

**DAVID Y. IGE**  
GOVERNOR



**EXECUTIVE CHAMBERS**  
HONOLULU

March 15, 2022

**TO:** The Honorable Senator Joy A. San Buenaventura, Chair  
Senate Committee on Human Services

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

**SUBJECT: HB 1797 HD1 – RELATING TO HOMELESS SERVICES.**

**Hearing:** Tuesday, March 15, 2022, 3:30 p.m.  
VIA VIDEO CONFERENCE  
Hawaii State Capitol, Conference Room 225

**POSITION:** The Governor's Coordinator on Homelessness appreciates the intent of this bill and respectfully offers comments. If this measure proceeds, the Coordinator requests that any appropriation not reduce or replace budget priorities identified in the executive budget.

**PURPOSE:** The purpose of the bill is to establish a three-year medical respite pilot program within the Department of Human Services (DHS) to provide out-patient health care and supportive services to homeless persons recently discharged from the hospital and non-hospitalized homeless persons who are being moved by police out of unauthorized spaces.

The Coordinator recognizes the need for programs that address health needs of individuals experiencing homelessness and notes some homeless service providers currently provide medical outreach including wound care and basic medical triage. For example, acute care facilities, such as Queen's Medical Center, provide medical respite beds for homeless individuals discharged from emergency care. In addition, organizations such as the Institute for Human Services and H4 administer medical respite facilities on Oahu in partnership with acute care facilities and health plans. Medical respite beds for homeless individuals are also administered on Hawaii island by HOPE Services Hawaii and on Maui by Ka Hale A Ke Ola.

As currently drafted, this measure appears to require the proposed pilot services be provided by an FQHC and does not allow for other entities with relevant experience, such as an acute care medical facility or nonprofit service organization, to be selected as a provider. If this measure proceeds, the Coordinator requests clarification if the Legislature’s intent is to limit potential providers to FQHCs and not other hospital systems or qualified nonprofit organizations. If the Legislature does not want to restrict the proposed pilot to FQHCs, the Legislature may consider amending this bill to allow for organizations with relevant experience delivering healthcare for homeless individuals to be selected as a provider.

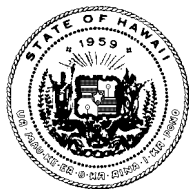
The Coordinator notes that the DHS Homeless Programs Office (HPO) administered a previous medical respite pilot program with Queen’s Medical Center between 2018 and 2020. A key lesson learned from the prior pilot is that this type of program requires an understanding of medical terminology and national standards for medical respite programs, as well as recognition that many of the services provided by the pilot are reimbursable by Medicaid. The [final report](#) submitted for the past pilot recommended that “a healthcare entity with relevant subject matter expertise provide oversight and assume future contracts of this nature if any.”<sup>1</sup>

Thank you for the opportunity to testify on this measure.

---

<sup>1</sup> Report available at: [https://humanservices.hawaii.gov/wp-content/uploads/2021/01/FINAL\\_Act-69-2020-Emer-Dept-and-Med-Respite-Pilots-signed-4.pdf](https://humanservices.hawaii.gov/wp-content/uploads/2021/01/FINAL_Act-69-2020-Emer-Dept-and-Med-Respite-Pilots-signed-4.pdf).

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

March 12, 2022

TO: The Honorable Senator Joy A. Buenaventura, Chair  
Committee on Human Services

FROM: Cathy Betts, Director

SUBJECT: **HB 1797 HD1 – RELATING TO HOMELESS SERVICES.**

Hearing: Tuesday, March 15, 2022, 3:30 p.m.  
Via Videoconference, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the measure's intent and provides comments.

**PURPOSE:** The purpose of this measure is to establish a three-year medical respite pilot program within the department of human services to provide outpatient health care and supportive services to homeless persons recently discharged from the hospital and non-hospitalized homeless persons who are being moved by police out of unauthorized spaces. Requires a report to the legislature. Appropriates funds. Effective 7/1/2060. (HD1)  
The HD1 amended the measure by:

- (1) Changing the appropriation to an unspecified amount;
- (2) Changing the effective date to July 1, 2060, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

The DHS Homeless Programs Office administered a previous medical respite pilot program with Queen's Medical Center (QMC) between 2018 and 2020. QMC is a highly regarded medical service provider with very different skillsets and experiences than homeless service providers. HPO and QMC struggled to find common ground from the outset due to

distinct medical terminology and disparate program requirements. QMC was required to provide services consistent with the national standards for the medical respite program; while the requirements were crucial, it was outside of HPO's scope and level of expertise. Consequently, HPO was ill-equipped to thoroughly monitor and evaluate these and other medical service provisions.

Embedded in the QMC contracts with HPO was the provision that QMC develops and implements a system to track its expenditures for case management and support services upon implementing the 1115 Medical demonstration waiver for case management and support services. In addition, it was to ensure that it billed Medicaid as the primary funding source for eligible services, which included tenancy and pre-tenancy services to benefit homeless individuals who have a combination of housing instability and health conditions. Finally, QMC partnered with other health care providers to form the Queen's Care Coalition. They successfully launched the program, embedded social workers in the emergency room, and have created value-based contracts with several of the Medicaid QUEST Integration health plans to help ensure the sustainability of this program.

The Medicaid waiver is now in the process of being fully implemented. DHS suggests that medical providers, such as a federally qualified health center, utilize the existing Medicaid benefits to provide the described medical respite and tenancy support services related to housing described in the bill. Medicaid benefits will likely cover the majority of individuals needing the services. Providing services reimbursable through the Medicaid waiver would provide more sustainable funding than a state-funded medical respite pilot. Data has already shown that beneficiaries will have improved health outcomes since housing stability is often positively correlated with health outcomes. Providing these tenancy and pre-tenancy services will also help improve sustainability by decreasing costs by reducing the number of emergency department visits, and inpatient stays these beneficiaries will need. Finally, unlike the bill, the services are not limited to one type of provider, federally qualified health centers.

The provisions of these services will lead to improved integration of all services, increased effectiveness of care coordination, increased individual involvement in their care, improved health outcomes, and reductions in unnecessary or inefficient use of emergency department utilization. In addition, by utilizing the Medicaid benefits, participants will continue

to receive supportive services over the long term, without interruption of services due to funding or contract obstacles and delays.

Lastly, DHS respectfully requests that any appropriation not supplant or reduce existing budget priorities identified in the executive budget.

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

DAVID Y. IGE  
GOVERNOR



CRAIG K. HIRAI  
DIRECTOR

GLORIA CHANG  
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  
HONOLULU, HAWAII 96810-0150

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 SENATE COMMITTEE ON HUMAN SERVICES  
ON  
HOUSE BILL NO. 1797, H.D. 1

**March 15, 2022**  
**3:30 p.m.**  
**Room 225 and Videoconference**

RELATING TO HOMELESS SERVICES

The Department of Budget and Finance (B&F) offers comments on this bill.

House Bill No. 1797, H.D. 1: 1) establishes a new Medical Respite Pilot Program (MRPP) within the Department of Human Services (DHS) for a period of three years; 2) requires MRPP to be administered in each county with a population greater than 600,000 and based at a federally qualified health center; 3) sets requirements for services provided by the health center; 4) sets reporting requirements for DHS; and 5) appropriates an unspecified amount of general funds to DHS in FY 23 for the implementation of MRPP.

B&F notes that, with respect to the general fund appropriation in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and

- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.



# Hawai'i Psychological Association

*For a Healthy Hawai'i*

P.O. Box 833  
Honolulu, HI 96808

[www.hawaiipsychology.org](http://www.hawaiipsychology.org)

Phone: (808) 521-8995

## COMMITTEE ON HUMAN SERVICES

**Senator Joy San Buenaventura, Chair**

**Senator Les Ihara, Vice Chair**

**Tuesday, March 15, 2022 - 3:30 am – via videoconference**

### **Support of HB1797 HD1 - RELATING TO HOMELESS SERVICES**

The Hawaii Psychological Association (HPA) strongly supports HB1797 HD1 which would create a 3-year pilot project to create outpatient health and support services to homeless recently discharged from the hospital, or who've been displaced from where they've been staying by police. Specifically, this bill calls for access to regular, timely, basic behavioral health services – among other critical health and support services.

HPA believes this bill will help reduce the speed with which the revolving door spins on the hospitalizations and police detention of Hawaii's homeless mentally ill; and will help break the cycle of homelessness, victimization, jail and prison – ultimately reducing the cost to society in the long run.

Although not specifically outlined, we hope this measure will increase the resources and effort necessary to ensure adequate follow up is made for mental health treatment and services.

This bill is a step forward in achieving safer, more effective and humane treatment and conditions for the mentally ill. However, it does not address the lack of civil commitment psychiatric capacity at community hospitals. Thus, to fully effectuate the spirit of this bill, institutional capacity must be addressed. Homelessness and criminalization of the mentally ill is highly correlated with deinstitutionalization, a lack of psychiatric hospital beds, *and* overly strict civil commitment criteria.

Thank you for the opportunity to provide input into this important bill.

Sincerely,

Alex Lichton, Ph.D.

Chair, HPA Legislative Action Committee



Senator Joy A. San Buenaventura, Chair  
Senator Les Ihara, Jr., Vice-Chair  
Committee on Human Services

Hearing Date: Tuesday, March 15, 2022

Position: Support for House Bill 1797, H.D. 1, Relating to Homeless Services

Dear Chair San Buenaventura, Vice-Chair Ihara, and Members of the Human Services Committee,

I, Theresa Sablan, a Bachelor of Social Work (BSW) student, am testifying in support of House Bill 1797, H.D. 1, Relating to Homeless Services. This bill will positively impact homeless individuals upon hospital discharge and non-hospitalized homeless persons moved by authorities out of restricted areas because the act focuses on implementing a medical respite pilot program that will improve the quality of life and care for homeless persons that face numerous health and housing challenges.

There is a need to improve social welfare policies that focus on adequate support of homeless individuals' mental and physical health and basic needs. A medical respite program is needed in each county as homeless patients are too ill to be out on the streets and cannot adequately care for their medical needs. They need a safe and clean environment to recover in after being discharged from the hospital. This act provides needed health care services for homeless individuals in communities experiencing difficulty accessing outpatient care such as primary care services, basic behavioral health services, and minor procedures.

In my opinion, implementing the act sooner than July 1, 2060, will prevent a repeat in hospital inpatient admissions, hospitalization costs, emergency department visits, and reduce mortality rates of homeless persons.

A federally qualified health care center is needed to improve health outcomes for homeless individuals by securing safe housing post-hospital discharge, accessing routine medical care, transitioning to permanent housing, and ending the cycle of homelessness. Therefore, I urge the committee to pass House Bill 1797, H.D. 1.

Thank you for this opportunity to testify on this matter.

Sincerely,

Theresa Sablan  
BSW student  
[michikotheresa@hotmail.com](mailto:michikotheresa@hotmail.com)