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DEPARTMENT OF PUBLIC SAFETY
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No. _____

TESTIMONY ON SENATE BILL 266, SENATE DRAFT 1
RELATING TO CORONAVIRUS 2019 PANDEMIC.

by
Max N. Otani, Director

Senate Committee on Ways and Means
Senator Donovan M. Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair

Friday, February 19, 2021; 10:00 a.m.
State Capitol, Conference Room 211
Via Videoconference

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

The Department of Public Safety (PSD) **supports** Senate Bill (SB) 266, Senate Draft (SD) 1, which makes appropriations to PSD to fund the continued response to Coronavirus 2019 pandemic in fiscal year 2021-2022. The funding requested is urgently needed to respond to the unprecedented COVID-19 pandemic. PSD respectfully requests the Committee on Ways and Means to authorize allocations totaling \$8,921,656 to PSD under the following:

Under Section 18, \$6,492,536 to fund:

- PSD 421- Health Care: \$2,279,616 SARS-CoV-2 Test for Inmates
- PSD 421- Health Care: \$884,000 for contract Physician Services
- PSD 421- Health Care: \$1,216,800 for 24-hour contract Nursing Services
- PSD 421- Health Care: \$912,120 for contract nurses to conduct in-facility testing
- PSD 808- Non-State Facilities: \$1,200,000 for Inmate Hospitalization Cost at non state facilities

Under Section 19, \$2,200,000 to fund:

- PSD 900- General Administration: \$1,800,000 to sustain minimal levels of weekly deep cleaning and disinfection/sanitation of correctional institutions
- PSD 420- Corrections Program Services: \$400,000 for the Food Services Program

And finally, under Section 20, \$229,300 for PSD 503- Sheriffs for the Safe Travels Hawaii law enforcement needs.

In order to effectively address the level of care and safety at all correctional facilities and provide the necessary law enforcement presence to make the Safe Travels Hawaii program successful, the continued funding in fiscal year 2021-2022 is needed.

Thank you for the opportunity to present this testimony.

DAVID Y. IGE
GOVERNOR



KENNETH S. HARA
MAJOR GENERAL
ADJUTANT GENERAL

STEPHEN F. LOGAN
COLONEL
DEPUTY ADJUTANT GENERAL

STATE OF HAWAII
DEPARTMENT OF DEFENSE
OFFICE OF THE ADJUTANT GENERAL
3949 DIAMOND HEAD ROAD
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TESTIMONY ON SENATE BILL 266 SD1
A BILL RELATING TO THE CORONAVIRUS 2019 PANDEMIC

PRESENTATION TO
COMMITTEE ON WAYS AND MEANS

BY
MAJOR GENERAL KENNETH S. HARA
ADJUTANT GENERAL AND DIRECTOR OF STATE EMERGENCY MANAGEMENT AGENCY

FEBRUARY 18, 2021

Chair Donovan M. Dela Cruz, and Vice Chair Gilbert S.C. Keith-Agaran, and Members of the Committee.

I am Major General Kenneth S. Hara, State Adjutant General and the Director of the Hawaii Emergency Management Agency. I am testifying in **SUPPORT** of Senate Bill 266 SD1.

Thank you for the opportunity to provide written testimony on behalf of the Department of Defense which supports SB266 SD, Making Appropriations to the Department of Defense Relating to COVID-19 Expenditures.

Highlights of the Emergency Appropriation request will fund the State's Safe Travels Program, Call Center Operations, and procurement, storage and distribution of personal protective equipment.

The department proposes a reduction from our original Emergency Appropriation request from \$25,545,290 to \$13,602,351. The proposed reduced amount will be sufficient to fund DOD Operations from 1 April 2021 through 30 June 2021. The following is the breakdown of the budget request:

The Safe Travels Hawaii funding of \$9,394,908 to \$8,413,549,

Call Center Funding for \$600,000,

Funding for National Guard support from \$22,500 to \$0,

Screeners tablets for \$90,000 to \$0 (Included in Safe Travels funding),

PPE/Warehousing/Distribution from \$15,427,882 to \$4,588,802

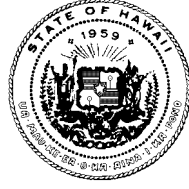
Reductions are based on new projection based on actual expenses and the anticipation that Hawaii National Guard funding through this state fiscal year will be 100% federally funded.

The Department of Defense request an additional \$36,054,196 for state fiscal year 2022, assuming current levels of support are required for the States Safe Travels Program.

Thank you for the opportunity to support SB266 SD1.

If you have any questions or need additional information to our response, please contact our Administrative Services Officer, Rusty Spray at (808) 726-5599 or at rusty.spray@hawaii.gov

DAVID Y. IGE
GOVERNOR



CATHY BETTS
DIRECTOR

JOSEPH CAMPOS II
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

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

February 18, 2021

LATE

TO: The Honorable Senator Donovan M. Dela Cruz, Chair
Senate Committee on Ways & Means

FROM: Cathy Betts, Director

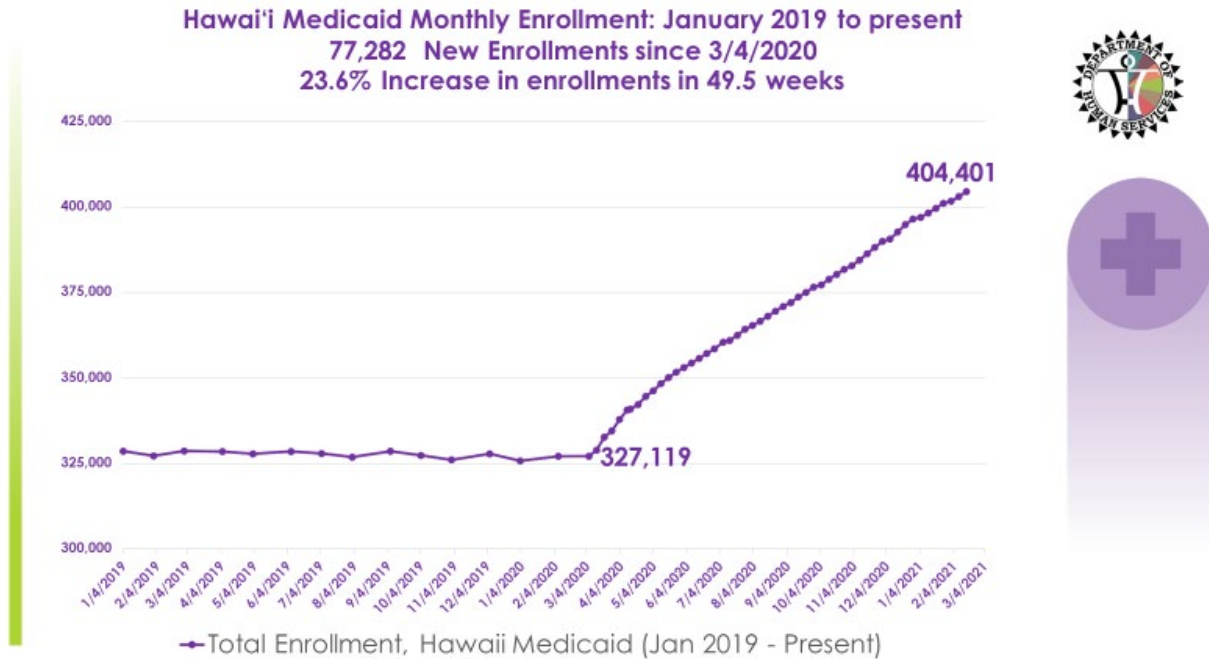
SUBJECT: **SB 266 SD1 – RELATING TO CORONAVIRUS 2019 PANDEMIC**

Hearing: Friday, February 19, 2021, 10:00 a.m.
Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this measure, DHS currently projects an additional \$1,000,000 appropriation in general funds for operations to maintain the level of benefits and services at pandemic levels. See administration measures SB1088 and HB934. DHS appreciates the amendments of the Senate Committee on Health that replaced the contents of the measure with the contents of SB1088.

PURPOSE: The purpose of the bill is to appropriate funds to address the response to the COVID-19 pandemic.

Since the onset of the Covid-19 pandemic, the caseloads of all major public benefits programs have dramatically increased. The table below illustrates the primary example that shows as of February 15, 2021, Med-QUEST enrollees exceed 404,000 Hawaii residents, a **23.6%** increase since March 2020.



We anticipate program caseloads will remain high throughout 2021 and that due to general fund shortfall, we will likely need to maintain this high level of services at current staffing levels.

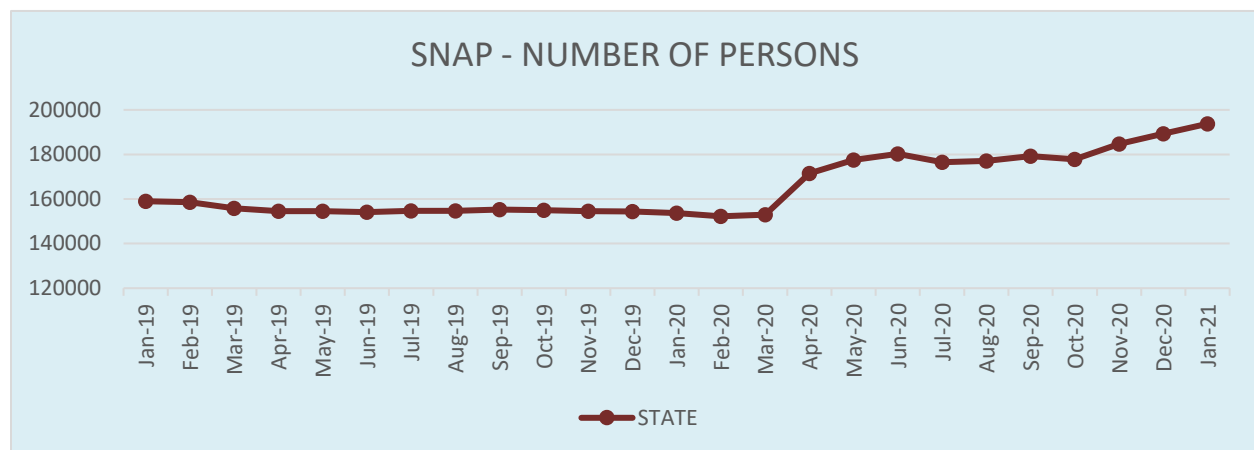
In State Fiscal Year 2022, we anticipate requiring an additional appropriation of \$1,000,000 in general funds to support the likelihood of overtime and other potential operational expenditures needed to maintain benefits and services as well as to adjust to additional federal changes. In 2020, we incurred overtime costs to process the surge in applications for example, child care subsidies that saw **100% increase** in applications received during April – Oct 2020 versus the same period in 2019, resulting in 60% more families receiving child care subsidies.

From February 2020, all financial programs caseloads increased as follows:

Program	TANF	TAONF	AABD	GA
Description	Assistance for families with minor children	Assistance for families with minor children/mixed citizenship households	Assistance for aged (65+), blind & disabled, not eligible for SSA benefits	Temporary disability for adults without dependent minor children
February	9473	1785	917	5201
March	9814	1826	903	5472

Program	TANF	TAONF	AABD	GA
April	12297	3056	949	5977
May	13649	3985	973	6647
June	14150	4406	1000	7015
July	14400	4667	1027	7094
August	14606	4820	1016	6946
September	14919	5007	1006	6802
October	15488	5243	981	6814
November	15990	5683	1001	6732
December	16143	5890	1024	6765
Percent Increase	70%	230%	12%	30%

The number of individuals now receiving Supplemental Nutrition Assistance Benefits (SNAP) now exceed 190,000 residents, a **26.11%** increase since January 2020. The table below shows the change in case load since January 2019 through January 2021:



Where appropriate we will be able to access federal match funds. This request is also addressed in administration measures SB1088 and HB934.

These dramatic increases are influenced by numerous programmatic waivers approved by federal agencies. As pandemic related waivers recede and regular program rules are reinstated, we anticipate additional administrative expenses as eligibility redeterminations and other program integrity measures return. We also anticipate with eligibility re-determinations, there will likely be an increase in requests for administrative review and fair hearings.

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There may also be operational and IT systems expenditures as we continue to modernize our IT infrastructure and business processes to make access to benefits and services easier for Hawaii's residents and to provide our workforce with better tools and capabilities, while maintaining our priority to everyone's health and safety.

Thank you for the opportunity to provide testimony in support of this measure.



**Testimony to the Senate Committee on Ways and Means
Friday, February 19, 2021; 10:00 a.m.
State Capitol, Conference Room 211
Via Videoconference**

RE: SENATE BILL NO. 0266, SENATE DRAFT 1, RELATED TO THE CORONOVIRUS 2019 PANDEMIC.

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** Senate Bill No. 0266, Senate Draft 1, RELATED TO THE CORONOVIRUS 2019 PANDEMIC.

The bill, as received by your Committee, would appropriate general funds for fiscal year 2021-2022, to the Departments of Defense, Health, Human Services, and Public Safety, and the Hawaii Health Systems Corporation, to supplement the continuation of various COVID-19 related response, relief, and mitigation programs and activities.

By way of background, the HPCA represents Hawaii Federally-Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

Ever since COVID-19 hit Hawaii's shores, FQHCs have worked with our partner health care providers and the State Department of Health, the Counties of Hawaii, Kauai, and Maui, and the City and County of Honolulu to plan and implement the enormous task of immunizing Hawaii's citizens. The federal government has helped enormously by fast-tracking the vaccine and paying for the hundreds of millions of doses that will need to be distributed throughout our Nation. However, the federal government is not paying for the administrative costs of delivering this medication to citizens. This includes, among other things, the purchase of needles, syringes, personal protection equipment, as well as the time of health care professionals away from their normal duties to perform this added responsibility.

Testimony on Senate Bill No. 0266, Senate Draft 1
Friday, February 19, 2021; 10:00 a.m.
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Because these costs were not previously budgeted, the Administration has had to scramble to find resources within existing budgets to, among other things, start the immunizations of first responders and health care providers. That they had gotten us this far, the Administration should be commended for their creativity and willingness to work with the providers.

The immunization plan is just one example of how COVID has had a profound systemic impact on all government services provided by the State of Hawaii. There are many more issues just like this that the Administration has had to address immediately and decisively, including those related to civil defense, transportation, human services, health and public safety just to name a few.

For this reason, the HPCA urges your favorable consideration of this important measure.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiiipca.net.



HAWAII HEALTH SYSTEMS
C O R P O R A T I O N
Quality Healthcare For All

LATE

SENATE COMMITTEE ON WAYS and MEANS

February 19, 2021
10:00 a.m.
Via Videoconference

**Testimony in Strong Support of Senate Bill 266, S.D. 1
RELATING TO THE CORONAVIRUS 2019 PANDEMIC.
Appropriates moneys.**

Linda Rosen, M.D., M.P.H.
Chief Executive Officer
Hawaii Health Systems Corporation

On behalf of the Hawaii Health Systems Corporation (HHSC) Corporate Board of Directors, thank you for the opportunity to present testimony **in strong support of S.B. 266, S.D. 1** that provides appropriations to continue funding for various COVID-19 response related programs and activities.

We respectfully request the committee's consideration that Section 17 of this bill provide general fund appropriations of \$31,900,000 to HHSC for fiscal year 2022 to be used as a cash infusion to offset revenue shortfalls of the regional facilities of the corporation located in the counties of Oahu, Hawaii, and Kauai due to the COVID-19 pandemic. HHSC's base general fund appropriation request for fiscal years 2022 and 2023 is \$100,709,000 and \$98,036,000, respectively. The vast majority of that request is to fund approximately \$63,800,000 each year in projected lost revenues as a result of the impact of COVID-19. As the true impact on the operating revenues of HHSC's hospitals is still unknown depending on the status of getting Hawaii residents vaccinated and achieving herd immunity as well as the timing and extent of opening up the State to tourism, HHSC projected that inpatient revenues will reach a maximum of 90% of pre-COVID-19 levels, with outpatient and Emergency Department revenues remaining at approximately 60% to 90% of pre-COVID-19 levels. This is consistent with what HHSC has experienced since the height of the COVID-19 pandemic in April 2020.

Thank you for the opportunity to testify before this committee **in strong support** of this measure.

3675 KILAUEA AVENUE • HONOLULU, HAWAII 96816 • PHONE: (808) 733-4020 • FAX: (808) 733-4028

February 18, 2021

TO: The Honorable Senator Jarret Keohokaole, Chair Senate Committee on Health

FROM: Shanelle Borges (UHM Social Work Student)

SUBJECT: **SB 266** Relating to the Coronavirus 2019 Pandemic

Hearing: Friday, February 19, 2021 10:00 am

Via Videoconference, State Capitol

I am a social work student at the University of Hawai'i at Manoa and am in strong support of SB 266 relating to the Coronavirus 2019 Pandemic. The purpose of this bill is to appropriate funds to address the response to the COVID-19 pandemic and help sustain and give confidence to the community by providing sufficient resources. I believe that these funds are needed to help support the community as well as health care. I've personally witnessed friends and family members lose or have to quit their jobs due to the Coronavirus which has forced them to seek Medicaid and SNAP supplementation which I believe needs additional financial backing.

As a student in support of SB 266 and a member of our community, I look forward to the ongoing conversations with the Legislature and stakeholders.

Thank you for the opportunity to testify.

Shanelle Borges