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January 29, 2020

TO: The Honorable Representative Joy A. San Buenaventura, Chair  
House Committee on Human Services & Homelessness

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 1987 – RELATING TO A HAWAII SENIOR BENEFITS PAYMENT PROGRAM**

Hearing: January 31, 2020, 8:30 a.m.  
Conference Room 329, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent of the bill, offers the following comments, and requests clarification. DHS defers to the Executive Office on Aging as to its resource needs to operationalize and implement the proposed program.

**PURPOSE:** The purpose of this bill is to establish within the Executive Office on Aging the Hawaii Senior Benefits Payment Program to provide qualifying senior citizens in the State with a monthly stipend to defray cost of living expenses. Appropriates funds. Effective 7/1/2020.

DHS informs the Legislature that we currently have a program that is like the one being proposed. To determine a sufficient amount of funding needed to implement such a program, DHS requests clarification as to the additional population the measure is intended to serve. DHS further requests that any additional appropriation not supplant budget priorities identified in the Executive Budget.

Additionally, as drafted, the program would not apply to residents who are citizens of nations governed by the Compact of Free Association. Consistent with the Article IX, Section 3,

of the State Constitution, a state-funded public assistance program should be available to all residents found to be in need and eligible.

DHS currently has a state-funded cash assistance program that services the aged, blind, and disabled population that are income and program eligible. Aged, Blind and Disabled (ABD) payments are funded under Program ID HMS 202. The purpose of the program is to provide financial support, through direct monetary payments, for food clothing, shelter and other essentials. It is 100% State funds, with a current appropriation of \$4,028,480 annually. Hawaii Administrative Rules §17-658, Financial Assistance to Aged, Blind, and Disabled Individuals, can be found here: <https://humanservices.hawaii.gov/wp-content/uploads/2018/09/658-.pdf>

The general eligibility requirements for cash assistance under the Aged category are:

- (1) Be sixty-five years of age or older;
- (2) Be a resident of the State;
- (3) Have a household income that does not exceed one hundred per cent of the 2006 annual federal poverty line (\$939/month for an individual, \$1,265/month for a couple), as established by section 346-53, HRS;
- (4) Have less than \$2,000 in countable assets or resources as an individual, or \$3,000 as a couple; and
- (5) Complete an application in a format prescribed by the department.

There is no citizenship requirement to be eligible to receive ABD assistance.

Resource testing is a requirement to mirror requirements for Social Security's Supplement Support Income (SSI) which U.S. citizen, and certain categories of alien, aged individuals may be eligible to receive if they are determined eligible under SSA's income and asset testing limits.

In State Fiscal Year 2019, the ABD program serviced 9,992 Aged individuals and issued out \$3,150,745 in cash assistance.

Thank you for the opportunity to testify on this bill.



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HOUSE OF REPRESENTATIVES  
Committee on Human Services and Homelessness  
Friday, January 31 2020  
8:30 a.m.  
Conference Room 329

To: Representative Joy San Buenaventura, Chair  
Re: HB 1987 Relating to Hawaii Seniors Benefits Payment Program

Dear Chair San Buenaventura, Vice-Chair Nakamura, and Members of the Committee,

My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a membership organization of people age fifty and over, with nearly 145,000 members in Hawai'i. AARP advocates for issues that matter to Hawai'i families, including the high cost of long-term care; access to affordable, quality health care for all generations; and serving as a reliable information source on issues critical to people over the age of fifty.

AARP Hawai'i **supports the intent with comments on H.B. No. 1987**. This bill establishes the Hawaii Seniors Benefits Payment Program to provide qualifying senior citizens in the State with a monthly stipend to defray the cost of living expenses.

First of all, AARP is a strong proponent in ensuring that every American has a bright and secure financial future. We tirelessly advocate to protect Social Security benefits and support programs that will help all American workers grow retirement savings, so that they can take control of their future. We are fully aware of Hawaii's high cost of living, and that our kūpuna struggle to make ends meet, especially if they only have Social Security as their sole source of income. Therefore, we commend these efforts to ease their financial burdens.

HB 1987 has many unknown program details and questions which make it difficult for AARP to fully understand its effectiveness. The questions relate to:

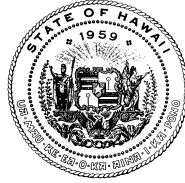
- **Determining Program Eligibility and Administration:** Is the Executive Office on Aging responsible for determining program eligibility or will this be contracted to the County Area of Agencies to oversee?
- **Marketing and Education:** How will eligible participants learn about the program?
- **Program Start-Up Budget:** What is the cost of the program, staffing requirements to plan and administer the program, and how many people does it target to serve?

We hope that additional information can be provided, and the program details are worked out to be an effective program for Hawaii's kūpuna.

Thank you very much for the opportunity to provide our comments on HB 1987.

AARP  
Real Possibilities

DAVID Y. IGE  
GOVERNOR OF HAWAII



CAROLINE CADIRAO  
EOA DIRECTOR

BRUCE ANDERSON  
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**Testimony COMMENTING on HB1987  
Relating to a Hawaii Senior Benefits Payment Program**

COMMITTEE ON HUMAN SERVICES AND HOMELESSNESS  
REPRESENTATIVE JOY A. SAN BUENAVENTURA, CHIR  
REPRESENTATIVE NADINE K. NAKAMURA, VICE CHAIR

Testimony of Caroline Cadirao  
EOA Director, Executive Office on Aging  
Attached Agency to the Department of Health

Hearing Date: January 31, 2020  
8:30 am

Room Number: 329

- 1 **EOA's Position:** The Executive Office on Aging (EOA), an attached agency to the Department
- 2 of Health is providing comments regarding concerns with HB1987 Relating to a Hawaii Senior
- 3 Benefits Payment Program.
- 4 **Purpose and Justification:** The purpose of this bill is to establish a Hawaii Senior Benefits
- 5 Payment Program to provide cash benefits for living expenses to senior citizens, aged 65 years or
- 6 older, resident of the state or a qualified alien that has a household income not to exceed the
- 7 annual federal poverty line for the State, as established by the Secretary of Health and Human
- 8 Services under the Community Service Block Grant Act, 42 U.S.C. section 9902. Older adults
- 9 interested in applying must complete an application in a format prescribed by the Executive
- 10 Office on Aging and must meet specific individual household income requirements.
- 11 Hawaii's older adults 65 years of age and older living in poverty is 6.5% (16,722) of the
- 12 population. EOA does not have the required program and administrative staff to develop and

1 implement a program of this magnitude. In addition, this program seems like an entitlement and  
2 EOA does not have experience in coordinating an entitlement program.

3 EOA feels that the Hawaii Senior Benefits Payment Program is similar in scope to the existing  
4 Program for the Aged, Blind or Disabled Program that is currently administered by the Hawaii  
5 State Department of Human Services, Benefit, Employment and Support Services. To be eligible  
6 for financial assistance under this program, the applicant must be 65 years of age or older, or  
7 legally blind, or totally and permanently disabled and have applied for Supplemental Security  
8 Income (SSI) at a Social Security Office and need more financial assistance

9 **Fiscal Implications:** The Hawaii Senior Benefits Payment Program is asking for an  
10 appropriation as may be necessary for fiscal year 2020-2021 in order to establish the program.

11 **Recommendation:** EOA appreciates the intent of the bill because it is helping older adults  
12 avoid homelessness and provide financial assistance for living expenses to senior citizens.

13 However, EOA is unable to support this measure and feels discussions with MedQuest would be  
14 a better option.

15 Thank you for the opportunity to provide testimony.

**HB-1987**

Submitted on: 1/29/2020 1:29:42 PM

Testimony for HSH on 1/31/2020 8:30:00 AM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Ruston Utu          | Individual          | Support                   | No                        |

Comments:

I support this bill. In this aging world, I think it is important that we continue to look out for our elderly. It would also really help our elderly that live in Hawaii be able to afford the cost of living.

**HB-1987**

Submitted on: 1/28/2020 8:10:56 PM

Testimony for HSH on 1/31/2020 8:30:00 AM

| <b>Submitted By</b> | <b>Organization</b> | <b>Testifier Position</b> | <b>Present at Hearing</b> |
|---------------------|---------------------|---------------------------|---------------------------|
| Carmie Spellman     | Individual          | Support                   | No                        |

Comments: