



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

March 20, 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: SB 7 SD2 – RELATING TO MEDICAID

Hearing: Tuesday, March 20, 2018, 8:30 a.m.
Conference Room 329, State Capitol

POSITION: The Governor's Coordinator on Homelessness appreciates the intent of this bill, as it seeks to support ongoing efforts of the Department of Human Services (DHS) and Department of Health (DOH) to address homelessness, and offers the following comments.

PURPOSE: The purpose of the bill is to require DHS, in collaboration with DOH, to review the progress of the Hawaii Pathways Project pilot and continue to pursue efforts to utilize Medicaid to provide supportive housing services for chronically homeless individuals. In addition, the bill requires DHS to report to the legislature regarding the status of its efforts, including any proposed legislation, no later than twenty days prior to the convening of the regular session of 2018. The Senate Committee on Ways & Means amended this bill by inserting an appropriation for an unspecified amount, with a federal matching funds requirement, to be expended by DHS.

For over three years, DHS and DOH have also collaborated to implement the Hawaii Pathways Project, which is funded through a federal Cooperative Agreements to Benefit Homeless Individuals (CABHI) grant. The Hawaii Pathways Project provides case management and tenancy support services for high needs chronically homeless persons with co-occurring substance abuse and mental health concerns, and pairs these individuals with vouchers from the state Housing First program and other Permanent Supportive Housing (PSH) voucher

programs. An evaluation of the Hawaii Pathways Project noted a high housing retention rate of 97%. At a six-month follow up with their case managers, Hawaii Pathways Project clients were more likely to report having social support for recovery compared to the time of program entry, and were less likely to report emergency room visits, criminal justice system involvement, and alcohol drug use.

In addition to positive housing retention results, preliminary analysis of the State's Housing First clients participating in the Hawaii Pathways Project 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. This preliminary data appears consistent with evaluation data for Housing First programs in other communities, which have been found to significantly reduce healthcare utilization and healthcare costs for chronically homeless persons over time. A Progress Report of the Hawaii Pathways Project by the University of Hawaii Center on the Family, can be found online at: http://uhfamily.hawaii.edu/publications/brochures/4c755_HPP_ProgressReport2016.pdf

The Coordinator continues to work closely with both DOH and the DHS Med-QUEST Division (MQD) to examine issues related to healthcare coverage for persons experiencing homelessness, and build upon the early success of the Hawaii Pathways Project. Specifically, MQD is currently looking to expand eligibility for case management and supportive services for Medicaid-eligible individuals that are identified as chronically homeless. By expanding Medicaid coverage, managed care health 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. The Coordinator is also working with DHS and DOH homeless outreach providers to explore partnerships with other systems that serve as "touch points" for the homeless (e.g. the hospital system) to increase efficiency of outreach services by concentrating services at particular entry/exit points, such as when a person is discharged from a hospital emergency room.

Thank you for the opportunity to testify on this bill.



STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

**TESTIMONY COMMENTING ON SB7 SD2
RELATING TO MEDICAID**

REPRESENTATIVE JOHN M. MIZUNO, CHAIR
HOUSE COMMITTEE ON HEALTH AND HUMAN SERVICES

Hearing Date and Time: Tuesday, March 20, 2018 at 8:30 a.m. Room Number: 329

1 The Department of Health (DOH) acknowledges that homelessness is one of the
2 State's most significant and challenging social concerns. The DOH and the Adult
3 Mental Health Division (AMHD) partner with other state agencies and with both AMHD
4 contracted and non-AMHD contracted community programs to address the mental
5 health needs of individuals experiencing homelessness. Key partners include the
6 Governor's Coordinator on Homelessness (GCH), Department of Human Services
7 (DHS), Department of Transportation (DOT), Department of Public Safety (PSD), the
8 City and County of Honolulu, law enforcement, and community based health and human
9 service programs.

10 The purpose of this bill is to require the DHS, in collaboration with the DOH, to
11 review the progress of the Hawaii Pathways Project pilot and continue to pursue efforts
12 to utilize Medicaid to provide supportive housing services for chronically homeless
13 individuals. In addition to making an appropriation expended with a dollar-for-dollar
14 match in federal funds, this bill provides considerations for the DHS in planning for the
15 expansion of supportive housing services provided through Medicaid managed care

1 plans and requires the DHS to submit a report to the legislature on the status of
2 expanding the state 1115 Medicaid waiver; describing supportive housing services to be
3 provided to the chronically homeless population; and proposing eligibility criteria to
4 qualify for supportive housing services.

5 The AMHD appreciates the intent of this bill and offers the following comments.

6 In October 2013, the DOH was awarded the Substance Abuse and Mental Health
7 Services Administration's (SAMHSA) Cooperative Agreements to Benefit Homeless
8 Individuals grant (CABHI) which is jointly funded by the SAMHSA Center for Mental
9 Health Services (CMHS) and Center for Substance Abuse Treatment (CSAT).

10 Through the Hawaii Pathways Project's Housing First model, individuals
11 identified as chronically homeless and who live with a serious mental illness or
12 substance use disorder receive case management, treatment services, and recovery
13 support services with the goal of obtaining permanent supported housing.

14 The DOH continues to be available to meet with the DHS and other stakeholders
15 to discuss the Hawaii Pathways Project, amending the state 1115 Medicaid waiver, and
16 to both collaborate on the utilization of existing programs, services, and resources and
17 to develop and implement new approaches to address homelessness.

18 AMHD Homeless Outreach Services

19 The AMHD continues its commitment to increasing and strengthening linkages to
20 housing and community based referrals that support recovery. The AMHD continues to

1 work with Projects for Assistance in Transition from Homelessness (PATH) Formula
2 Grant Homeless Outreach providers to link homeless individuals to case management
3 and recovery support services so that the realization of recovery may reduce the barrier
4 of discrimination and the stigma of mental illness.

5 AMHD Homeless Outreach providers focus their outreach efforts on locating
6 individuals who live with Serious Mental Illness (SMI), who are chronically homeless,
7 and who meet AMHD's eligibility criteria for AMHD funded services.

8 Linkage to health care services, Social Security benefits, entitlements, workforce
9 development, job training opportunities, emergency shelters, transitional housing,
10 clothing, mental health treatment, substance use treatment, service coordination,
11 collateral contacts, advocacy on their behalf, and/or assistance with finding individuals
12 with a home in the private marketplace are examples of tasks that Homeless Outreach
13 providers assist with. Homeless Outreach case managers help to complete
14 Supplemental Security Income (SSI)/Social Security Disability Insurance (SSDI)
15 applications using the SSI/SSDI Outreach, Access, and Recovery (SOAR) model.

16 In 2017, AMHD provided homeless outreach services to 2,817 consumers
17 identified as homeless on the islands of Kauai, Oahu, Maui, and Hawaii. Homeless
18 Outreach services are accessed in a variety of ways including homeless shelters and by
19 contacting Homeless Outreach providers directly to request assistance.

1 In addition to Homeless Outreach services, AMHD provides specialized
2 treatment and group home housing for approximately 808 individuals, including those
3 who living in 24 hour, 8-16 hour, and semi-independent group homes. There are over
4 100 eligible individuals who receive supported housing/bridge subsidy through the
5 AMHD. These individuals live with a serious mental illness (SMI) and have the option to
6 live independently in housing of their choice with services that support their movement
7 towards assuming the role of a neighbor or tenant.

8

9 The AMHD defers to the DHS for the expansion of the state 1115 Medicaid
10 waiver.

11 We thank the committee for considering our testimony.

DAVID Y. IGE
GOVERNOR



PANKAJ BHANOT
DIRECTOR

CATHY BETTS
DEPUTY DIRECTOR

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

March 19, 2017

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

FROM: Pankaj Bhanot, Director

SUBJECT: **SB 7 SD2 - RELATING TO MEDICAID**

Hearing: March 20, 2018, 8:30 a.m.
Conference Room 329, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the Legislature's interest in supporting DHS efforts, and offers the comments that DHS has already taken the actions described in the bill.

PURPOSE: The purposes of measure SB 7 SD2 is to support current efforts being made by DHS and to require the DHS, in collaboration with the Department of Health, to develop a Medicaid supportive housing services benefit plan through which Medicaid can pay for supportive housing services for individuals who are eligible for Medicaid, including applying to the Centers for Medicare and Medicaid Services through an 1115 waiver to amend the state Medicaid plan to include supportive housing services for chronically homeless individuals.

DHS appreciates the intent of the measure to support our ongoing efforts to address needs of the chronically homeless population. However, DHS and DOH have already collaborated in review of the Pathways project. Additionally, the bill requirement to apply to CMS for an amendment to our waiver to target supportive housing services for the chronically homeless population has been done.

MQD is happy to an update that CMS is now actively working with the state on the waiver amendment. Here is a link to the document: [QUEST Housing Support Waiver](#)

[amendment 9-2017](#). MQD provided the waiver to this committee on February 7, 2018 when testifying on HB 1901, which was deferred by this committee. HB 1901 is substantially identical to SB 7 SD 2.

For background, in 2013 DHS Homeless Programs Office (HPO) collaborated with the DOH in its initial application to the Substance Abuse and Mental Health Services Administration (SAMHSA) for federal funds for the Hawaii Pathways Project (HPP). By leveraging HPO Housing First Rental subsidies with the SAMHSA grant funds, DOH developed the intensive level of care and support services provided to HPP clients.

To sustain Pathways/Housing First project, as noted in the bill, DHS Med-QUEST division (MQD) worked with the DOH and others in building on the successful efforts of the Hawaii Pathways pilot project. DHS worked with DOH Alcohol and Substance Use Division, DOH Adult Mental Health Division, Hawaii Public Housing Authority, Hawaii Housing and Financing Development Corporation, and the Governor's Coordinator on Homelessness for over a year to prepare an amendment to our 1115 Medicaid waiver to address supportive services for the chronically homeless. The document outlines the details of the proposed population to be served as well as the services. After this collaborative effort, a waiver amendment has already been submitted to the Centers for Medicare and Medicaid Services (CMS) as of August 29, 2017, and the request is pending with CMS.

Since the waiver amendment has already been submitted, the outlines of the types of services and the populations to be served have already been set. Any additional report is redundant since we already have the waiver amendment that includes the proposed services.

Finally, we are not requesting any dollars or appropriation for providing these services since they pay for themselves in a short period of time. Thus, no additional appropriation or funds are needed.

In sum, while we appreciate the support for our efforts, and at this time we do not believe that a bill is necessary since we have already undertaken the requirements.

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

SB-7-SD-2

Submitted on: 3/19/2018 7:23:27 AM

Testimony for HHS on 3/20/2018 8:30:00 AM

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

Comments:

To the Honorable John M. Mizuno, Chair; the Honorable Bertrand Kobayashi, Vice-Chair and Members of the House Committee on Health & 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 **SB7 SD2** relating to Supportive Housing Services; Medicaid; Homelessness; Department of Human Services; Department of Health; and an appropriation.

The OCC Legislative Priorities Committee is in favor of **SB7 SD2** and strongly supports its passage as it requires the department of human services, in collaboration with the department of health, to review the progress of the Hawaii pathways project pilot and continue to pursue efforts to utilize medicaid to provide supportive housing services for chronically homeless individuals; provides considerations for the department in planning for the expansion of supportive housing services provided through medicaid managed care plans; requires the department to report to the legislature; and makes an appropriation, effective 7/1/2050.

SB7 SD2 is in accord with the Platform of the Democratic Party of Hawai'i ("DPH") which 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)).

"Access to health care is a basic human need. Our citizens and visitors have an inherent right to high quality, high standard health care. The state legislature and the federal government should take all appropriate steps to create and support a health

care system of public, for-profit, and nonprofit hospitals and other medical facilities that follow best practices to enhance and protect and preserve life.

We support the development of long-term care financing solutions, better pay and working conditions for all health care providers, parity of mental and physical health coverage, and appropriate regulation of health care delivery systems. We also support the development of empirically validated prevention programs targeted at major public health issues. 369." (Platform of the DPH, P. 7, Lines 361-369(2016)).

"We also support the establishment of adequate mental health and statewide drug rehabilitation programs set up in conjunction with policing policies aimed at enabling all that seek assistance to obtain whatever support assistance is needed to allow them to remain free of drug dependence." (Platform of the DPH, P. 7, Lines 378-384 (2016)).

Given that **SB7 SD2** requires the department of human services, in collaboration with the department of health, to review the progress of the Hawaii pathways project pilot and continue to pursue efforts to utilize medicaid to provide supportive housing services for chronically homeless individuals; provides considerations for the department in planning for the expansion of supportive housing services provided through medicaid managed care plans; requires the department to report to the legislature; and makes an appropriation, effective 7/1/2050, it is the position of the OCC Legislative Priorities Committee to strongly 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, Text/Tel.: (808) 258-8889

March 20, 2018

TO: Representative John M. Mizuno,
Chair House Committee on Health & Human Services

FROM: Phyllis Dendle

Re: SB7 SD2 RELATING TO MEDICAID
Restoration of basic adult dental benefits to Medicaid enrollees

Aloha Chair Mizuno:

I request you please include an amendment in SB7 SD2 RELATING TO MEDICAID.

Poor dental health has a dramatic impact on people who are seeking to escape homelessness. A person can be capable, adequately educated and experienced and even well dressed but if, when they speak or smile their mouth is full of decaying or missing teeth, they are unlikely to be hired. It is increasing clear that Medicaid dental coverage for adults is not just a health issue but also an economic issue. It is essential that our citizens who are covered by Medicaid have access to basic dental care.

I suggest for your consideration the following amendment.

SECTION . There is appropriated out of the general revenues of the State of Hawaii the sum of \$4,700,000 or so much thereof as may be necessary for fiscal year 2018-2019 to restore basic adult dental benefits to medicaid enrollees. The department of human services shall obtain the maximum federal matching funds available for this expenditure.

The sum appropriated shall be expended by the department of human services for the purposes of this section.

Thank you for your consideration.



Meals From the Heart = Food For the Soul

19 March 2018

Our Mission

Hawai'i Meals on Wheels, Inc., a private, not-for-profit 501(c)3 organization, is dedicated to helping O'ahu's elders and individuals with disabilities preserve their independence at home. We do this by providing hot, nutritious meals and regular, personal interaction with those we serve.

Hawai'i Meals on Wheels, Inc. P.O.
Box 61194
Honolulu, HI 96839-1194
(808) 988-6747
www.hmow.org

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Support for SB2988 SD2 Relating to the Kupuna Caregivers Program

Aloha Chair Mizuno, Vice Chair Kobayashi, and the Committee,

Hawaii Meals on Wheels delivers hot meals daily to kupuna on Oahu from Hawaii Kai to Ewa Beach, Pearl City to Mililani, and Windward Oahu from Kaneohe to Waimanalo.

Many of our clients live with family members who are away from home at work during the day. We support aging in place not only by delivering meals, but by serving as a daily wellness check for working family members.

We support continuing the innovative Kupuna Caregivers program which started so successfully last year. We also support SD2's appropriation of \$3.4 million which would go far to help more seniors and their families.

Mahalo for your innovative support for local working families.

Sincerely,

/s/ Michelle Cordero-Lee
CEO, Hawaii Meals on Wheels