



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

February 6, 2017

TO: The Honorable Senator Josh Green, Chair  
Senate Committee on Human Services

FROM: Pankaj Bhanot, Director

SUBJECT: **SCR 12 – URGING THE DEPARTMENT OF HUMAN SERVICES TO EXAMING THE APPLICATION PROCESS FOR THE PRESCHOOL OPEN DOORS PROGRAM TO ENSURE ACCESSIBILITY FOR ALL WHO QUALIFY**

Hearing: Monday, February 6, 2017, 3:10 p.m.  
Conference Room 016, State Capitol

**DEPARTMENT’S POSITION:** The Department of Human Services (DHS) supports the intent of the resolution and offers comments.

**PURPOSE:** The purpose of SCR 12 is to request the Department of Human Services to provide information regarding the cost of transitioning to a paperless or cost-free application process for the Preschool Open Doors (POD) program and to submit its findings and recommendations to the Legislature for the 2018 session.

Act 169, Session Laws of Hawaii (SLH) 2013, established the POD program as the statewide school readiness program. The POD program assists low and moderate income families who are least able to afford preschool and provide their children with the opportunity to be ready for kindergarten by providing child care subsidies for preschool costs.

Since the 2015-2016 POD year, the POD contractor, People Attentive to Children (PATCH), has accepted faxed and emailed applications submitted to the POD office on Oahu. Furthermore, PATCH has offices on the islands of Kauai and Maui and has 2 offices on Hawaii. All of the PATCH offices have assisted families in submitting the POD

applications to the Oahu POD office, via fax, if the families go to the PATCH offices on the other islands.

As to an on-line application process, DHS is continuing to develop and design the DHS Enterprise system to update the Department's 30 year old legacy data systems. The Med-QUEST division's KOLEA eligibility application for medical insurance coverage was the first to provide on-line eligibility and determination capabilities as required by the Affordable Care Act.

DHS is currently in the procurement process to add additional functionality to the DHS Enterprise system for the financial assistance programs, Supplemental Nutrition Assistance Program (SNAP) benefits, and Child Welfare Services and Adult Protective and Care Services' systems. To assure that DHS programs are aligned, DHS is using a multi-generational approach to realign its programs. The *'Ohana Nui* framework involves streamlining existing programs and funding to improve efficiencies and outcomes to achieve the greatest return on investment. Once programs are aligned through *'Ohana Nui* and the DHS Enterprise system is built, nearly all of DHS programs will be interoperable. The development of multi-generational programs through *'Ohana Nui*, and improvements to the IT operating system are essential for DHS to move toward a single on-line application for all DHS programs, including medical, financial, SNAP, and child care subsidies, including POD subsidies.

The DHS Enterprise initiative is the Department's priority with targeted completion of the end of 2018 to leverage available funding from the federal Centers of Medicare and Medicaid Services (CMS). DHS asks for the Legislature's continued commitment and support for the development and maintenance of the DHS Enterprise system. Cost to develop, implement, secure and maintain the DHS Enterprise system are significant, however, at this time providing the cost for a single on-line application process for POD is not available.

In addition to costs associated with the DHS Enterprise system, DHS Child Care Program Office (CCPO) would require additional staffing and resources to address the changes this resolution proposes.

The priority of the CCPO is to bring the state into compliance with changes in federal law. In addition to state funded POD, Hawaii receives \$22 million annually in Child Care and Development Fund (CCDF) grants from the U.S. Department of Health & Human Services, Administration for Children and Families, Office of Child Care. CCDF is a federal program that assists low-income families in obtaining child care so parents or caregivers can work or attend school. On November 19, 2014, President Obama signed the Child Care and Development Block Grant (CCDBG) Act of 2014, Public Law 113-186, reauthorizing the CCDF. The CCDBG Act made significant changes to the health and safety requirements for child care providers and made public access to information a priority. Final regulatory changes, 45 Code of Federal Regulations (CFR) Part 98, were issued September 30, 2016 and became effective on November 29, 2016. While certain deadlines are imminent, the deadline for DHS to complete all of the required changes is September 30, 2018. DHS is focused on complying with these federal law and regulatory changes to preserve Hawaii's access to federal child care subsidies.

Thank you for the opportunity to provide comments on this measure.

**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 6, 2017 7:44 AM  
**To:** HMS Testimony  
**Cc:** kpayne@hawaii-can.org  
**Subject:** \*Submitted testimony for SCR12 on Feb 6, 2017 15:10PM\*

**SCR12**

Submitted on: 2/6/2017

Testimony for HMS on Feb 6, 2017 15:10PM in Conference Room 016

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Deborah Zysman	Hawaii Children's Action Network	Support	No

Comments:

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