

STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

**Testimony in SUPPORT of HB934
RELATING TO COVID-19.**

REP. LINDA ICHIYAMA, CHAIR
HOUSE COMMITTEE ON PANDEMIC & DISASTER PREPAREDNESS
Hearing Date: February 9, 2021 Room Number: N/A

1 **Department Testimony:** The Department of Health (DOH) supports BILL SECTIONS 6 - 16
2 of this measure, and takes no position on appropriations to other agencies. This measure
3 appropriates approximately \$58,000,000 to the Department of Health for statewide COVID-19
4 pandemic response.

5 Funding beyond DOH's base budget is essential to assuring the continuity of the state's public
6 health capacity and readiness. However, critical factors continue to evolve and change over
7 time, such as levels of federal support, medical and public health guidance, mutations of the
8 virus, vaccine supply, and the beliefs and behaviors of community members. As a result, it is not
9 yet known whether the proposed amounts are insufficient or overstated.

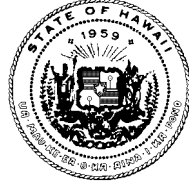
10 DOH looks forward to this ongoing conversation with the Legislature and other key stakeholders
11 to assure resources are adequate and equitable.

12 Thank you for the opportunity to testify.

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

14

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 6, 2021

TO: The Honorable Representative Richard H.K. Onishi, Chair
House Committee on Labor & Tourism

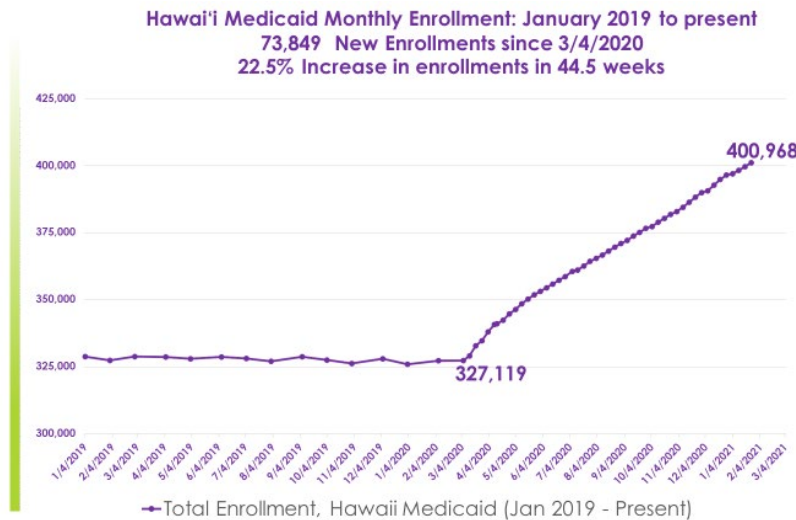
FROM: Cathy Betts, Director

SUBJECT: **HB0934 – RELATING TO COVID-19**

Hearing: Tuesday, February 9, 2021, 8:30 a.m.
Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this administration 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.

PURPOSE: The purpose of the bill provides appropriations to continue funding for various COVID-19 pandemic response related programs and activities.



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 as of February 4, 2021, Med-QUEST enrollees exceed 400,000 Hawaii residents, a **22.7%** increase since March 2020.

We anticipate program caseloads will remain high through 2021 and due to the general fund shortfall, we will likely need to maintain these high levels of services at current staffing levels.

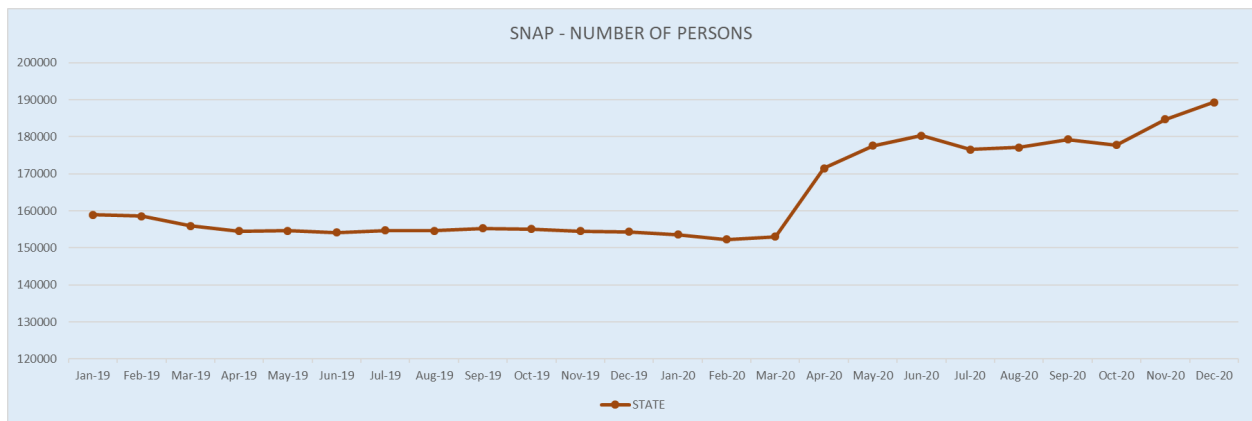
In State Fiscal Year 2022, we anticipate requiring an additional appropriation of \$1,000,000 in general funds to support the likelihood of overtime and other potential operational expenditures needed to maintain benefits and services as well as to adjust to additional federal changes. In 2020, we incurred 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 SB 266.

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.

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 House Committee on Pandemic & Disaster Preparedness
Tuesday, February 9, 2021; 8:30 a.m.
State Capitol, Conference Room 309
Via Videoconference**

RE: HOUSE BILL NO. 0934, RELATED TO COVID-19.

Chair Ichiyama, Vice Chair Eli, and Members of the Joint 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** House Bill No. 0934, RELATED TO COVID-19.

The bill, as received by your Committee, is part of the Administration's Package, and would appropriate general funds for fiscal year 2021-2022, to the Departments of Defense, Health, Human Services, and Public Safety, the Hawaii Health Systems Corporation, and the Office of the Governor 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 House Bill No. 0934
Tuesday, February 9, 2021; 8:30 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@hawaiipca.net.

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 HOUSE BILL 934
A BILL RELATING TO RELATING TO COVID-19

PRESENTATION TO
COMMITTEE ON PANDEMIC & DISASTER PREPAREDNESS

BY

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

FEBRUARY 8, 2021

Chair Linda Ichiyama, and Vice Chair Stacelynn K.M. Eli, 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 House Bill 934.

Thank you for the opportunity to provide written testimony on behalf of the Department of Defense which supports HB934, which provides appropriations to continue funding for various COVID-19 response related programs and activities.

Highlights of the bill request funding for the States Safe Travels Program, Call Center Operations, National Guard state match requirements to federal funding, procurement, storage and distribution of personal protective equipment in the amount of \$29,575,568.

Since this bill addresses funds for 2021 and 2022, The department changes the overall request from \$29, 575,568 to \$54,245,349. The following is the breakdown of the budget request:

The Safe Travels Hawaii funding \$42,067,745,

Call Center Funding \$3,000,000,

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

Screeners tablets to zero (Included in Safe Travels funding),

PPE/Warehousing/Distribution \$9,177,604

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

Thank you for the opportunity to support HB934. If you have any questions or need additional information to our response, please contact our administrative services officer Rusty Spray at (808) 330-7744 or at rusty.spray@hawaii.gov

DAVID Y. IGE
GOVERNOR



LATE

CRAIG K. HIRAI
DIRECTOR

ROBERT YU
DEPUTY DIRECTOR

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
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ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEES ON PANDEMIC & DISASTER PREPAREDNESS AND
LABOR & TOURISM
ON
HOUSE BILL NO. 934

February 9, 2021
8:30 a.m.
Via Videoconference

RELATING TO COVID-19

The Department of Budget and Finance (B&F) supports this Administration Proposal.

House Bill (H.B.) No. 934 appropriates general funds to Executive agencies for various COVID-19-related programs and activities for FY 22; authorizes the Governor to transfer funds appropriated by this measure among all Executive agencies as may be deemed necessary; and provides for an extended lapse date of these appropriations to June 30, 2023.

The COVID-19 pandemic has been devastating to global, national, and state economies. Federal funds appropriated to the State of Hawai'i by the Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law 116-136, provided funding to implement and administer various COVID-19-related response, relief, and mitigation programs and activities. Given the expiration of funds already appropriated to the State via the CARES Act and despite the expectation of further federal funding, additional

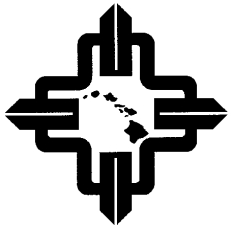
funds from the general revenues of the State are needed to continue funding critical COVID-19 response programs and activities.

Funds appropriated pursuant to H.B. No. 934 will be used for a range of COVID-19-related programs and activities based on subject matter and program/activity jurisdiction relating to public health and safety, public welfare, economic recovery, and other appropriate COVID-19 response activities. Funds will be expended by the Departments of Defense, Health, Human Services, and Public Safety; the Hawai'i Health Systems Corporation; and the Office of the Governor. B&F notes that departments are currently performing the activities described but will not be able to continue to do so without continued funding.

In recognition of the expected receipt of additional federal funds, B&F defers to each respective department for any changes to the amounts needed to fund their response programs and activities. While federal funds will certainly help to offset some of this financial burden, B&F notes that not all activities and programs may qualify for federal funding. Further, the extended lapse date of H.B. No. 934 will help to ensure maximum flexibility and financial support for the State's COVID-19 response into FY 23 should federal funds no longer be available to fund these programs and activities.

Thank you for your consideration of our comments.

LATE



HAWAII HEALTH SYSTEMS
C O R P O R A T I O N

"Quality Healthcare For All"

COMMITTEE ON PANDEMIC & DISASTER PREPAREDNESS

February 9, 2021
8:30 a.m.
Hawaii State Capitol
Via Videoconference

**Testimony in Strong Support of House Bill 934
RELATING TO COVID-19.
Provides appropriations to continue funding for various COVID-19
response related programs and activities.**

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 H.B. 934** that provides appropriations to continue funding for various COVID-19 response related programs and activities.

Section 17 of this bill provides 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.