

#### HAWAII GOVERNMENT EMPLOYEES ASSOCIATION

AFSCME Local 152, AFL-CIO

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The Twenty-Fifth Legislature, State of Hawaii
Hawaii State Senate
Committee on Human Services

Testimony by Hawaii Government Employees Association March 24, 2009

H.B. 1065, H.D. 1 (Proposed S.D. 1) –

MAKING AN APPROPRIATION FOR

THE DEPARTMENT OF HUMAN

SERVICES TO ADDRESS THE

BUDGET SHORTFALL

The Hawaii Government Employees Association supports the purpose and intent of H.B. 1065, H.D. 1 (Proposed S.D. 1). As drafted, the proposed legislation would provide emergency appropriations to the Department of Health, Adult Mental Health Division (AMHD) and the Hawaii Health Systems Corporation (HHSC). AMHD and the HHSC provide critically important health care services to the State of Hawaii at their current levels.

We cannot allow budget reductions in either the AMHD or the HHSC to pose a risk to essential safety net services. Under the federal economic stimulus plan, both entities are expected to receive approximately \$320 million over the next several years in federal medical assistance percentage (FMAP). Expending FMAP dollars on Medicaid-eligible services, such as those provided by the HHSC and the AMHD, will help to fund safety net services during the remainder of the current fiscal year, and allow the state to draw down additional federal Medicaid dollars.

Thank you for the opportunity to express our support for H.B. 1065, H.D. 1 (Proposed S.D. 1).

Respectfully submitted,

Nora A. Nomura

Deputy Executive Director



Sen HMS Cmte Tues, Mar 24, 2009 2:15 pm room 016

National Association of Social Workers

Hawaii Chapter

March 23, 2009

TO: Senator Suzanne Chun Oakland, Chair

Members of the Senate Human Services Committee

FROM: Debbie Shimizu, LSW

National Association of Social Workers, Hawaii Chapter

RE: HB 1065 HD1 Proposed SD1 - SUPPORT

Chair Chun Oakland and members of the Senate Human Services Committee, I am Debbie Shimizu, Executive Director of the National Association of Social Workers (NASW), Hawaii Chapter. I am also a member of the Financial Assistance Advisory Council (FAAC) of DHS and the Welfare and Employment Rights Coalition (WERC). NASW supports the proposed SD1.

We support the proposed SD1 to make an emergency appropriation for DHS to address the budget shortfall in mental health and for the Hawaii Health Systems Corporation.

I would like to suggest specifically in Part II to identify the agencies and amounts who should receive the appropriations. This gives you, the Legislature, the control of how you would like the monies to be appropriated. I would be willing to assist the committee in identifying those agencies and amounts needed.

Thank you for this opportunity to provide comments on the proposed HB 1065 HD1 SD1.



Testimony on HB1065HD1: Emergency Appropriation Senate Committee on Human Services Conference Room 016, 3/24/09, 2:15 p.m.

Building houses, building hope

Hawaii Habitat for Humanity supports the proposed SD1 which would make an emergency appropriation to continue mental health services.

The decision by the Dept. of Health to cut funding for mental health services to a level which is below even the ability to get treatment and prescriptions for continued medication is unthinkable and could only be done to those who are the most vulnerable and silent.

We have only to imagine what would happen if a similar decision was made regarding people with chronic heart failure. There would be an immediate public outcry whereas cuts to the mentally ill is greeted by public silence.

For many people with mental illnesses the loss of their therapist, treatment and medication will be like a step into the abyss. The level of personal loss and the suffering will for many be enormous. Many will lose their stability and become homeless. It could be years before they can be helped back to services, medication and stability. We must not turn our backs on them.

Please show the Governor and the Dept. of Health that the legislature cares about those who are most in need and will not abandon them.

Thank you for the proposed SD1.

Kathleen Hasegawa Executive Director Hawaii Habitat for Humanity Association 1164 Bishop St. Suite 510 Honolulu, Hawaii 96813 Testimony for HB1065 Budget Shortfall Submitted by Connie Mitchell, Executive Director IHS, The Institute for Human Services, Inc. March 23, 2009

This testimony is submitted in support of SB1065 which provides for emergency appropriations to address the Adult Mental Health Division's FY2009 shortfall for contracted services provided by private providers. Just as the federal government is engaged in supporting other industries to continue operating for the good of the country, so I am appealing to our State legislature to provide the funding for this piece of our community safety net to continue.

However, on balance, I would ask that some accountability be put in place for AMHD to provide sufficient oversight to ensure that

- a strategy is developed to reduce the number of individuals who are currently served by the public mental health system by refocusing on the severely and persistently mentally ill (SPMI) (change diagnostic eligibility)
- 2) A more sophisticated assessment process that goes beyond screening and focuses on diagnostic eligibility based on more than self-report is instituted. As an example, at least 15-20% referrals received by IHS are inappropriate and do not meet clinical eligibility after closer examination.
- Some of those who do meet SPMI eligibility criteria are transients from the mainland who should be returned their area of meaningful tie so that they are closer to their support systems.
- 4) Background checks should be done to determine if any newcomers from the mainland have outstanding warrants. Those that do should be redirected into the criminal justice system in those states.
- 5) services are prioritized for those who are most in need of them and when they most need them. Risk management plan needs to be developed to address those who are the highest threat to public safety and to themselves.
- 6) And finally, in our experience, there have been many individuals who could be served outside the public mental health system after a brief stabilization period by crisis workers. These consumers can and should be referred to private providers or to the Medicaid behavioral health carve out with APS. This could be done through a tighter eligibility evaluation process.

The bottom line is that there needs to be a more thorough evaluation of those seeking services through the AMHD and those who are determining eligibility should not be the ones providing services due to the inherent conflict of interest for one who is providing care to also be determining eligibility.

TO: Senator Chun-Oakland, Chair Senator Ihara, Vice Chair Members of the Committee on Human Services

FROM: Dara Carlin, M.A. 881 Akiu Place Kailua, HI 96734 (808) 218-3457

DATE: March 24, 2009

RE: Strong Support for 1065

Good afternoon. I was so heartened to learn that this measure has gotten this far because I can't stress the seriousness and urgency of it. A client of mine once wisely commented "You need counseling the most when you can afford it the least" and in Hawaii, we are certainly at that point.

Sadly, one of the first things to be cut in a budget crisis is mental health services; these services aren't considered a necessity yet the rise in crime, increase in tragedies and mounting tension proves how necessary these services are.

Please show your support for the people in Hawaii who need access to mental health services as a direct result of the budget crisis by voting in support of this proposal.

Thank you for your time and consideration.

Most respectfully,

Dara Carlin, M.A.

Independent Domestic Violence Survivor Advocate

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### TESTIMONY IN SUPPORT OF HB 1065, HD1, SD1

To: Suzanne Chun-Oakland, Chair and Les Ihara, Jr., Vice Chair

From: Ku'ulei A. Kiliona, Advocate for Persons with Disabilities

Re: HB 1065, HD1, SD1 (HSCR 823)

Date: Tues., 3/24/09 Time: 2:15 p.m. Place: Conf. Rm. 016

Dear Chairs and Committee Members,

I am in support of this measure in order to:

- 1) Reduce the risk of losing further mental health services provided by the State's Department of Health.
- 2) Reduce the risk of losing public health care services provided by the Hawaii Health Systems Corporation.
- 3) To help maintain current levels of services.

However, I have concerns with the following:

- A) Line 6 of this measure only mentions the Adult Mental Health Division (AMHD) and not both the AMHD and the Children's Mental Health Division under the Dept. of Health (CAMHD). I am hoping this means that the children's division is not in need of emergency funding.
- B) Line 9 is not entirely correct. Currently, it reads that the services have increased over the year, but the division has *decreased* its services over the last year. To be more accurate it should read that the "division has increased its related services over the years in the areas of case management" etc..

Thank you for the opportunity to present my views.

Sincerely, Ku'ulei A. Kiliona kuuleikiliona@hawaii.rr.com



To: Senate Committee on Human Services Senator Suzanne Chun Oakland, Chair Senator Les Ihara, Vice Chair

Date: March 24, 2009 - Conference Room 016 - 2:15 pm

Re: HB 1065, HD1: MAKING AN EMERGENCY APPROPRIATION FOR THE DEPARTMENT OF HUMAN SERVICES TO ADDRESS THE BUDGET SHORTFALL

Chair Chun Oakland and Committee Members:

My name is Barbara Kim Stanton, State Director of AARP Hawaii. AARP is a membership organization of people 50 and older with nearly 160,000 members in Hawaii. We are committed to championing access to affordable, quality health care for all generations, providing the tools needed to save for retirement, and serving as a reliable information source on issues critical to Americans age 50+.

**AARP opposes HB 1065, HD1.** This bill would appropriate \$15,000,000 from the emergency and budget reserve fund (commonly known as the "Rainy Day Fund") to fund the health care payments program of the Department of Human Services (DHS) for fiscal year 2009-2010 in lieu of general funds to help address the budget shortfall in fiscal biennium 2009-2011.

We do not believe that the rainy day fund should be drained to supplant the administration's budget restriction in DHS's health care payments program. It should not be used as a vehicle to replace general funds. Instead, AARP supports SB 1679 which uses these moneys to "maintain levels of programs determined to be essential to public health, safety, welfare and education" during a time of economic downturn. This measure meets the purpose of the rainy day fund as originally intended when it was established by the Legislature in 1999.

While we understand that there is a need to balance the budget, the budget should not be balanced off the backs of seniors, the disabled and others who are the least able to get on their feet. They are taking the hit before other groups to alleviate the state's economic burden.

The \$74 million in the rainy day fund must be preserved and only applied as a <u>last resort</u>, temporary emergency source of funding to protect our most vulnerable residents.

We oppose HB 1065, HD1 as a means to balance the state budget shortfall, and urge our legislators to appropriately use the emergency rainy day fund to protect this vulnerable population as indicated in SB 1679.

Thank you for the opportunity to testify.

Senator Suzanne Chun Oakland Committee on Human Services Conference Room 016 March 24, 2009 2:15 PM Hawaii State Capitol Honolulu, Hawaii

## In Opposition of HB 1065

March 23, 2009

## Aloha Senator Chun Oakland:

I am in opposition to any, repeat any, cutting of state General Assistance (GA) Funds for the welfare recipients. These recipients cannot live on such a cut. These state checks are typically \$468.00 per month. If it is cut, in half, that would be only \$234.00 for the whole month!!! That is not enough for them to live on!!!

I understand that times are hard, and I agree that half is better than none, but please try to find the money from someplace else!!! And I am also aware that it will only be for three (3) months.

I am also concerned about the cuts in Healthy Start and Adult Dental. Filling the recipients' teeth is far better than pulling them out. As far as Healthy Start is concerned that program is essential. These Children need these programs. These programs add a level of safety for our children. And - these program are working and are needed.

If worse comes to worse, yes half is better than none, but I am hoping that it does not come down to that. I also understand that you lawmakers are having a tough time with balancing the budget, but this General Assistance (GA) checks are important for these recipients. And they need them.

Plus, this might, yes might, also cause more homelessness because land owners are not going to except only half of the rent. They will want, rightly so, all of their monthly rent, period. And they want it with no excuses. Most are very, very firm about any amount except the full rent and rightly so.

In sum, please try to find the money from someplace else. And again if worse comes to worse, rather than cut the checks in half, maybe you could just cut it, one-third.

Carlton N. Middleton

John Jelletin



LILLIAN B. KOLLER, ESQ. DIRECTOR

> HENRY OLIVA DEPUTY DIRECTOR

# STATE OF HAWAII DEPARTMENT OF HUMAN SERVICES

P. O. Box 339 Honolulu, Hawaii 96809-0339

March 24, 2009

#### **MEMORANDUM**

TO: Honorable Suzanne Chun Oakland, Chair

Senate Committee on Human Services

FROM: Lillian B. Koller, Director

SUBJECT: H.B. 1065, H.D. 1 - MAKING AN APPROPRIATION FOR THE DEPARTMENT

OF HUMAN SERVICES TO ADDRESS THE BUDGET SHORTFALL

Hearing: Tuesday, March 24, 2009 2:15 p.m.

Conference Room 016, State Capitol

<u>PURPOSE</u>: The purpose of this bill is authorize an appropriation from the Emergency and Budget Reserve Fund in lieu of general funds for the health care payments program (HMS 401) to address the budget shortfall in fiscal biennium 2009-2011.

<u>DEPARTMENT'S POSITION</u>: The Department of Human Services defers to the Department of Budget and Finance on this bill.

Thank you for this opportunity to testify.