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January 28, 2020

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

FROM: Pankaj Bhanot, Director

SUBJECT: **SB 2465 – RELATING TO THE TRANSITIONS CLINIC NETWORK PILOT PROGRAM**

Hearing: January 29, 2020, 2:55 p.m.
Conference Room 016, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this measure and offers comments.

PURPOSE: The purpose of this bill is to appropriate funds to DHS to procure the services of a master contractor to manage subcontracts and expenditures for a transitions Clinic network pilot program.

The measure appears to replicate Act 219 (2018) addressing a master contractor for homeless services. For the Legislature's information, DHS has worked with the Department of Public Safety (PSD) to develop an information sharing process to improve the Medicaid application process for soon to be released individuals. The goal is that those individuals eligible for Medicaid, will exit incarceration and reenter society with access to health care.

DHS is not aware of a transitions clinic network currently operating here in Hawaii and we would need some time to research how the other States who have Transitions Clinic Networks have developed, implemented, and operate their networks. See <https://www.hhs.gov/sites/default/files/self-sufficiency-series-tcn.pdf>.

DHS asks that the effective date be extended with sufficient time and resources to research and consult with stakeholders, including PSD, and other States who have transition clinic networks prior to this law becoming effective.

Thank you for the opportunity to testify on this bill.

LATE

DATE: January 29, 2020

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

FROM: Aris Springs

SUBJECT: SB 2465 – RELATING TO THE TRANSITIONS CLINIC NETWORK PILOT PROGRAM

Hearing: January 29, 2020, 2:55 p.m. Conference Room 016, State Capitol

With the State's daily incarceration costs reported at \$182 per person and annual incarceration costs reported at \$66,439 per person, our government should focus on reducing the number of individuals who are incarcerated. One effective way to do this would be to focus on reducing recidivism. Our state recidivism rate is currently at 45.1%, indicating a large area needing improvement.

TCN program implementation would focus on chronically-ill individuals being released back into the community. These individuals, while incarcerated, cost the government more than a healthy inmates due to their chronic health conditions. Through participation in the TCN program, we can reduce the number of chronically ill individuals who recidivate due to technical violations of their parole and probation terms and can reduce the number of days spent reincarcerated for those who do recidivate. By reducing the recidivism rate of this specific group, the medical care costs associated with the group will be shifted from complete coverage by the state to joint coverage by the state and federal government through Medicare and Medicaid eligibility and coverage.

TCN program participation also has the ability to reduce homelessness rates through the use of CHWs who will assist participants with securing housing. This assistance, coupled with

providing a primary care facility to this specific group, has the potential to reduce ED utilization by this group and instead have them redirected to their primary care facility. For these reasons, I support this bill.