

JAN 24 2018

A BILL FOR AN ACT

RELATING TO POVERTY.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The department of human services has the
2 largest operating budget of any state department, approximately
3 \$3,304,000,000, including seventy-nine per cent of all the
4 executive branch's federal funds. The department provides
5 benefits and services to one in four Hawaii residents or nearly
6 360,000 individuals. The state's medicaid program provides
7 medical insurance coverage for nearly one-half of Hawaii's
8 children.

9 The department's programs and services include: protection
10 of vulnerable children and adults; vocational rehabilitation and
11 financial assistance to the disabled; the supplemental nutrition
12 assistance program; financial assistance; job training and
13 placement; housing and services for the homeless; medicaid
14 services for the State's medically needy population; and
15 prevention, treatment, and housing for the State's youthful
16 offenders.

17 To provide these benefits and services to Hawaii's
18 vulnerable individuals and families, the department manages
19 significant federal and state funds and processes vast amounts

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1 of information on a daily basis. Initiated by the Patient
2 Protection and Affordable Care Act of 2010, the department
3 continues to invest in the development of an enterprise
4 eligibility system that will support the integration of services
5 that will lead to improved individual and program outcomes
6 through more efficient service delivery and data analytics.

7 As part of the department's continuous improvement efforts,
8 in 2016 the department embarked on its 'Ohana Nui effort by
9 adopting a multigenerational approach to transform the way
10 services are provided to individuals and families to improve
11 outcomes and well-being. By providing programs and services
12 that maintain a high level of service integration, quality, and
13 intensity across multiple generations, the department intends to
14 reduce intergenerational poverty in the State, and the human and
15 financial costs associated with poverty.

16 The human and financial costs associated with poverty are
17 well-documented. The 2009 paper "Childhood and
18 Intergenerational Poverty: The Long Term Consequences of Growing
19 up Poor," by Robert L. Wagmiller, Jr., and Robert M. Adelman,
20 found that "individuals who grow up in poor families are much
21 more likely to be poor in early adulthood. Moreover, the
22 chances of being poor in early adulthood increase sharply as the

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1 time spent living in poverty during childhood increases." Our
2 programs must focus on reducing the time children, families, and
3 individuals spend in poverty, and supporting every person's
4 ability to meet their human and economic potential.

5 Furthermore, other studies link adverse social and economic
6 conditions in childhood to health problems in adulthood. The
7 original 1998 Adverse Childhood Experiences (ACE) study
8 conducted by the Centers on Disease Control & Prevention and
9 Kaiser Permanente, surveyed nearly 17,000 adults in southern
10 California. The primary conclusion of the ACE study was the
11 finding of a strong relationship between "exposure to abuse or
12 household dysfunction during childhood and multiple risk factors
13 for several leading causes of death in adults," such as heart
14 disease, cancer, chronic lung disease, fractures, and liver
15 disease. While adverse childhood experiences occur across all
16 races and economic classes, there is a higher prevalence of ACEs
17 for those who also live in poverty.

18 A similar conclusion was again found in a 2014 Swedish
19 study that "showed social and economic disadvantages in
20 childhood were associated with an earlier onset and faster
21 progression of functional health problems from midlife into old
22 age." See Agahi N, et al., "Social and economic conditions in

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1 childhood and the progression of functional health problems from
2 midlife into old age," J Epidemiol Community Health 2014; 0:1-7.
3 doi:10.1136/jech-2013-20369.

4 The Swedish study also concluded that "creating equal
5 opportunities for educational attainment may help reduce the
6 long-term effect of disadvantaged childhood conditions and
7 postpone functional health problems." Transitioning the
8 department's service delivery to a multigenerational approach
9 will refocus the department's efforts to provide available
10 resources and support to reduce the time a child and family
11 spends in poverty, stabilize the child's basic needs and
12 environment to enhance their ability to learn, improve all
13 recipients' economic security, and ultimately reduce
14 intergenerational poverty in Hawaii.

15 The purpose of this Act is to require the department of
16 human services to use an integrated and multigenerational
17 service delivery approach to reduce the incidence of
18 intergenerational poverty and dependence on public benefits
19 consistent with the nationally recognized best practices.

20 SECTION 2. Section 26-14, Hawaii Revised Statutes, is
21 amended by amending subsection (b) to read as follows,

15 SECTION 4. This Act, upon its approval, shall take effect
16 on July 1, 2018.

Am. M.

HMS-13 (18)

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Report Title:

Department of Human Services; Integrated and Multigenerational Approach; Reduction of Intergenerational Poverty

Description:

Requires the Department of Human Services to use an integrated and multigenerational approach to delivering human services to reduce the incidence of intergenerational poverty and dependence on public benefits.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

JUSTIFICATION SHEET

DEPARTMENT: Human Services

TITLE: A BILL FOR AN ACT RELATING TO POVERTY.

PURPOSE: To require the Department of Human Services to use an integrated and multigenerational service delivery approach to reduce intergenerational poverty and dependence on public benefits.

MEANS: Amend section 26-14(b), Hawaii Revised Statutes (HRS).

JUSTIFICATION: The Department of Human Services has the largest operating budget of any state department, approximately \$3.3 billion, including seventy-nine percent of all federal funds in the executive branch. The Department provides benefits and services to 1 in 4 Hawaii residents, or approximately 360,000 individuals. The Department provides medical insurance coverage for nearly one-half of Hawaii's children.

The Department is part of the national movement to improve the delivery of human services lead by the National Governors' Association, the American Public Human Services Association, Ascend of the Aspen Institute, and others. The Department is adopting a service integration and multigenerational approach, is redesigning its business processes, and continues to improve its technology systems.

The Department is also engaged in its first departmental strategic plan to improve overall program outcomes and establish outcome measures of services for children, parents, and families geared to reduce adverse risks and increase protective factors that promote educational attainment and wage progression that lead to economic self-sufficiency. Through service integration and addressing the needs of

multiple generations in a family concurrently, efforts and resources will be better targeted to support the well-being of individuals and families. Investment is also being directed to improving the human services workforce by supporting professional development to improve the work environment, encourage retention, and renew employees' dedication to helping Hawaii's vulnerable residents reach their human and economic potential. Ultimately, the goals of transformation are to improve well-being of individuals, families, and the community, reduce intergenerational poverty, reduce dependence on public benefits, and reduce the human and fiscal costs of poverty. The proposed amendment will underpin the department's transformation from a silo-ed service delivery model to an integrated and multi-generational model.

Multiple studies identify the consequences of growing up in poverty: "individuals who grow up in poor families are more likely to be poor in early adulthood;" and "the chances of being poor in early adulthood increases sharply the longer the time spent in poverty in early childhood." See, Robert L. Wagmiller, Jr., and Robert M. Adelman, "Childhood and Intergenerational Poverty: The Long Term Consequences of Growing up Poor." The groundbreaking 1988 Adverse Childhood Experiences (ACE) Study showed clear linkage of the number of ACEs a child experienced to negative health outcomes in adulthood.

Further, a 2015 Swedish study, similarly confirmed the findings of the ACE study using Swedish population data, and also concluded that "creating equal opportunities for educational attainment may help to reduce the long-term effect of a disadvantaged childhood and postpone functional health problems." See N. Agahi, B. Shaw, S. Fors, "Social and economic conditions in childhood and the progression

of functional health problems from midlife into old age," J Epidemiol Community Health 2014; 0:1-7. doi:10.1136/jech-2013-20369.

Preliminary analysis of data from Hawaii's Supplemental Nutrition Assistance Program (SNAP) show that a percentage of Hawaii's SNAP recipients experience intergenerational poverty. For those born from 1987-1996 (currently, 21-30 years old), over 35,000 received SNAP benefits in childhood and as adults, or 21 percent of (166,081) the total number of those born from 1987-1996 who received SNAP benefits during their lifetime. For those born, during the period 1977-1986 (currently, 31-40 years old), more than 33,000 received SNAP benefits in childhood and as adults, or 23.5 percent of (140,930) the total number of those born during the period 1977-1986 whoever received SNAP.

Of particular concern is that individuals in the above age groups represent parents of young children. To change the trajectory of these families and individuals, the Department must transform its practices and provide services more effectively in a way that will support the child's, parent's and other individual's social capital, educational and economic potential to become self-sufficient, and reduce their dependence on public benefits.

Impact on the public: More effective and efficient administration and delivery of human services will result in better outcomes and improved well-being for children, individuals and families. If successful, individuals, and families will achieve their social capital, education and economic potential, and reduce their dependence on public benefits.

Impact on the department and other agencies: The Department is in the process of realigning its business processes to become

more efficient across divisions, and also needs to rethink its service outcomes to incorporate a multigenerational approach. Other departments that serve the same individuals and families may be impacted in terms of making their services and systems more navigable and transparent.

GENERAL FUND:	None.
OTHER FUNDS:	None.
PPBS PROGRAM DESIGNATION:	None.
OTHER AFFECTED AGENCIES:	None.
EFFECTIVE DATE:	Upon approval.