
A BILL FOR AN ACT

RELATING TO HUMAN SERVICES.

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

1 SECTION 1. The legislature finds that homelessness
2 continues to be one of the State's most significant and
3 challenging social problems. According to the 2017 Hawaii
4 Statewide Homeless Point-in-Time conducted in January 2017,
5 there are 7,220 homeless individuals in the State. Homeless
6 persons face a myriad of issues, including general health care,
7 mental illness, substance abuse, loss of employment and income,
8 and a lack of affordable housing.

9 The legislature further finds that many people who
10 experience homelessness have high health care needs and costs.
11 In fiscal years 2014 and 2015, The Queen's Medical Center
12 reported treating 3,441 patients who were homeless, including an
13 unsheltered patient who reportedly received treatment 12,271
14 times over two years, which cost The Queen's Medical Center more
15 than \$5,000,000 per year. For many of these individuals with
16 complex health conditions, housing instability can be a
17 significant barrier to regular health care access, which results



1 in excessive use of expensive emergency department, inpatient
2 treatment, and crisis services. By recognizing the importance
3 of housing stability within the practice of health care for
4 homeless individuals, and exploring creative and innovative
5 solutions to address homeless individuals' health care needs
6 through housing stability from traditional and nontraditional
7 resources, the State may be able to recover the costs that
8 homeless individuals incur over their lifetime.

9 The legislature recognizes that the department of human
10 services and the department of health have piloted efforts to
11 target supportive housing services for a small cohort of
12 chronically homeless individuals through the Hawaii pathways
13 project. The project has demonstrated early success in meeting
14 the housing and health care needs of chronically homeless
15 individuals, and the department of human services is working to
16 expand supportive housing services through an amendment of the
17 state 1115 medicaid waiver.

18 Section 1115 of the Social Security Act gives the Secretary
19 of Health and Human Services authority to approve certain
20 projects that are likely to promote the objectives of the
21 medicaid program using methods that differ from the standard



1 federal requirements. Many states have used 1115 medicaid
2 waivers to expand medicaid to new groups or to experiment with
3 new or updated delivery systems. Prior to the implementation of
4 the Affordable Care Act, numerous states used 1115 medicaid
5 waivers to expand medicaid coverage to low-income adults who
6 were not otherwise covered under federal rules. The Affordable
7 Care Act has since enabled states to expand medicaid coverage to
8 these individuals without the need for a waiver. However, of
9 the thirty-nine states that have expanded medicaid to low-income
10 adults, seven of these states have implemented customized
11 medicaid expansions through the use of 1115 medicaid waivers.

12 The department of human services has recently submitted an
13 application for an amendment to the QUEST Expanded Section 1115
14 demonstration project. The department seeks to expand its QUEST
15 project to provide supportive housing services to qualified
16 individuals who are chronically homeless and have a behavioral
17 or physical illness or a substance abuse diagnosis.

18 The purpose of this Act is to support current efforts being
19 made by the department of human services and to require the
20 department to report to the legislature in regard to its



1 progress in expanding supportive housing services for a broader
2 population of chronically homeless individuals.

3 SECTION 2. (a) The department of human services, in
4 collaboration with the department of health, shall review the
5 progress of the Hawaii pathways project pilot and continue to
6 pursue efforts to utilize medicaid to provide supportive housing
7 services for chronically homeless individuals.

8 (b) In planning for the expansion of supportive housing
9 services provided through medicaid managed care plans, the
10 department of human services shall consider the following:

- 11 (1) Benefit eligibility, including criteria related to:
- 12 (A) Health conditions;
 - 13 (B) Housing status; and
 - 14 (C) Current or potential system costs;
- 15 (2) Supportive housing services, including but not limited
- 16 to:
- 17 (A) Outreach and engagement;
 - 18 (B) Housing search assistance;
 - 19 (C) Tenancy rights and responsibilities education;
 - 20 (D) Eviction prevention;
 - 21 (E) Service plan development;



- 1 (F) Coordination with primary care and health homes;
- 2 (G) Coordination with substance use treatment
- 3 providers;
- 4 (H) Coordination with mental health providers;
- 5 (I) Coordination of vision and dental providers;
- 6 (J) Coordination with hospitals and emergency
- 7 departments;
- 8 (K) Crisis intervention and critical time
- 9 intervention;
- 10 (L) Independent living skills coaching; and
- 11 (M) Linkages to education, job skills training, and
- 12 employment;
- 13 (3) Applying to the Centers for Medicare and Medicaid
- 14 Services to pursue an amendment of the state 1115
- 15 medicaid waiver;
- 16 (4) Financing and reinvestment strategies, including:
- 17 (A) Health care costs and housing status of current
- 18 medicaid beneficiaries;
- 19 (B) The degree to which accurate and up-to-date
- 20 information on housing status is available for
- 21 current medicaid beneficiaries;



- 1 (C) Health care costs of current residents of
- 2 supportive housing;
- 3 (D) Health care costs of the medicaid-expansion
- 4 population;
- 5 (E) Potential impact on costs to other systems, such
- 6 as jails, long-term care, and treatment
- 7 facilities;
- 8 (F) Affordable housing investments that can be
- 9 leveraged to create new units of supportive
- 10 housing; and
- 11 (G) Amount of flexible service dollars available to
- 12 cover the costs that medicaid cannot; and
- 13 (5) Administration of the benefit, including:
 - 14 (A) The role of managed care;
 - 15 (B) The role of supportive housing service providers;
 - 16 and
 - 17 (C) Coordination with existing and emerging systems.
- 18 (c) The department of human services shall submit a report
- 19 to the legislature regarding the status of its efforts,
- 20 including any proposed legislation, no later than twenty days



1 prior to the convening of the regular session of 2019. The
2 report shall include:

- 3 (1) The status of the proposed amendment to expand the
- 4 state 1115 medicaid waiver;
- 5 (2) A description of supportive housing services to be
- 6 provided to the chronically homeless population; and
- 7 (3) Proposed eligibility criteria to qualify for
- 8 supportive housing services.

9 SECTION 3. There is appropriated out of the general
10 revenues of the State of Hawaii the sum of \$ or so much
11 thereof as may be necessary for fiscal year 2018-2019 for the
12 purposes of this Act; provided that no funds appropriated under
13 this Act shall be expended unless matched dollar-for-dollar with
14 federal funds.

15 The sum appropriated shall be expended by the department of
16 human services for the purposes of this Act.

17 SECTION 4. This Act shall take effect on July 1, 2018.

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INTRODUCED BY:

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H.B. NO. 1901

Report Title:

Medicaid; Homelessness; Supportive Housing Services; Department of Human Services; Department of Health; Appropriation

Description:

Requires DHS, in collaboration with DOH, to review the progress of the Hawaii pathways project pilot and continue to pursue efforts to utilize medicaid to provide supportive housing services for chronically homeless individuals. Provides considerations for DHS in planning for the expansion of supportive housing services provided through medicaid managed care plans. Requires DHS to report to the legislature. Makes an appropriation.

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