HOUSE OF REPRESENTATIVES TWENTY-FIFTH LEGISLATURE, 2010 STATE OF HAWAII

## H.R. NO. 148

## HOUSE RESOLUTION

DIRECTING THE DEPARTMENT OF HUMAN SERVICES TO STOP ITS PROPOSED REORGANIZATION OF THE BENEFITS, ENMPLOYMENT, SUPPORT SERVICES AND MED QUEST DIVISIONS UNTIL A LEGISLATIVE TASK FORCE EVALUATES THE PROPOSAL.

1 WHEREAS, the Department of Human Services (DHS) oversees a 2 variety of important social service programs, including 3 Temporary Assistance to Needy Families, food stamps, general assistance and Medicaid, that serve thousands of people in 4 5 Hawaii; and 6 7 WHEREAS, DHS proposes to reorganize its Benefits, Employment Support Services Division (BESSD), Med-Quest 8 9 Division, Social Services Division, including but not limited to the intake and eligibility determination functions for public 10 assistance, SNAP, Medicaid and Foster Care Income Maintenance, 11 12 and create a new Eligibility Division to save money and 13 streamline operations; and 14 15 WHEREAS, the proposed reorganization would close 31 eligibility offices which equate to 50 units statewide and 16 replace them with two processing centers in Honolulu and Hilo to 17 handle all applications and the work previously done in local 18 19 offices; and 20 21 WHEREAS, under the proposed reorganization BESSD and Med-Quest employees would have no direct contact with clients 22 23 because all communication would be by phone, fax, and e-mail; 24 and 25 WHEREAS, at least 232 DHS employees would be laid off as a 26 result of this proposal, and the proposed changes come as more 27 28 residents are struggling in the recession and people are turning to social welfare for help; and 29 30

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1 WHEREAS, there have been increases in the number of people 2 on welfare, food stamps, Medicaid, and child care subsidies 3 during the current recession; and 4 WHEREAS, this reorganization will likely result in fewer 5 people receiving benefits and hurt those greatest in need 6 because they are the elderly, disabled or mentally ill, or do 7 not have access to computers or fax machines; and 8 9 WHEREAS, clients may not be able to reach an eligibility 10 worker by phone because of short staffing caused by the massive 11 reduction-in-force last year; and 12 13 WHEREAS, it is doubtful that non-profit social service 14 organizations can assist if there are problems with this policy 15 proposal since they are already struggling to serve their 16 existing clients; and 17 18 WHEREAS, a reduction in force to the DHS Office of 19 Investigations will increase the rate of unreported cases of welfare fraud; and 20 21 22 WHEREAS, it is urged DHS be prohibited from hiring private 23 contractors and vendors for intake and eligibility of welfare 24 services; and 25 26 WHEREAS, DHS claims that the reorganization is based on 27 successful models in other states such as Florida; yet we find troubling reports about service provision from these states 28 29 including Florida; and 30 31 WHEREAS, a policy change of this complexity and magnitude 32 should be carefully evaluated before implementation, especially in the last several months of the administration; now, 33 34 thérefore, 35 BE IT RESOLVED by the House of Representatives of the 36 37 Twenty-fifth Legislature of the State of Hawaii, Regular Session 38 of 2010, that before the implementation of the proposed 39 reorganization of DHS, a Task Force be established consisting of 40 the following; DHS Director or designee; an eligibility worker 41 from each island from the BESSD, Social Services Division, and

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1 Med-Quest Division; a representative from the Fraud 2 Investigation Unit of DHS; a representative from HGEA; the House Chair of the Committee on Human Services; the Senate Chair of 3 the Committee on Human Services; a representative from the 4 5 United States Department of Agriculture; and 6 7 BE IT FURTHER RESOLVED that the Task Force conduct a 8 thorough evaluation of the proposed reorganization that include 9 but are not limited to the following issues: 10 1. What the effect this proposal will have on current 11 clients considering Hawaii's unique geography and multi-12 13 cultural society; and 14 2. Whether benefit payments will be wrongly denied or 15 delayed under this proposal; and 3. What specific information technology will be used to 16 implement this proposal and how much it will cost; and 17 18 4. When will DHS staff be trained in the technology; and 19 5. Any and all other matters that the United States 20 Department of Agriculture normally undertake as necessary 21 or appropriate to evaluate a major policy proposal; and 22 SS 23 BE IT FURTHER RESOLVED that DHS, its staff, and other 24 relevant persons or agencies are requested to cooperate with and assist the Legislative Task Force, and to provide information 25 26 requested by the Legislative Task Force; and 27 28 BE IT FURTHER RESOLVED that no funds shall be expended 29 towards any reorganization until the Task Force submit the 30 findings and recommendations of the reorganization proposal to 31 the Legislature no later than 20 days prior to the convening of the Regular Session of 2011; and 32 33 34 BE IT FURTHER RESOLVED that the findings and 35 recommendations of the Task Force be submitted to the United States Department of Agriculture to determine possible concerns 36 37 or potential violations with federal regulations or policy; and 38 39 BE IT FURTHER RESOLVED that certified copies of this 40 Resolution be transmitted to the Governor, the Director of Human 41 Services, the Speaker of the House of Representatives, the



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President of the Senate, and members of Hawaii's congressional
delegation.

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OFFERED BY:

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