

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

March 8, 2018

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

FROM: Pankaj Bhanot, Director

SUBJECT: **HCR 31 – REQUESTING THE AUDITOR TO CONDUCT AN AUDIT OF ALL PROGRAMS DEALING WITH HOMELESSNESS AUTHORIZED UNDER PART XVII OF CHAPTER 346, HAWAII REVISED STATUTES, WHICH ARE ADMINISTERED BY THE DEPARTMENT OF HUMAN SERVICES OR BY A PROVIDER AGENCY PURSUANT TO A CONTRACT WITH THE DEPARTMENT OF HUMAN SERVICES.**

Hearing: Thursday, March 8, 2018, 9:30 a.m.
Conference Room 312, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this resolution and offer comments.

PURPOSE: The purpose of the proposed resolution requests the auditor to conduct an audit of all programs dealing with homelessness authorized under part XVII of Chapter 346, Hawaii Revised Statutes, which are administered by the Department of Human Services or by a provider agency pursuant to a contract with the Department of Human Service.

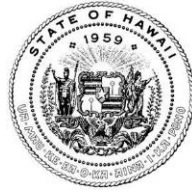
DHS is continually working to improve efficiencies and our service delivery model, and per Act 234, Session Laws of Hawaii (SLH) 2016, DHS included additional requirements to include performance based metrics. Performance metrics include length of stay in the program, permanent housing placement, and maintaining permanent housing.

DHS provides funding for the development and maintenance of the state's Homeless Management Information System (HMIS), a system required by the U.S. Department of Housing and Urban Development. DHS Homeless Programs Office (HPO) has invested in

maximizing the HMIS capacity to collect data from providers, and design reports that capture each agency's performance.

DHS's contract compliance also includes close monitoring of financial reports. Providers must submit financial reports quarterly and its agency's financial audit annually. DHS is committed to continue to work with contracted providers to ensure the \$12,000,000 allocation utilization is maximized and providers are held to a performance measurement outcome.

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



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

March 8, 2018

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

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

SUBJECT: **HCR 31 – REQUESTING THE AUDITOR TO CONDUCT AN AUDIT OF ALL PROGRAMS DEALING WITH HOMELESSNESS AUTHORIZED UNDER PART XVII OF CHAPTER 346, HAWAII REVISED STATUTES, THAT ARE ADMINISTERED BY THE DEPARTMENT OF HUMAN SERVICES OR BY A PROVIDER AGENCY PURSUANT TO A CONTRACT WITH THE DEPARTMENT OF HUMAN SERVICES**

Hearing: Thursday, March 8, 2018, 9:30 a.m.
Conference Room 329, State Capitol

POSITION: The Governor's Coordinator on Homelessness appreciates the intent of this resolution, and offers comments.

PURPOSE: The purpose of this resolution is to request the auditor to conduct an audit of homeless programs authorized under Part XVII of Chapter 346, Hawaii Revised Statutes.

Homelessness remains one of the most pressing challenges facing Hawaii, and the State has adopted a comprehensive framework to address homelessness that focuses on three primary leverage points – affordable housing, health and human services, and public safety. In particular, the State has worked together with the Legislature and other stakeholders to increase resources for permanent housing programs, such as Housing First and Rapid Rehousing.

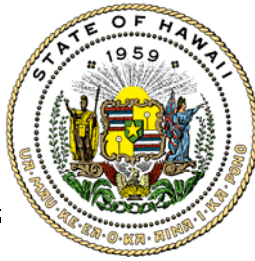
Between 2015 and 2017, the number of permanent housing beds for homeless individuals statewide increased by 1,986 – an increase of 146%, more than doubling the supply of permanent beds. As a result of the State's coordinated efforts, Hawaii is making progress in reducing the number of homeless individuals statewide. In 2017, the statewide Point in Time

(PIT) count found that the number of homeless people in Hawaii had decreased for the first time in eight years – a *decrease* of 701 people between 2016 and 2017.

A critical part of the State’s approach has been a specific focus on oversight and accountability for public funds used for this purpose. In State Fiscal Year (SFY) 2017, DHS established new performance measures for all homeless services contracts pursuant to Act 234, Session Laws of Hawaii (SLH) 2016. This approach emphasizes regular reporting and transparency, requires providers to submit audited financial statements and reports when requested, and ties payment for homeless services to provider performance on specific identified measures, such as length of stay in homeless services, permanent housing placement, and housing retention. In addition to DHS monitoring of State funded contracts, data for homeless programs is posted online at <http://www.hawaiihmis.org>, which includes public reports on data quality, system performance measures for each Continuum of Care (CoC), housing inventory counts, and monthly monitoring reports for program census, length of stay, and exit destination.

The Coordinator notes that the State’s focus on accountability and housing-focused performance measures has resulted in improved outcomes. For example, the permanent housing exit rate for December 2017 was 44%, which was up significantly from 35% during the prior month. In addition, programs such as the Family Assessment Center in Kaka’ako have demonstrated placement rates of 91%, with an average length of stay in shelter of 77 days.

Thank you for the opportunity to testify on this measure.



HOUSE COMMITTEE ON HEALTH & HUMAN SERVICES
The Honorable John M. Mizuno, Chair
The Honorable Bertrand Kobayashi, Vice Chair

**H.C.R. NO. 31, REQUESTING THE AUDITOR TO CONDUCT AN AUDIT
OF ALL PROGRAMS DEALING WITH HOMELESSNESS AUTHORIZED
UNDER PART XVII OF CHAPTER 346, HAWAII REVISED STATUTES,
THAT ARE ADMINISTERED BY THE DEPARTMENT OF HUMAN
SERVICES OR BY A PROVIDER AGENCY PURSUANT TO A
CONTRACT WITH THE DEPARTMENT OF HUMAN SERVICES**

Hearing: Thursday, March 8, 2018, 9:30 a.m.

The Office of the Auditor **has no position** regarding H.C.R. No. 31, which requires our office to conduct a comprehensive performance and management audit of all programs authorized under Part XVII of Chapter 346, Hawaii Revised Statutes (HRS), and administered by (1) the Department of Human Services; or (2) a provider agency pursuant to a contract with the Department of Human Services. **However, we offer the following comments.**

While our office regularly performs performance and management audits, the scope of H.C.R. No. 31 appears overly broad. We recommend that the committee significantly narrow the scope of the requested audit to a specific program or branch of the Department of Human Services authorized under Part XVII of Chapter 346, HRS.

Furthermore, it is likely that our office does not possess the substantive expertise regarding homelessness that may be needed to comprehensively assess the above discussed programs relating to homelessness. Therefore, we may need to retain the services of a subject matter consultant to assist us on the substantive issues should the concurrent resolution move forward.

Thank you for considering our testimony related to H.C.R. No. 31.

HCR-31

Submitted on: 3/6/2018 7:45:42 PM

Testimony for HHS on 3/8/2018 9:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities Committee, Democratic Party of Hawai'i	Support	No

Comments:

PRESENTATION OF THE
OAHU COUNTY COMMITTEE ON LEGISLATIVE PRIORITIES
DEMOCRATIC PARTY OF HAWAII
TO THE COMMITTEE ON HEALTH & HUMAN SERVICES
THE HOUSE OF REPRESENTATIVES
TWENTY-NINTH LEGISLATURE
REGULAR SESSION OF 2018
Thursday, March 8, 2018
9:30 a.m.

Hawaii State Capitol, Conference Room 312

RE: Testimony in Support of **HCR31**

To the Honorable John M. Mizuno, Chair; the Honorable Bertrand Kobayashi, Vice-Chair and the Members of the Committee on Health and Human Services:

Good morning, my name is Melodie Aduja. I serve as Chair of the Oahu County Committee ("OCC") Legislative Priorities Committee of the Democratic Party of Hawaii. Thank you for the opportunity to provide written testimony on **HCR31** relating to a request to THE AUDITOR TO CONDUCT AN AUDIT OF ALL PROGRAMS DEALING WITH HOMELESSNESS AUTHORIZED UNDER PART XVII OF CHAPTER 346, HAWAII REVISED STATUTES, THAT ARE ADMINISTERED BY THE DEPARTMENT OF HUMAN SERVICES OR BY A PROVIDER AGENCY PURSUANT TO A CONTRACT WITH THE DEPARTMENT OF HUMAN SERVICES.

. The OCC Legislative Priorities Committee is in favor of **HCR31** and supports its passage.

HCR31 is in alignment with the Platform of the Democratic Party of Hawai'i ("DPH"), 2016, as it requests the Auditor to conduct a comprehensive performance and management audit of all programs authorized under part XVII of chapter 346, Hawaii Revised Statutes, and administered by: (1) The Department of Human Services; or (2) A provider agency pursuant to a contract with the Department of Human Services.

Specifically, the Platform of the Democratic Party of Hawai'i provides that "[w]e believe in the concept of "Housing First" to develop affordable, stable housing and

support services to break the cycle of homelessness for people with the fewest housing options.

We support dedicated social services and housing opportunities for Hawaii's homeless population, to get them off the streets and reintegrated into society, with specific devoted services for disenfranchised groups including but not limited to the Hawaiian community, aged-out foster kids, youth, returning veterans, the aged, and lesbian, gay, bisexual and transgender homeless." (Platform of the DPH, P. 7, Lines 352-358 (2016)).

Given that **HCR31** requests the Auditor to conduct a comprehensive performance and management audit of all programs authorized under part XVII of chapter 346, Hawaii Revised Statutes, and administered by: (1) The Department of Human Services; or (2) A provider agency pursuant to a contract with the Department of Human Services, it is the position of the OCC Legislative Priorities Committee to support this measure.

Thank you very much for your kind consideration.

Sincerely yours,

/s/ Melodie Aduja

Melodie Aduja, Chair, OCC Legislative Priorities Committee

Email: legislativepriorities@gmail.com, Tel.: (808) 258-8889