as the manner in which these laws are implemented and enforced. In this environment, it is not only prudent but necessary for the State to seek new sources of funding and devise creative ways of capturing and securing resources.

Accordingly, we **SUPPORT** this measure and urge your favorable consideration.

In advance, thank you for your consideration of our testimony.

**LATE**

HOUSE OF REPRESENTATIVES  
THE TWENTY-NINTH LEGISLATURE  
REGULAR SESSION OF 2018

COMMITTEE ON HEALTH & HUMAN SERVICES

Rep. John M. Mizuno, Chair  
Rep. Bertrand Kobayashi, Vice Chair

Rep. Della Au Belatti      Rep. Andria P.L. Tupola  
Rep. Lei R. Learnmont

NOTICE OF HEARING

Conference Room 329  
State Capitol  
415 South Beretania Street

RELATING TO HUMAN SERVICES  
Position: SUPPORT

I strongly support HB 1894 because, the Department of Human Services provides various services to the people of Hawaii, some of these services require a form of financial assistance. Grants allow the DHS to fund various projects and entities under the Department as a whole. Having a position that will fulfill the duties of a grant-writer and researcher will greatly reduce the stress of the department and allow the focus to shift back to the departments duties to the people of Hawaii.

Mahalo,  
Kaneala Peters-Clark  
Senior at James Campbell HS

**LATE**

**HB-1894**

Submitted on: 2/1/2018 12:23:52 AM

Testimony for HHS on 2/1/2018 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Kendrick Farm		Support	No

Comments:

HOUSE OF REPRESENTATIVES

THE TWENTY-NINTH LEGISLATURE

REGULAR SESSION OF 2018

**COMMITTEE ON HEALTH & HUMAN SERVICES**

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Learmont

NOTICE OF HEARING

DATE: Thursday, February 1, 2018

TIME: 9:30 a.m.  
Conference Room 329

PLACE: State Capitol  
415 South Beretania Street

Position: Strong Support

I strongly support this bill. Having a person that is dedicated to writing grants will be a force multiplier when looking at what type of resources are out there that could benefit the state and the taxpayers.

When dealing with Human Services but also give us additional advantages that foster a more accountable environment within the Department of Human Services. Having this new position made available in concert with non-state entities will ensure that Hawai'i will have timely information which we could move on and willing, reduce the gap of funding when serving the underserved population in Hawai'i.

Ken Farm

Member-At-Large

Neighborhood Board No. 15

Kalihi-Palama