

STATE OF HAWAII
DEPARTMENT OF HEALTH
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**WRITTEN
TESTIMONY
ONLY**

**Testimony in SUPPORT of SB266
RELATING TO THE CORONAVIRUS 2019 PANDEMIC**

SENATOR JARRETT KEOHOKALOLE, CHAIR
SENATE COMMITTEE ON HEALTH

Hearing Date: February 1, 2021

Room Number: N/A

1 **Department Testimony:** The Department of Health (DOH) supports this measure to assure
2 sufficient resources to sustain and enhance the State's pandemic response. Critical factors
3 continue to evolve and change over time, such as levels of federal support, medical and public
4 health guidance, mutations of the virus, vaccine supply, and the beliefs and behaviors of
5 community members. As a result, it is not possible at this time to provide an accurate estimate of
6 how much more funds will be necessary to achieve the Recovery and New Normal impact levels
7 in the State's Reopening Strategy.

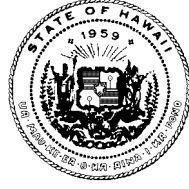
8 The department looks forward to this ongoing conversation with the Legislature and other key
9 stakeholders.

10 Thank you for the opportunity to testify.

11 **Offered Amendments:** N/A.

12

DAVID Y. IGE
GOVERNOR



CATHY BETTS
DIRECTOR

JOSEPH CAMPOS II
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

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January 31, 2021

TO: The Honorable Senator Jarett Keohokalole, Chair
Senate Committee on Health

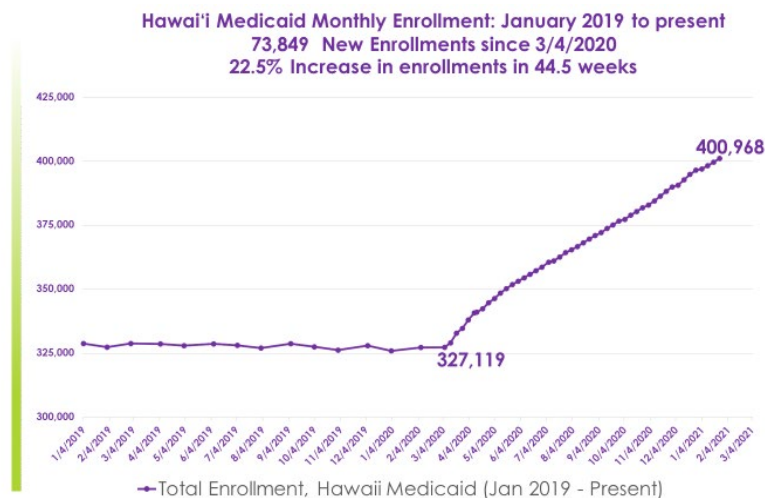
FROM: Cathy Betts, Director

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

Hearing: Monday, February 1, 2021, 1:00 p.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/HB934.

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 above illustrates the primary example that shows as of January 25, 2021, Med-QUEST enrollees exceed 400,000 Hawaii residents, a 22.5% 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.

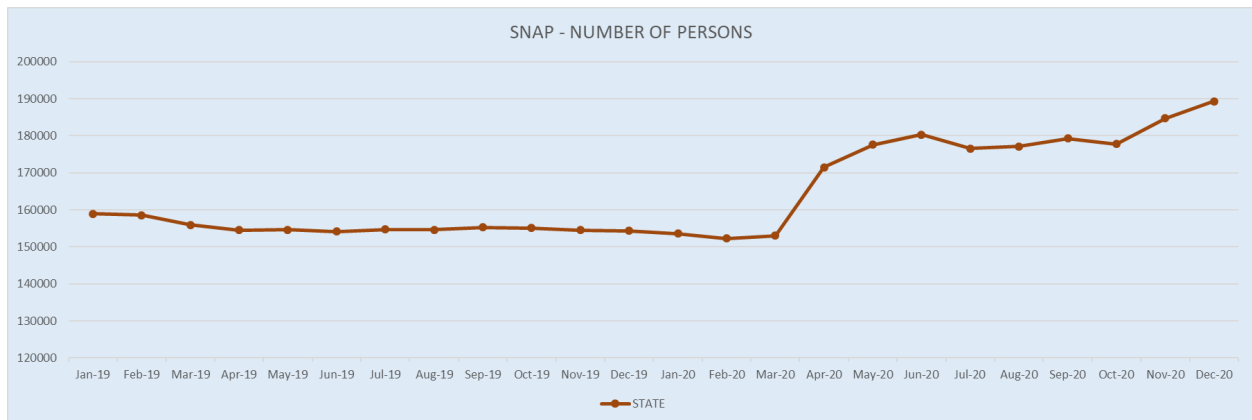
In State Fiscal Year 2022, we anticipate requiring an additional appropriation of \$1,000,000 in general funds to support the likelihood of overtime and other potential operational expenditures needed to maintain benefits and services as well as to adjust to additional federal changes. In 2020, we incurred 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	Description	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Percent Increase
TANF	Assistance for families with minor children	9,473	9,814	12,297	13,649	14,150	14,400	14,606	14,919	15,488	15,990	69%
TAONF	Assistance for families with minor children/mixed citizenship households	1,785	1,826	3,056	3,985	4,406	4,667	4,820	5,007	5,243	5,68	218%
AABD	Assistance for aged (65+), blind & disabled, not eligible for SSA benefits	917	903	949	973	1,000	1,027	1,016	1,006	981	1,001	9%

Program	Description	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Percent Increase
GA	Temporary disability for adults without dependent minor children	5,201	5,472	5,977	6,647	7,015	7,094	6,946	6,802	6,814	6,732	29%

The number of individuals now receiving Supplemental Nutrition Assistance Benefits (SNAP) is hovering at 190,000 residents. The table below shows the change in case load since January 2019 through December 2020:



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, their will likely be an increase in requests for administrative review and fair hearings.

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.