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February 7, 2019

TO: The Honorable Senator Russell E. Ruderman, Chair  
Senate Committee on Human Services

FROM: Pankaj Bhanot, Director

SUBJECT: **SB 431 – RELATING TO HEALTH**

Hearing: Friday, February 8, 2019, 3:00 p.m.  
Conference Room 016, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent and offers comments on the bill to require the State to create the Whole Person Care pilot program through a Section 1115 Medicaid waiver amendment.

**PURPOSE:** The purpose of this bill is to require DHS to establish a Whole Person Care pilot program to test locally based initiatives to coordinate physical health, behavioral health, and social services for beneficiaries of the State's QUEST Integration (QI) program. DHS would be required to seek a Section 1115 Medicaid waiver amendment, but implementation of the pilot program does not appear to be contingent upon receiving approval from the federal government for the waiver.

DHS believes that the goals and many of the services of the proposed Whole Person Pilot program are notable, and they align with the work the State has begun to support individuals experiencing homelessness. For instance, DHS now has the authority to offer many of the services described in Section 2(e) since receiving approval of the State's 1115 housing supports amendment. DHS, through the Med-QUEST Division (MQD), is actively pursuing authority from the federal government to offer even more services in line with the Whole

Person Care pilots proposed under this bill. DHS is committed to supporting innovative approaches to providing services to individuals experiencing homelessness.

The Hawaii Whole Person Care pilots are modeled on California's Whole Person Care pilots. DHS notes that reproducing elements of California's model may not fit well with Hawaii's unique healthcare delivery system. California designed its Whole Person Care pilots based on the features particular to the California Medicaid program and the overall healthcare and human services systems in the state. Implementing a model similar to the California approach could result in some misalignment with the State's current efforts on homelessness.

DHS appreciates that the experience of the Hawaii Pathways Project is the impetus for the bill and that the bill calls for a comprehensive approach to providing services. DHS agrees that a comprehensive approach is worthwhile and that locally-based initiatives should be supported. DHS believes that it can achieve these over-arching goals of the pilot program through its current efforts and through the current structure of its 1115 waiver.

We respectfully request that any appropriation not supplant funding priorities identified in the Executive Budget.

Thank you for the opportunity to testify.



**EXECUTIVE CHAMBERS**  
HONOLULU

**DAVID Y. IGE**  
GOVERNOR

February 8, 2019

**TO:** The Honorable Senator Russell E. Ruderman, Chair  
Senate Committee on Human Services

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

**SUBJECT: SB 431 – RELATING TO HEALTH**

Hearing: Friday, February 8, 2019, 3:00 P.M.  
Conference Room 016, State Capitol

**POSITION:** The Governor's Coordinator appreciates the intent of this measure, and respectfully offers comments.

**PURPOSE:** The purpose of the bill is to require the Department of Human Services (DHS) to establish and implement a whole person care pilot program and submit an application for an amendment to the QUEST Integration section 1115 demonstration project to expand its QUEST Integration project to provide for the whole person care pilot program. The bill also appropriate funds to DHS for the establishment and implementation of the whole person care pilot program.

The Coordinator recognizes the strong intersection between healthcare and homelessness and notes that the Center for Medicare and Medicaid Services (CMS) recently approved an 1115 Medicaid waiver amendment submitted by DHS to provide tenancy supports for chronically homeless individuals and individuals at risk of homelessness. There are a number of new initiatives underway to address healthcare and homelessness, including the recently approved waiver amendment. For example, DHS is contracting with Queen's Medical Center to provide emergency department homelessness assessment services and medical respite services for chronically homeless individuals with frequent utilization of hospital emergency services. Other recent efforts include the Department of Health's intensive case

management pilot program to address the needs of severely mentally ill homeless individuals with frequent law enforcement and emergency department interaction, and the Center for Medicare and Medicaid Innovation's Accountable Health Communities initiative.

The initiatives currently underway address many of the objectives of the whole person care pilot program, including building infrastructure to better integrate services, providing housing transition and tenancy sustaining services (e.g. assistance with daily living skills, etc.), reducing unnecessary utilization of health care services, improving health outcomes, medical respite services, and providing field-based care (e.g. case management, nursing services, etc.). The current initiatives also address a similar target population as the whole person care pilot. As there appears to be overlap between current initiatives and the proposed pilot, the Coordinator respectfully requests that the bill offer support for current efforts.

Thank you for the opportunity to testify on this bill.



# Hawai'i Psychological Association

## *For a Healthy Hawai'i*

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SENATE COMMITTEE ON HUMAN SERVICES  
Senator Russell E. Ruderman, Chair  
Senator Karl Rhoads, Vice Chair

Testimony in Support of SB431

Friday, February 8, 2019, 3:00 pm, Room 016

The Hawai'i Psychological Association endorses SB431, which would appropriate funds in order for the department of human services to establish and implement a whole person care pilot program, including a requirement to submit an application for an amendment to the QUEST Integration section 1115 demonstration project to expand its QUEST Integration project to provide for the whole person care pilot program.

Severe mental illness is significantly more prevalent among the homeless than the general population. There are over 7,200 homeless individuals in the state of Hawai'i, the highest per capita rate of homelessness in the nation. SB431 is modeled after the state of California's section 1115 demonstration project, known as the Whole Person Care pilot program. It is a collaborative and comprehensive five-year pilot program to test locally-based initiatives to coordinate physical health, behavioral health, and social services for people in need, especially, the homeless. Whole Person Care pilot groups share data between systems, coordinate care in real time, and evaluate individual and population health progress. SB431 integrates the QUEST Integration section 1115 demonstration project, the first evidence-based Pathways Housing First model in Hawai'i, which provided permanent supportive housing to chronically homeless individuals struggling with substance use or substance use with mental illness. Results of the program showed significant improvement in the quality of life and physical health that clients experienced from the time of enrollment to the close of the program, and the total estimated health care cost was reduced because of the decrease in utilization of health care services.

For these reasons, we respectfully urge you to support SB431.

Respectfully submitted,

Julie Takishima-Lacasa, PhD  
Chair, HPA Legislative Action Committee

**SB-431**

Submitted on: 2/7/2019 2:56:58 PM

Testimony for HMS on 2/8/2019 3:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Melodie Aduja	Testifying for O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments: