



STATE OF HAWAII
DEPARTMENT OF HEALTH
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Testimony in SUPPORT of H.B. 2022 H.D. 1
RELATING TO THE MENTAL HEALTH AND SUBSTANCE ABUSE SPECIAL FUND

REPRESENTATIVE SYLVIA LUKE, CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date and Time: Monday, February 24, 2020 at 1:00 pm Room: 308

1 **Department Position:** The Department of Health (“Department”) strongly supports this
2 measure and offers the following testimony.

3 **Department Testimony:** The subject matter of this measure intersects with the scope of the
4 Department’s Behavioral Health Administration (“BHA”) whose statutory mandate is to assure a
5 comprehensive statewide behavioral health care system by leveraging and coordinating public,
6 private and community resources. Through the BHA, the Department is committed to carrying
7 out this mandate by reducing silos, ensuring behavioral health care is readily accessible, and
8 person centered. The BHA’s Adult Mental Health Division (“AMHD”) provides the following
9 testimony on behalf of the Department.

10 The Department strongly supports the use of expenditures from the Mental Health and
11 Substance Abuse Special Fund in order to support capital improvement projects in existing state
12 facilities which support the expansion and development of: 1) sub-acute stabilization beds, also
13 known as crisis stabilization beds, and 2) transitional placement units. These services are
14 critical components of the state’s continuum of care and are designed to assist individuals who
15 live with behavioral health issues to receive the appropriate level of care depending on their
16 clinical needs. Individuals who live with behavioral health issues have improved outcomes

1 when they receive the appropriate level of care depending on their clinical needs as well as
2 increased likelihood of community reintegration and attaining long-term community tenure.

3 The Department, in collaboration with state agency partners through the task force and
4 working group of Act 90 and Act 263 Session Laws of Hawaii 2019, recognizes that the lack of
5 short-term stabilization services throughout the state creates unnecessary burdens on
6 emergency departments, law enforcement, and individuals living with behavioral health issues.
7 Long-term mental health recovery and community reintegration can be achieved through
8 appropriate clinical intervention and consistent flow through a care continuum based on clinical
9 need and level of care.

10 Short-term residential stabilization beds provide a sub-acute level of care for individuals
11 whose behavioral health issues do not meet medically necessary criteria for acute
12 hospitalization but whose presentation and current medical status are not conducive or
13 appropriate for community-based services such as low intensity residential, or outpatient
14 services.

15 Utilizing the Mental Health and Substance Abuse Special Fund to support capital
16 improvement projects for sub-acute stabilization services, and to sustain existing program
17 operations will enhance the state's current care continuum by helping to reduce unnecessary
18 emergency department admissions, promoting jail diversion opportunities, and better assisting
19 individuals with behavioral health issues to be appropriately triaged through a statewide
20 coordinated care continuum.

21 **Offered Amendments:** None.

22 Thank you for the opportunity to testify on this measure.

23 **Fiscal Implications:** The use of the Mental Health and Substance Abuse Special Fund for capital
24 improvement projects will allow for a reduction in the utilization of higher level services, such

1 as emergency departments and jails, by individuals who can be served appropriately through
2 sub-acute stabilization services and transitional placement units while maintaining current
3 general fund appropriation levels for the BHA.

4 The Department respectfully requests that beyond legislative approval of use of the
5 special fund for these purposes that any additional appropriations made available through this
6 measure do not supplant budget priorities and requests identified in the Governor's executive
7 budget.



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

February 24, 2020

TO: The Honorable Representative Sylvia Luke, Chair
House Committee on Finance

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

**SUBJECT: HB2022 HD1 – RELATING TO THE MENTAL HEALTH AND SUBSTANCE ABUSE
SPECIAL FUND**

Hearing: Monday, February 24, 2020, 1:00 p.m.
Conference Room 308, State Capitol

POSITION: The Governor's Coordinator supports this bill provided that its passage does not replace or adversely impact budget priorities.

PURPOSE: The purpose of this bill is authorized expenditures from the mental health and substance abuse special fund to be used for certain capital improvement projects. The bill limits the expenditures for capital improvement projects at 15 percent of total expenditures from the special fund and 15 percent of the total surplus of the special fund. The bill also excludes projects that would expand inpatient forensic capacity at the Hawaii State Hospital from permissible capital improvement projects funded from the mental health and substance abuse special fund.

The Hawaii Interagency Council on Homelessness (HICH), a 27-member advisory council chaired by the Coordinator, recently voted to prioritize support for behavioral health reforms and programs as part of its 2020 legislative priorities to address homelessness. In particular, HICH supports the addition of over-150 new stabilization beds statewide, which will serve individuals experiencing severe mental illness, substance use disorder, and the need for medical detox. By authorizing the use of special funds for certain capital improvement projects, this bill provides a financial mechanism to support constructions and renovations to support the goal of scaling the number of stabilization beds statewide.

The Coordinator notes the clear and critical intersection between homelessness and health, including issues related to behavioral health. Over the past four years, the State has developed and implemented a range of new programs to divert homeless individuals experiencing severe mental illness or substance use disorders to appropriate treatment and support. These new programs include the Law Enforcement Assisted Diversion (LEAD) program, intensive case management for homeless individuals, CARES, and the Assisted Community Treatment (ACT) program. Short-term stabilization beds will complement the existing array of services and provide a safe place for individuals to recover and receive appropriate treatment.

While the measure does not specifically address the needs of homeless individuals, there is overlap between individuals experiencing severe mental illness and/or substance use disorders and individuals experiencing homelessness. According to the 2019 Point in Time count, the number of homeless individuals self-reporting severe mental illness on Oahu was 1,060 individuals, representing a 5.8% increase (58 individuals) over the past four years.

Thank you for the opportunity to testify on this bill.

HB-2022-HD-1

Submitted on: 2/21/2020 6:27:58 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Louis Erteschik	Hawaii Disability Rights Center	Support	No

Comments:



HB2022 HD1 Use Special Fund for Mental Health and Substance Use Disorders

COMMITTEE ON FINANCE:

- Rep Sylvia Luke, Chair; Rep. Ty Cullen, Vice Chair
- Monday, Feb. 24h, 2020: 1:00 pm
- Conference Room 308

Hawaii Substance Abuse Coalition Supports HB2022 HD1:

GOOD MORNING CHAIR, VICE CHAIR AND DISTINGUISHED COMMITTEE MEMBERS. My name is Alan Johnson. I am the current chair of the Hawaii Substance Abuse Coalition (HSAC), a statewide organization of over 30 non-profit alcohol and drug treatment and prevention agencies.

HSAC recommends that private non-profits could operate state facilities for non-forensic beds and could supplement state funding, including fund raising to remodel as well as accessing non-state funds to support operations.

Our current systems need help because they are overwhelmed with high utilizers of expensive emergent care for people with chronic conditions of mental health and substance use disorders.

- *High utilizers typically are vulnerable populations with complex problems* involving high behavioral health needs and multiple chronic conditions.
- *Patients with complicated medical needs tend to heavily rely on ER facilities* and are difficult to engage in ongoing care, especially with primary care providers.
- *The emergency department is the last-resort healthcare where 5% of patients account for 25% of the visits.* These are medically and socially complex patients. The Agency for Healthcare Research and Quality (AHRQ) indicated that in 2010, the top 1% of high cost patients accounted for 21.4% of total healthcare spending at an average annual cost of \$87,570.

Government resource expenditures for high utilizers are huge.

- *High utilizers are expensive yet still don't get adequate care* for their severe often untreated mental illness and substance use disorders. They access government and health services across three systems: hospital emergency care, criminal justice (including law enforcement, courts and corrections) and homelessness, which results in very expensive costs per person.

- Police are overwhelmed with responding to crisis situations with homeless people who have a drug induced psychosis from being high on methamphetamine. Frequently, such homeless are recycling through emergency care.

Complex Patients need multiple levels of care to meet their individual need.

- Stabilization beds are a level of care that is needed for high end utilizers because it is the level between acute care (emergency room) and chronic care (residential/outpatient) mental health/substance use disorder treatment. We have high levels of care for acute emergent needs and then the only option for them is to step down to a lower more stabilized level of care when they are not yet fully stabilized nor motivated.
- Complex patients receive acute care rather than chronic care services given their crisis situation. People with high acuity and multiple chronic conditions that are in a crisis situation are often placed into higher levels of expensive, emergent care. They either receive a longer period of time in acute care or more likely, they are discharged from expensive, emergent care in a very short time and released back to the community. They don't access chronic treatment services immediately because such services require some semblance of functionality and motivation. During acute emergent care, there is no time nor motivational services to help them engage with ongoing chronic care treatment.
- We need to implement the appropriate short term level of care to stabilize such patients until they can transition into residential or outpatient treatment services.

Patients can start with a Subacute Residential Stabilization level of care or transition down from emergent care.

- Some patients can start at stabilization rather than emergent care. Emergency rooms are over utilized in some situations because it is the most accessible part of the system.
- Other patients can transition to subacute residential once their immediate crisis is addressed after emergent care. A post-stabilization period is often needed because their treatment goals have not been addressed in short term emergent care.

Without treatment options, the patient will not progress towards recovery but regress and end up back in the emergency department.

- This tragic cycle occurs because we have failed to stand up enough options that are accessible in the community.
- There needs to be options so that a "warm handoff" to a community setting can be made after stabilization to continue treatment and reduce the risk of recurrence of crisis acute admissions.

We appreciate the opportunity to provide testimony and are available for questions.

COMMUNITY ALLIANCE ON PRISONS

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COMMITTEE ON FINANCE

Rep. Sylvia Luke, Chair

Rep. Ty Cullen, Vice Chair

Monday, February 24, 2020

1:00 PM – Room 308

STRONG SUPPORT FOR HB 2022 HD1 – FUNDING FOR STABILIZATION BEDS

Aloha Chair Lee, Vice Chair San Buenaventura and Members of the Committee!

My name is Kat Brady and I am the Coordinator of Community Alliance on Prisons, a community initiative promoting smart justice policies in Hawai`i for more than two decades. This testimony is respectfully offered on behalf of the families of **JAMES BORLING SALAS, ASHLEY GREY, DAISY KASITATI, JOEY O`MALLEY, JESSICA FORTSON AND ALL THE PEOPLE WHO HAVE DIED UNDER THE “CARE AND CUSTODY” OF THE STATE**, including the eleven (11) people that we know of, who have died in the last six (6) months. We also remind the committee of the approximately 5,200 Hawai`i individuals living behind bars or under the “care and custody” of the Department of Public Safety on any given day and we are always mindful that more than 1,200 of Hawai`i’s imprisoned people are serving their sentences abroad thousands of miles away from their loved ones, their homes and, for the disproportionate number of incarcerated Kanaka Maoli, far, far from their ancestral lands.

Community Alliance on Prisons is in strong support of this measure. Some of the most vulnerable people in our communities are in desperate need of stabilization beds.

Hospital emergency rooms have reported that 5% of patients account for 25% of the emergency room visits. These are medically and socially complex patients. They access government and health services across three systems: hospital emergency care, criminal justice (including law enforcement, courts and corrections) and homelessness, which results in very expensive costs per person.

Our current systems need help because they are overwhelmed with high utilizers of expensive emergency care for people with chronic conditions such as mental health and substance use disorders.

Community Alliance on Prisons urges the committee to pass this important measure to help our over-burdened systems.

Mahalo for this opportunity to testify.



CATHOLIC CHARITIES HAWAII

TESTIMONY IN SUPPORT OF HB 2022 HD1: RELATING TO THE MENTAL HEALTH AND SUBSTANCE ABUSE SPECIAL FUND

TO: Representative Sylvia Luke, Chair, Representative Ty J.K. Cullen, Vice Chair, and Members, Committee on Finance
FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawai'i
Hearing: **Monday, 2/24/20; 1:00 PM; CR 308**

Chair Luke, Vice Chair Cullen, and Members, Committee on Finance:

Thank you for the opportunity to provide testimony **in strong support of HB 2022, HD1**, which authorizes expenditures from the mental health and substance abuse special fund to be used for capital improvement projects, etc. I am Rob Van Tassell, with Catholic Charities Hawai'i. We are a member of Partners in Care. **This bill is an important part of the shared vision of all Hawai'i counties, Partners in Care and the Hawaii Interagency Council on Homelessness as one solution for homelessness.**

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 70 years. CCH has programs serving elders, children, families, homeless, and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawai'i. Catholic Charities Hawai'i has a long history of working in the areas of affordable housing and homelessness.

Crisis stabilization beds are urgently needed but are not available in Hawai'i. There is a gap in services for homeless folks who are in crisis but who do not need acute hospitalization due to mental illness or substance abuse. Yet lower level community treatment programs are not sufficient. Unfortunately, these vulnerable homeless people often return to the streets and then suffer from a cycle of relapse and decompensation. The Oahu homeless Point in Time count reported that 36.4% of homeless single adults suffer from some type of mental illness. The intersection of homelessness and behavioral health conditions contributes to Hawaii having the second highest rate of per capita homelessness in the nation. The task force/working group created last year by the legislature to review the behavioral system of care, has highlighted the need in Hawaii for a coordinated network of stabilization beds for those struggling with substance abuse, mental health conditions and homelessness.

The funding in the bill would enable capital improvements in existing state facilities that have underutilized bed space to create this missing inventory of crisis stabilization beds. What a win-win solution: invest to provide a much needed resource to bridge this gap in services and end the repeated cycle of relapse for many of these vulnerable homeless. Not only would these homeless people received behavioral health services but the would be linked to the continuum of homeless services.

We urge your support for this facility development that would also enhance coordination between the behavioral health and homeless services continuums. Please contact our Legislative Liaison, Betty Lou Larson at (808) 373-0356 if you have any questions.



HB-2022-HD-1

Submitted on: 2/22/2020 1:28:34 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Ann S. Yabusaki	Individual	Support	No

Comments:

Mental Health and Substance Use Disorders continue to need our attention. I support this bill to create MH/SUD subacute residential crisis beds.

Thank you for your consideration.

Ann S. Yabusaki, Ph.D., MFT

HB-2022-HD-1

Submitted on: 2/23/2020 10:10:09 AM

Testimony for FIN on 2/24/2020 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Pat McManaman	Individual	Support	No

Comments:

TESTIMONY IN SUPPORT OF HB2022, HD1

I write in strong support of HB2022 HD1. This measure addresses a gap in Hawaii's current continuum of care model by allowing the Department of Health to access funds from the Substance Abuse and Mental Health Fund for capital improvements and underscores the Legislature's intent that these funds are to be utilized for the creation of crisis stabilization beds.

For many years, Hawaii's health care systems have employed a model supporting the continuum of care of persons diagnosed with serious mental illness and/or substance abuse. This measure fills a critical need for crisis stabilization beds and underscores the State's commitment to providing crisis stabilization services.

Thank you for your support of this measure,

Pat McManaman

LATE

HB-2022-HD-1

Submitted on: 2/23/2020 9:14:57 PM

Testimony for FIN on 2/24/2020 1:00:00 PM

Submitted By	Organization	Testifier Position	Present at Hearing
Katrina Obleada	Hawaii Psychological Association	Support	No

Comments: