



EXECUTIVE CHAMBERS
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DAVID Y. IGE
GOVERNOR

February 23 2017

TO: The Honorable Senator Jill N. Tokuda, Chair
Senate Committee on Ways and Means

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

SUBJECT: **SB 7 SD1 – RELATING TO MEDICAID**

Hearing: Thursday, February 23, 2017, 9:35 a.m.
Conference Room 211, 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.

For the past 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 HUMAN SERVICES

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

February 23, 2017

TO: The Honorable Jill N. Tokuda, Chair
Senate Committee on Ways and Means

FROM: Pankaj Bhanot, Director

SUBJECT: **SB 7 SD1 - RELATING TO MEDICAID**

Hearing: February 23, 2017, 9:35 a.m.
Conference Room 211, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) support the bill to recognize DHS efforts to help address chronic homelessness via its Medicaid program.

PURPOSE: The purposes of measure SB 7 SD 1 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 recognizes and appreciates that there is an integral link between health and housing, especially for individuals who are chronically homeless. Without housing, individuals struggle to address their health conditions; and without addressing their health challenges, people struggle to obtain and retain housing.

For the past nine months, DHS Med-QUEST (MQD) actively engaged with various key Departments, including the Department of Health, community social service providers, health plans and community advocates for mental health and substance use recovery services on the expansion of "tenancy supports" or "permanent supported housing" benefits for the homeless

who would most benefit from such wrap-around services, the chronically homeless. Such benefits currently are included for Medicaid beneficiaries who have a serious mental illness with a functional need.

However, it was recognized that this was not broad enough to serve the chronically homeless population. Thus, the determination was made that an amendment to the MQD 1115 waiver would be needed for this benefit expansion. We appreciate the legislature's support of these efforts and would be pleased to report our progress to you before the start of the 2018 legislative session.

Thank you for this opportunity to provide comments on these measures.

February 23, 2017/9:35 a.m.
Conference Room 211

Senate Committee on Ways and Means

To: Senator Jill Tikuda, Chair
Senator Donovan Dela Cruz, Vice Chair

From: Michael Robinson
Vice President – Government Relations & Community Affairs

Re: **SB 7, SD1 – Relating To Medicaid
Testimony in Support**

My name is Michael Robinson, Vice President, Government Relations and Community Affairs at 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.

I am writing in support of SB 7, SD1 which requires the Department of Human Services and the Department of Health to collaborate in the development of a Medicaid supportive housing services benefit plan through which Medicaid can pay for supportive housing services for Medicaid-eligible individuals, including applying to the Centers for Medicare and Medicaid Services to amend the state Medicaid plan to include supportive housing services for chronically homeless individuals. Housing instability proves to be a significant barrier to regular health care access and results in excessive use of expensive emergency department, crisis services, and inpatient treatment. The State could minimize the costs that homeless individuals incur over their lifetime by exploring innovative ways to join housing stability with health care delivery. The benefit plan in SB 7 will support service providers in more efficiently and effectively meeting the needs of Medicaid-eligible and homeless individuals.

Thank you for the opportunity to provide testimony on this matter.

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 21, 2017 5:25 PM
To: WAM Testimony
Cc: deuaneoren@gmail.com
Subject: *Submitted testimony for SB7 on Feb 23, 2017 09:35AM*

SB7

Submitted on: 2/21/2017

Testimony for WAM on Feb 23, 2017 09:35AM in Conference Room 211

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Deuane Oren | Individual | Support | No |

Comments:

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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From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 22, 2017 11:13 AM
To: WAM Testimony
Cc: paulwnormann@gmail.com
Subject: Submitted testimony for SB7 on Feb 23, 2017 09:35AM

SB7

Submitted on: 2/22/2017

Testimony for WAM on Feb 23, 2017 09:35AM in Conference Room 211

| Submitted By | Organization | Testifier Position | Present at Hearing |
|---------------------|---------------------|---------------------------|---------------------------|
| Paul Normann | Individual | Support | No |

Comments: Housing homeless individuals and families is the most effective way to improve their health and well being. Housed individuals are more likely to successfully get regular mental and physical health care, take medication regularly, participate in substance abuse treatment, and learn the essential life skills to be a productive member of society.

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