



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

January 30, 2020

TO: The Honorable Senator Russell E. Ruderman, Chair  
Senate Committee on Human Services

FROM: Pankaj Bhanot, Director

SUBJECT: **SB 3117 – RELATING TO HOMELESSNESS**

Hearing: January 31, 2020, 2:50 p.m.  
Conference Room 016, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent of the measure, provides comments, and requests that its passage does not replace or adversely impact the Governor's budget priorities.

**PURPOSE:** The purpose of this bill is to extend the emergency department homelessness assessment pilot program and medical respite pilot program to December 31, 2021, and appropriate funds for the continuation of the pilots.

DHS notes that there is a clear link between healthcare and homelessness. The pilots have demonstrated preliminary success in achieving better health and social outcomes for the individuals that receive services. DHS agrees that Hawaii would benefit from putting these services on a sustainable pathway by including them as part of the Med-QUEST Division's (MQD) QUEST Integration program.

DHS has already begun working with Queen's Medical Center to see what services provided under the emergency department homelessness assessment pilot may be provided under the QUEST Integration program in the long term.

Unfortunately, DHS does not have authorization from the Centers of Medicare and Medicaid Services (CMS) to provide reimbursement for medical respite. DHS requested CMS

authorization of medical respite services in its recent Section 1115 Demonstration renewal, but CMS noted it was denying requests from all states for medical respite. DHS will continue to work with CMS in the future to explore how DHS might be able to offer medical respite and similar services. However, absent federal approval, DHS will not be able to support the medical respite program through QUEST Integration using federal matching funds.

As to the proposed appropriation, DHS recommends that the Legislature consider the appropriations be made through a Grant in Aid per Chapter 42F, HRS, versus the current sole source procurement process through the DHS Homeless Programs Office, as the health care standards required for the emergency department and medical respite pilot program are beyond the scope and subject matter expertise of the Homeless Programs Office.

Thank you for the opportunity to testify on this bill.



**EXECUTIVE CHAMBERS**  
HONOLULU

**DAVID Y. IGE**  
GOVERNOR

January 31, 2020

**TO:** The Honorable Senator Russell E. Ruderman, Chair  
Senate Committee on Human Services

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

**SUBJECT: SB 3117 – RELATING TO HOMELESSNESS**

Hearing: Friday, January 31, 2020, 2:50 p.m.  
Conference Room 016, State Capitol

**POSITION:** The Governor's Coordinator supports this bill provided that its passage does not replace or adversely impact budget priorities.

**PURPOSE:** The purpose of this bill is to extend the emergency department homelessness assessment pilot program and medical respite pilot program to December 31, 2021, and appropriate funds for the continuation of the pilot.

The Coordinator notes the clear and critical intersection between healthcare and homelessness. Since 2018, the Department of Human Services (DHS) has contracted with Queen's Medical Center (QMC) to administer both the emergency department homelessness assessment and medical respite pilot programs. A review of data collected by DHS indicates promising results for the emergency department assessment pilot for the period between September 1, 2018 and September 30, 2019. The emergency department assessment pilot reported that 63% of clients served were "housing document ready," and average emergency medical services utilization per client per month declined by 53%.

The Hawaii Interagency Council on Homelessness (HICH), a 27-member advisory council chaired by the Coordinator, recently voted to prioritize support to sustain and scale promising programs, such as the emergency department assessment pilot, as part of its 2020 legislative priorities to address homelessness. The delivery of assessment and navigation services in the

emergency department works to complement and strengthen existing services, as well as reducing healthcare costs for individuals who frequently utilize emergency department services.

In addition, both the emergency department assessment and medical respite pilot programs reported nearly one-fifth of clients served (17% for the emergency department assessment pilot, and 19% for medical respite) exiting directly to permanent housing. The focus on permanent housing placement also serves to reduce healthcare costs for individuals experiencing homelessness. For example, an analysis by the University of Hawaii Center on the Family, based upon reports of 107 Housing First clients participating in the Hawaii Pathways Project, found an estimated healthcare cost savings of \$6,197 per client per month for clients that were housed. See Hawaii Pathways Project Final Report, 2018, University of Hawaii Center on the Family.<sup>1</sup>

The Coordinator notes that discussions are ongoing between DHS Med-QUEST Division and Queen's Medical Center staff regarding whether components of the emergency department assessment services can be billed to Medicaid.

Thank you for the opportunity to testify on this bill.

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<sup>1</sup> See full report at: [http://uhfamily.hawaii.edu/publications/brochures/bb9f9\\_Hawaii\\_Pathways\\_Final\\_Report.pdf](http://uhfamily.hawaii.edu/publications/brochures/bb9f9_Hawaii_Pathways_Final_Report.pdf)



## THE QUEEN'S HEALTH SYSTEMS

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To: The Honorable Russell E. Ruderman, Chair  
The Honorable Karl Rhoads, Vice Chair  
Members, Committee on Human Services

From: Daniel Cheng, MD, Medical Director, Emergency Department, and Medical Director, Queen's Care Coalition, The Queen's Medical Center - Punchbowl

Date: January 29, 2020

Hrg: Senate Committee on Human Services Hearing; Friday, January 31, 2020 at 2:50PM in room 016

Re: **Strong support for SB3117, Relating to Homelessness**

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The Queen's Health Systems (Queen's) is a not-for-profit corporation that provides expanded health care capabilities to the people of Hawai'i and the Pacific Basin. Since the founding of the first Queen's hospital in 1859 by Queen Emma and King Kamehameha IV, it has been our mission to provide quality health care services in perpetuity for Native Hawaiians and all of the people of Hawai'i. Over the years, the organization has grown to four hospitals, 66 health care centers and labs, and more than 1,600 physicians statewide. As the preeminent health care system in Hawai'i, Queen's strives to provide superior patient care that is constantly advancing through education and research.

Queen's appreciates the opportunity to provide testimony in strong support for SB3117, Relating to Homelessness. This bill would extend the emergency department homelessness assessment pilot program and medical respite pilot program to December 31, 2021 as well as appropriate funds. As a mission driven organization, Queen's plays a central role as a leader in health care for our community and provides the majority of medical care to our homeless population in Hawai'i.

In Fiscal Year 2019, Emergency Medical Services (EMS) had 3,035 transports and the Honolulu Police Department (HPD) 1,341 transports to Queen's. The HPD transports typically require 2 HPD personal and roughly 4 hours per encounter. Queen's cared for 2,984 unique homeless individuals with 8,397 ED encounters. This translated to \$21.8 million dollar cost to Medicaid and cost of care to Queen's of \$14 million after payment. Historically Queen's cares for roughly 65% of all homeless acute hospital care on Oahu. As the primary health system serving this population, by focusing resources for maximum access to this population, Queen's has developed and deployed the Queen's Care Coalition Team (QCC) to provide intensive short-term, post-discharge navigation services to special populations. Through the efforts of the QCC, our most vulnerable and hard to reach homeless populations are currently receiving care coordination and being connected to community resources such as supportive housing services, social services, behavioral health, etc. The QCC has shown an average improvement of >50% decrease in ED visits and admissions 3 months post vs prior.

I sincerely appreciate the opportunity to testify in strong support of SB3117, which would ensure a smooth transition of the services rendered by the QCC to the Medicaid program.

*The mission of The Queen's Health Systems is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.*



## THE QUEEN'S HEALTH SYSTEMS

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To: The Honorable Russell E. Ruderman, Chair  
The Honorable Karl Rhoads, Vice Chair  
Members, Committee on Human Services

From: Ashley Shearer, Clinical Operations Manager, Queen's Care Coalition, The Queen's Medical Center - Punchbowl

Date: January 29, 2020

Hrg: Senate Committee on Human Services Hearing; Friday, January 31, 2020 at 2:50PM in room 016

Re: **Strong support for SB3117, Relating to Homelessness**

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Queen's appreciates the opportunity to provide testimony in strong support for SB3117, Relating to Homelessness. This bill would extend the emergency department homelessness assessment pilot program and medical respite pilot program to December 31, 2021 as well as appropriate funds. The pilot programs are currently in the process of transitioning to Med-Quest. With the pilot program funding set to end June 30, 2020, additional supports and resources are needed to ensure no lapse in services for those served.

The emergency department homelessness assessment pilot program is currently operating through the Queen's Care Coalition. The Queen's Care Coalition provides short term, post-discharge navigation services to special populations to reduce reliance on acute care by connecting patients to community services. They have two navigation programs, the Super Utilizer program and Native Hawaiian program. Both navigation programs serve many homeless individuals.

Queen's Care Coalition met and exceeded a majority of the metrics established in the emergency department homelessness assessment pilot program. Individuals served under the pilot program were document ready for housing and connected to housing (both permanent and temporary) and to community resources. In addition to meeting the housing and social needs of many individuals served, Queen's Care Coalition exceeded proposed numbers related to reducing: 1) unnecessary ER visits (39%); 2) hospitalized days (17%) and 3) ambulance utilization (53%).

I sincerely appreciate the opportunity to testify in strong support of SB3117, which would ensure a smooth transition of the services rendered by the Queen's Care Coalition to the Medicaid program.

*The mission of The Queen's Health Systems is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.*



## THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Russell E. Ruderman, Chair  
The Honorable Karl Rhoads, Vice Chair  
Members, Committee on Human Services

From: Paula Yoshioka, Vice President, Government Relations & External Affairs, The Queen's Health Systems  
Colette Masunaga, Manager, Government Relations & External Affairs, The Queen's Health Systems

Date: January 30, 2020

Hrg: Senate Committee on Human Services Hearing; Friday, January 31, 2020 at 2:50PM in room 016

Re: **Strong support for SB3117, Relating to Homelessness**

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The Queen's Health Systems (Queen's) is a not-for-profit corporation that provides expanded health care capabilities to the people of Hawai'i and the Pacific Basin. Since the founding of the first Queen's hospital in 1859 by Queen Emma and King Kamehameha IV, it has been our mission to provide quality health care services in perpetuity for Native Hawaiians and all of the people of Hawai'i. Over the years, the organization has grown to four hospitals, 66 health care centers and labs, and more than 1,600 physicians statewide. As the preeminent health care system in Hawai'i, Queen's strives to provide superior patient care that is constantly advancing through education and research.

Queen's appreciates the opportunity to provide testimony in strong support for SB3117, Relating to Homelessness. This bill would extend the emergency department homelessness assessment pilot program and medical respite pilot program to December 31, 2021 as well as appropriate funds. This would ensure no lapse in resources for the emergency department homelessness assessment pilot program and medical respite pilot program, as they are transitioned to the Med-QUEST division.

There is a high utilization of Emergency Department (ED) resources by homeless individuals for non-emergent needs. Many of our homeless patients are Super Utilizers of the ED and suffer from mental health and substance abuse issues. The ED homelessness assessment pilot program is operated through the Queen's Care Coalition and has proven that coordinated care services for our homeless patients and connecting them to community resources is an effective and cost-saving approach. Queen's believes that community partnerships between medical and human services providers for the delivery of medical respite is critical in the healing process for our homeless patients, who require additional time to recover in a more appropriate level of care setting. Those who experience homelessness deserve to have access to community resources and the care they need. The Medical Respite pilot program has demonstrated positive results in delivering medical respite services for eligible individuals experiencing homelessness by providing services such as, but not limited to, meals, case management, and medical, nursing, and psychiatric care and merits continuation.

The Department of Human Services is in the process of transitioning these programs from the Homeless Program Office to the Med-QUEST Division. We sincerely appreciate the continued support of these two proven programs that have greatly benefited our community.

*The mission of The Queen's Health Systems is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.*



Friday, January 31, 2020

Senate Bill 3117  
Testifying in Support

Aloha Chair Ruderman, Vice Chair Rhoads, and Members of the Committee on Human Services,

The Democratic Party of Hawai'i (The Party) **stands in support of SB3117**. This bill seeks to extend the emergency department homelessness assessment pilot program and medical respite pilot program from June 30, 2020, to December 31, 2021, and appropriating funds. Doing so would greatly reduce the need for emergency medical care by paramedics and emergency room doctors.

As noted in a Civil Beat article entitled, [Death on the Streets: Lack of Health Care a Major Factor in Homeless Deaths](#), by Nick Grube on November 13, 2014, there are thousands of homeless people struggling to survive on O'ahu. Dozens of families have pitched tents along the streets, and many individuals struggle to survive for long stretches without medical care. Clinics may be the only health care a homeless person receives for months, sometimes even years. This is a major reason why the homeless population on average die decades before people who are housed. Their average age of death is 50. The lack of medical care can be attributable to a number of factors, including but not limited to: (1) being of a transient population, (2) mobility issues getting to clinics, (3) mental illness, (4) severe psychosis, (5) chaos in just finding nutritious food and a place to sleep, (6) uninsured, (7) impoverished, (8) substance and alcohol abuse, and (9) the inability to manage their own lives as necessary to seek medical care.

Queen's Medical Center officials noted 4,000 – 5,000 emergency room visits from the homeless population in 2014. The Honolulu Emergency Services Department, under the direction of Jim Ireland, Director, in an effort to cut taxpayer costs for EMS services to the homeless, started sending paramedics directly to make "home visits" before known homeless "frequent fliers" call for EMS services and treat them on the field rather than at the hospital. It is estimated that these frequent homeless callers cost our taxpayer-funded health care system at least \$3 million a year for ambulance response and trips to the ER. However, based on the transient nature of the homeless population, it may be very difficult to locate these frequent fliers for follow-up visits.

SB3117 would fill these immediate needs by extending the services provided by the emergency department homelessness assessment pilot program and medical respite pilot program to from June 30, 2020, to December 31, 2021. This extension of services



through these pilot programs will decrease the already taxed-demand for medical care by paramedics and emergency room doctors by providing short-term, post-discharge navigation services to special populations to reduce reliance on acute care by connecting patients to community services.

Through SB3117, the services provided by the emergency department homelessness assessment pilot program and medical respite pilot program connected the homeless population with community resources; satisfied their requirements to achieve document-ready status for housing; and assisted in their maintaining permanent housing status after three months, all of which satisfies very important and critical needs for our homeless populations throughout the state. Furthermore, these pilot programs reduced the number of unnecessary emergency department visits; reduced the number of hospitalized days; and reduced the amount of emergency utilization.

For these reasons, we urge you to vote favorably on this bill. Given that the emergency department homelessness assessment pilot program and medical respite pilot program have made a positive impact on the homeless population and have reduced the number of emergency room visits and hospitalized days, extending the time in which to provide such services from June 30, 2020, to December 31, 2021, would be paramount to the health, safety, and welfare of the homeless population while reducing taxpayer cost of ER visits.

Mahalo for the opportunity to testify,



Josh Frost  
Co-Chair, Legislation Committee  
Democratic Party of Hawai'i



Zahava Zaidoff  
Co-Chair, Legislation Committee  
Democratic Party of Hawai'i

<https://www.civilbeat.org/2014/11/death-on-the-streets-lack-of-health-care-a-major-factor-in-homeless-deaths/>

**SB-3117**

Submitted on: 1/28/2020 7:14:49 PM

Testimony for HMS on 1/31/2020 2:50:00 PM

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

Comments: