

**STATE OF HAWAII**

**DEPARTMENT OF HUMAN SERVICES  
SOCIAL SERVICES DIVISION**

**REPORT TO THE 2003 HAWAII STATE LEGISLATURE ON PART III,  
SECTIONS 37 AND 38 IN ACCORDANCE WITH THE PROVISIONS OF ACT  
177, RELATING TO THE STATE BUDGET, OF THE TWENTY-FIRST  
LEGISLATURE OF THE STATE OF HAWAII, 2002**

**SUBMITTED TO THE TWENTY-SECOND**

**STATE LEGISLATURE, 2003**

**REPORT ON PART III, SECTIONS 37 AND 38, ACT 177,  
RELATING TO THE STATE BUDGET, STATE LEGISLATURE OF HAWAII,  
2002**

**SECTION 37: REGARDING FEDERAL FUNDS FOR CHILD WELFARE SERVICES  
(HMS 303):**

**(1) Report on the amount of federal funds drawn down by the Title IV-E Eligibility Determination Unit.**

Title IV-E funds drawn by the Department for eligible children are the result of all the staff's efforts and not a single unit. The Title IV-E Eligibility Determination Unit contributed significantly to the \$23,108,585 in Title IV-E funds drawn by the Department in FY 02 and the \$13,199,501 in Title IV-E funds drawn to date in FY 03.

**(2) Report on the amounts and purposes of expenditures of federal funds.**

The Department received \$23,108,585 in Title IV-E funds in FY 02. Of this total, \$8,929,721.61 was used to cover child out-of-home placement costs in HMS 303, \$13,072,690.74 was used to cover personnel and operating expenses in child welfare services, and \$1,106,172.65 was used for expenses, such as system enhancement and staff training.

**(3) Report on the number of children served and types of services.**

In FY 02, 5,228 children were determined eligible for child out-of-home placement services. The breakdown of services provided to the 5,228 children is:

- ? 4,297 children received payments for relative and non-relative foster care
- ? 862 children received payments for emergency shelter care
- ? 87 children received payments for higher education
- ? 776 children were provided payments for permanency assistance
- ? 1,753 children were provided payments for adoption assistance
- ? 3,771 children were provided payments for board related services such as transportation, clothing, etc.

Note: A child may receive more than one service  
Source: FY 02 HMS 303 Variance Report

**SECTION 38: REGARDING THE APPROPRIATIONS FOR CHILD PLACEMENT BOARD AND RELATED CLIENT PAYMENTS (HMS 303):**

**Section 38.1 – Children who receive adoption assistance or difficulty of care payments. Report on the children who receive and the amounts for the previous and current fiscal year (four months actual and eight months forecasted).**

- (1) Difficulty of care payment is considered part of adoption assistance and is not tracked separately. We are planning to implement separate tracking of these payments in the future.

**Total Amounts and Children Receiving Adoption Assistance and Difficulty of Care**

| <b>FY02</b>       | <b>TOTAL AA+DOC</b>    | <b>Children Served Per Mo</b> |
|-------------------|------------------------|-------------------------------|
| July-01           | \$1,013,563            | 1,465                         |
| August-01         | 1,015,662              | 1,493                         |
| September-01      | 918,576                | 1,515                         |
| October-01        | 967,298                | 1,531                         |
| November-01       | 936,979                | 1,543                         |
| December-01       | 987,263                | 1,566                         |
| January-02        | 1,000,613              | 1,587                         |
| February-02       | 1,044,319              | 1,618                         |
| March-02          | 1,011,424              | 1,638                         |
| April-02          | 1,062,451              | 1,667                         |
| May-02            | 1,022,277              | 1,677                         |
| June-02           | 1,042,310              | 1,703                         |
| <b>FY02 TOTAL</b> | <b>\$12,022,735.00</b> | <b>Ave Children/Mo 1,461</b>  |

\*Unduplicated Count

| <b>FY03</b>                     | <b>TOTAL AA+DOC</b> | <b>Children Served Per Mo</b> |
|---------------------------------|---------------------|-------------------------------|
| July-02                         | \$1,081,237         | 1,750                         |
| August-02                       | 1,098,741           | 1,777                         |
| September-02                    | 1,141,263           | 1,805                         |
| October-02                      | 1,910,010           | 1,817                         |
| <b>4 Months Actual Total</b>    | <b>\$5,231,251</b>  | <b>Ave Children/Mo 1,429</b>  |
| November-02                     | 1,109,958           | 1,775                         |
| December-02                     | 1,122,037           | 1,974                         |
| January-03                      | 1,134,104           | 1,814                         |
| February-03                     | 1,146,158           | 1,833                         |
| March-03                        | 1,115,201           | 1,853                         |
| April-03                        | 1,170,231           | 1,872                         |
| May-03                          | 1,182,250           | 1,891                         |
| June-03                         | 1,194,256           | 1,911                         |
| <b>8 Months Projected Total</b> | <b>\$9,174,195</b>  | <b>1,816</b>                  |
| <b>TOTAL FY 03 PROJECTION</b>   | <b>\$14,405,446</b> | <b>Ave Children/Mo 1,839</b>  |

Source: R&S Committee on Projections Table, November 2002

**Section 38.1 – Child Placement Costs and the number of children served for mentioned categories.**

**(1) Report on child placement cost and services.**

In FY 02 the Department expended \$38,631,504 in HMS 303. The funds were used to cover child out-of-home placement costs for foster care, higher education, difficulty-of-care payments and adoption subsidies to facilitate the adoption of children with special needs. The payments also cover basic daily living needs and

other essentials such as clothing, transportation to school, wrap around services and visitation/services to facilitate reunification or to prevent out-of-home care. In FY 02, 5,228 children were provided with child out-of home placement payments and services.

**(2) Collection of child support payments for children placed.**

Child support payments for children who are placed in out-of-home care are collected by the Child Support Enforcement Agency, (CSEA). In FY 02, CSEA collected and returned to the Department \$303,659.13. In FY 03, as of November 2002, CSEA has collected and returned \$167,825.74 to the Department.

**(3) Average adoption assistance payment.**

The average adoption assistance without difficulty-of-care payment in FY 02 was \$529 per month per eligible child. In FY 02, 1753 children were provided with adoption assistance payments.

**(4) Average foster board payment.**

The average foster board payment in FY 02 was \$529 per month per eligible child. In FY 02, 4,297 children were provided relative and non-relative foster board payments.

**(5) Average difficulty of care adoption payment.**

The average difficulty of care adoption payment in FY 02 was \$633 per month per eligible child. In FY 02, 1753 children were provided adoption assistance payments. The amount per child of \$633 is higher than the maximum difficulty of care payment of \$570 per child per month due to retroactive payments from FY 01.

**(6) Average foster board difficulty of care payment.**

The average foster board difficulty of care payment was \$621.00 per month per eligible child. In FY 02, 771 children were provided with foster board difficulty of care payments. The amount per child of \$621 is higher than the maximum payment of \$570 per child per month due to retroactive payments from FY 01.

Source: (1) R&S Committee on Projections Table, November 2002

(2) R&S Report, HMS 303 Clients by Service, Duplicated, dated 12/19/02