

DEPARTMENT OF HUMAN SERVICES

REPORT ON FISCAL YEARS 2003 and 2004



State of Hawaii

DIRECTOR'S MESSAGE



Aloha,

It is with great pleasure that I release to you our annual report for the fiscal years 2003 and 2004. As the new Director of the Department of Human Services (DHS), I hope this compilation of information about us will give you a better idea of who we are and how we are working diligently to serve the public.

After being chosen by the Governor to lead this Department, I committed myself to help my staff achieve outcomes that will have a real impact on improving the lives of our customers who are the most vulnerable and needy in our State. We are one of the largest departments in the State with a \$1.6 billion annual budget and a customer base numbering thousands of people.

The DHS is focused on helping our customers achieve sustainable self-sufficiency, improved health, quality of life, and safety. We provide varied services and benefits from nutrition, financial and medical assistance to vocational rehabilitation services. Our Department is also responsible for overseeing the safety and protection of children and adults from abuse and neglect.

Heading into the next fiscal year, we look forward to strengthening old ties and forging new partnerships as we strive to provide quality, efficient service to our customers. We are always exploring new ways to improve customer service and we hope to develop innovative programs that will continue to strengthen families and children and expand the healthy choices they have to improve their quality of life

Thank you to all our staff who worked so hard these past two years to reach the high goals and benchmarks that we set for ourselves. If you need more information on any services or programs we offer, please call my office at (808) 586-4997.

Mahalo,

A handwritten signature in black ink, appearing to read "Lillian B. Koller". The signature is fluid and cursive, written over a faint, illegible background.

Lillian B. Koller, Esq.
Director

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ORGANIZATIONAL CHART

Department of Human Services

**Office of Youth
Services**

(Attached for Administrative Purposes)

**Housing and Community
Development Corporation
of Hawaii**

(Attached for Administrative Purposes)

Staff Support Offices

**Administrative
Appeals Office**

**Fiscal Management
Office**

**Office of Information
Technology**

**Management
Services Office**

**Personnel
Office**

Divisions

**Benefit,
Employment &
Support Services
Division**

**Med-QUEST
Division**

**Social Services
Division**

**Vocational
Rehabilitation
& Services for the
Blind Division**

CHAPTER ONE INTRODUCTION

The Territorial Department of Public Welfare was reorganized as the State Department of Social Services and Housing (DSSH) by the State Legislature in 1959 after statehood. In 1988, the Department was again reorganized and redesignated as the Department of Human Services (DHS). Our committed staff strives, day-in and day-out, to provide timely, efficient, and effective programs, services, and benefits, for the purpose of achieving the outcome of empowering those who are the most vulnerable in our State to expand their capacity for self-sufficiency, self-determination, independence, healthy choices, quality of life, and personal dignity.

With over 2,300 permanent positions and a budget of almost \$1.5 billion annually, DHS employees strive to help clients meet their basic needs for food, shelter, medical care, and other essentials of daily living to help them to become self-sufficient, independent, and able to make healthy choices to improve their personal dignity and their and their families' quality of life. The DHS is divided into four divisions that provide different kinds of assistance. The Benefit, Employment and Support Services Division (BESSD) provides financial assistance, employment support, and dependency diversion and prevention programs and services; the Med-QUEST Division (MQD) provides health insurance to low-income families, children, and individuals; the Social Services Division (SSD) provides protective services for abused adults and children and community-based services for aged and disabled persons and medically fragile children; and the Vocational Rehabilitation and Services for the Blind Division (VRSBD) provides vocational rehabilitation services to the disabled and the blind. The Department also has two administratively attached agencies. The Office of Youth Services (OYS) provides a wide range of services to Hawaii's youth. Act 78, passed by the 2003 Legislature and signed into law by Governor Linda Lingle, administratively attached the Housing and Community Development Corporation of Hawaii (HCDCH) to the DHS, beginning July 1, 2003. The HCDCH provides affordable housing and shelter opportunities with resident support services to Hawaii's residents. The four divisions of the DHS, along with the OYS and the HCDCH, are supported by five staff support offices, providing administrative hearings for clients, fiscal management, information technology systems support, management services, research, personnel and other services.

DHS employees work to strengthen communities and address client needs as efficiently and effectively as possible. Each of the DHS' four divisions has offices throughout the major islands to facilitate geographic support for island-based initiatives and to be accessible for all our clients. The DHS maintains offices statewide in 88 separate locations.



The Queen Liliuokalani Building on 1390 Miller Street in downtown Honolulu houses the administrative offices of the Department of Human Services.

CHAPTER TWO DHS ACHIEVEMENTS AND GOALS

The Department of Human Services (DHS), in keeping with its mission to help needy residents achieve self-sufficiency, independence, health and well-being, has taken dramatic steps to improve the quality of life for many of its customers. With the Lingle-Aiona Administration's strong leadership, the DHS is helping low-income residents, especially children and pregnant women, get access to quality health care, funding new prevention services to help steer youth away from drugs and alcohol, and expanding nursing care options for the disabled and elderly to live in quality home and community-based settings.

DHS ACHIEVEMENTS

One of the DHS' major accomplishments is its continuing efforts to tear down barriers that once prevented needy customers from gaining access to quality health care. Under the leadership of Director Lillian B. Koller, DHS is taking significant steps to cover more children and pregnant women through common sense solutions such as simplifying a medical assistance application to make it more customer-friendly. In less than a year, this change has helped to enroll an additional 6,200 needy children into the Department's Medicaid health insurance programs. Enrollment is also up for pregnant women, providing 4,937 pregnant women with pre- and post-natal health care.

Additionally, the DHS is improving life for customers through innovative new programs and more customer friendly procedures such as:

- Joining the first of its kind, Medicaid Purchasing Pool with nine other states. This unique pool combines the purchasing power of the states to leverage higher pharmaceutical manufacturer discounts. Hawaii will save an estimated \$4 million a year with this program.
- Simplifying the renewal process for medical assistance by implementing passive renewal for low-income families and children. Customers are now provided with a renewal form that contains previously reported information from their records. If there are no changes to their current information, this form is enough for renewal of their health coverage instead of the previous procedure of making them reapply every year.
- Implementing the new Hawaii Rx Plus drug discount program. Hawaii Rx Plus offers residents from all walks of life, including seniors, students and part-time employees, a discount on their prescription drugs.
- Funding medical assistance for pregnant legal immigrants. This legislation, proposed by Governor Linda Lingle and which became law this July 2004, now provides pre- and post-natal medical care to legal immigrant pregnant women. This initiative directly enhances the birth of a healthy baby, lessens the probability of a complicated birth and prevents more costly, emergency medical services.
- Initiating a Medicaid preferred drug list to help control rising pharmaceutical expenditures without reducing the benefit coverage. Drugs which meet the criteria for safety, clinical efficacy and cost are given preferred status for utilization. The PDL will generate at least \$4.1 million in additional State revenue.

- An estimated \$9.1 million in new youth and prevention services were provided without using a single State dollar. Director Koller, knowing that Federal dollars could be used on prevention programs and services to keep children and families out of poverty, saw an opportunity to start new and expand existing valuable programs under this Federal umbrella.
- \$550,000 in Federal funds were awarded to three youth service centers in Kalihi, a community plagued with gang violence, teen pregnancies and rising school dropout rates.
- Working with Lt. Governor Aiona, \$1.08 million in Federal funds were provided to four existing non-profit agencies for family strengthening, drug and teen pregnancy prevention programs.
- With a \$2.5 million award, the National Guard will administer teenage pregnancy and substance abuse prevention programs in the community statewide.
- Hale Kipa has a two-year, \$2.68 million contract with the DHS to provide home-based intervention services for at-risk youth using people recruited from communities statewide to become para-professional counselors who will spend about 15 hours a week with youth.
- The About Face program on Kauai received \$1 million in Federal funds to teach “real world” experience and life skills to disadvantaged youth, ages 14-18, to prepare them for future employment. The funds will also be used to expand the program to Hawaii, Oahu and Maui.
- \$500,000 in Federal funds will be used by the Lt. Governor’s Office to use in a campaign for drug abuse resistance education. The advertisements feature Hawaii American Idol star Jasmine Trias and Hawaii Olympian Bryan Clay.
- The State Foundation on Culture and the Arts is using \$625,000 in Federal funds to fund more than 100 non-profit groups thorough programs statewide that work with disadvantaged youth.
- One of the Department’s proudest accomplishments is expanding choice for customers. A nursing care case on Maui prompted the Director to take a second look at an old Department policy. Determining that Medicaid dollars, which had been used exclusively to house nursing care patients in hospitals, could be utilized to compensate caregivers in residential care and foster family homes gave rise to the “Going Home” project. This project enables previously nursing home confined patients to go back into the community for care and is projected to save State taxpayers about \$70,000 per year per patient or about \$23 million annually. More importantly than the savings, “Going Home” is providing more choices to patients who need nursing care.
- Medicaid Waiver services expanded capacity by \$28.5 million. This expansion enables dependent clients to receive community-based nursing care instead of being placed in expensive nursing facilities and saves an estimated \$134 million in State funds.

There are achievements for all of the islands:

Hawaii

- Eliminated the waitlist for essential housekeeping (chore) services by expediting the processing of 279 applications. These services enable disabled or elderly clients to remain in home and community-based settings rather than being placed in a hospital.
- Through the “Going Home” project, 10 patients were deinstitutionalized and were placed in home and community-based settings.

Kauai

- No waitlists for Kauai residents for all adult and community care programs. These programs protect vulnerable dependent adults and prevent them from being prematurely institutionalized.
- One agency on Kauai was given federal funding under the Lt. Governor's drug control strategy to enhance youth services for drug and teen pregnancy prevention and family strengthening efforts. The Boys and Girl's Club of Hawaii (Waimea, Kauai) is expected to reach an additional 212 youth and their families.

Maui

- Through the "Going Home" project, eight patients were deinstitutionalized and were placed in home and community-based settings. "Going Home" and other related DHS services enable disabled or elderly clients to remain in home and community-based settings rather than being placed in a hospital.
- One agency on Maui was given federal funding under the Lt. Governor's drug control strategy to enhance youth services for teen pregnancy prevention and family strengthening efforts. Hui Malama Learning Center is expected to reach an additional 210 youth and their families.

Oahu

- Increased the processing of essential housekeeping (chore) services applications by 54%, from 650 to 1000.
- Through the "Going Home" project, 272 patients were deinstitutionalized and were placed in home and community-based settings. "Going Home" and other related DHS services enable disabled or elderly clients to remain in home and community-based settings rather than being placed in a hospital.
- Two Oahu agencies were given federal funding under the Lt. Governor's drug control strategy to enhance youth services for teen pregnancy prevention and family strengthening efforts. The four locations on Oahu were the Boys and Girls Club of Hawaii (Ewa Beach), the Boys and Girls Club of Hawaii (Nanakuli), Hale Kipa, Inc. (Stevenson), and Hale Kipa Inc., (Kawananakoa).

The DHS' attached agencies, the Office of Youth Services (OYS) and the Housing and Community Development Corporation of Hawaii (HCDCH), have also made significant strides these past two years.

OFFICE OF YOUTH SERVICES (OYS) ACHIEVEMENTS

The OYS under the leadership of Executive Director Sharon Agnew has implemented much-needed reform in the Hawaii Youth Correctional Facility (HYCF) to address the youth population and staffing issues. Executive Director Agnew has also begun a decentralization of the OYS, which will place program development staff within communities across the State.

OYS' three major accomplishments these past two years are:

- A 35 % reduction in youth population at the HYCF, allowing less serious youth offenders to be placed in alternative programs in their communities.

- Working with government and private partners to develop more community alternatives to incarceration, i.e., the \$2.68 million Hale Kipa contract, which is meant to divert youth away from the juvenile justice system.
- Permanently replacing the HYCF administrator and the conviction of a youth correction officer who sexually assaulted female wards.

The following is a list of OYS achievements for each of the major islands:

Hawaii – see DHS achievements above

Kauai – see DHS achievements above

Maui

- The positive outreach incentive (POI) program, funded through the OYS, is a voluntary initiative that provides immediate consequences and intervention services to youth that admit their involvement in their accused offenses. These youth are able to participate in a “work crew” that provides a range of community services including painting over graffiti within their community as well as cleaning-up various county parks across the island. Between January 2003 and June 2004, a total of 101 youth entered the program and 61 youth successfully completed all program requirements.

Oahu – see DHS achievements above

HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII (HCDCH) ACHIEVEMENTS

The HCDCH, while working diligently to maintain and upgrade current state and federal housing facilities, has also forged new partnerships with private developers to create more affordable housing units statewide. The agency, headed by Executive Director Stephanie Aveiro, is also collaborating with various government agencies, the private sector, and community organizations to end chronic homelessness in Hawaii.

The following are three of the most notable achievements for HCDCH so far:

- The restoration and repairs of four federal housing projects: Maili, Salt Lake, Waimaha Sunflower Phase 3, and Lanakila Phase 2A.
- Awarding a total of \$4.1 million in low-income State and federal tax credits and \$13 million in low-interest loans to six developers who will build new or preserve existing affordable housing units on Hawaii, Kauai, Maui and Oahu. The six projects will provide a total of 323 affordable housing units for seniors and families.
- Approving the transfer of lands in Lahaina to the Department of Hawaiian Home Lands (DHHL) for development of as many as 2,700 new homes on the Big Island, 326 homes on Oahu, and 304 new homes on Maui.

The following is a list of HCDCH achievements for each of the major islands:

Hawaii

- Committed over \$500,000 in tax credits per year for 10 years and \$3.3 million in construction financing for 60 affordable elderly rentals through the 2002 Kinoole Limited Partnership in Hilo and committed \$600,000 in tax credits per year for 10 years and \$3 million in construction financing for the Hualalai Elderly Housing in Kailua-Kona.

- Approved the transfer of lands in Kona to DHHL for the development of as many as 2,700 new homes for Native Hawaiians.
- Partnered with the U.S. Department of Housing and Urban Development to provide \$268,245 in federal funding for the Boys and Girls Club to develop anti-drug programs for youth and to renovate the existing clubhouse in Hilo.

Kauai

- Committed \$4.4 million in Rental Housing Trust Fund financing for the preservation of 58 affordable rentals through the Lihue Gardens Preservation Limited Partnership.
- Provided \$500,000 in tax credits per year for 10 years for 40 units of affordable family rental housing which opened in Hanamaulu.

Maui

- Provided \$900,000 in tax credits per year for 10 years for 61 affordable elderly rentals through the Wailuku Senior Living Limited Partnership, which began construction.
- Committed \$600,000 in tax credits per year for 10 years for 34 affordable elderly rentals through the Hale Mahaolu Ehiku Limited Partnership on Maui.
- Approved the transfer of lands in Lahaina to the DHHL for the development of as many as 304 new homes for Native Hawaiians.

Oahu

- Committed \$800,000 in tax credits per year for 10 years for 64 affordable family rentals through the Palehua Terrace 2 Limited Partnership, committed \$1.5 million in tax credits per year for 10 years and \$2.4 million in Rental Housing Trust Fund permanent financing for 107 elderly affordable rental units through the Tusitala Limited Partnership on Oahu, and provided \$800,000 in tax credits per year for 10 years and \$3.8 million in Rental Housing Trust Fund permanent financing for 54 units of affordable family rental housing which opened in Honolulu.
- Approved the transfer of lands in Kapolei to the DHHL for development of as many as 326 new homes for Native Hawaiians.
- Obtained \$300,000 in federal funding to assist the elderly and disabled in public housing to continue to live independently.

GOALS

DHS – All Islands

- Develop a more accountable, more responsive and overall effective system of care to improve safety, permanency and well-being of abused and neglected children in Child Welfare Services.
- Continue maximization of federal funds to provide effective programs that will divert youth and families away from drugs and dependency.
- Implement more innovative and common-sense solutions to improve health care access to the State's most vulnerable, especially children and pregnant women.

OYS – All Islands

- To uphold the public safety of the communities throughout the state by increasing community options and flexible alternatives to juvenile incarceration in all counties.

- To improve the Hawaii Youth Correctional Facility in the following ways:
 - To provide a broad continuum of graduated sanctions for youth in all court circuits that will result in judges committing only long-term, serious offenders to the HYCF;
 - To provide more appropriate options in local communities for less serious short-term offenders;
 - To increase communication and collaboration with judges and probation officers from each court circuit so that options are accessible and appropriate;
 - To improve outreach and services of existing OYS Staff through decentralization to districts in order to interface with service providers, probation and Family Court staff to ensure that programs are fully utilized and appropriate and to increase community mobilization to address gaps in services.

- To increase and fully utilize the resources of the OYS to be effective, efficient and proactive in helping Hawaii's youth achieve healthy lifestyles.

HCDCH – All Islands

- Improve public housing operations and inventory. Also, complete the restoration and repairs for identified state and federal housing projects.

- Form partnerships with the private sector, counties, and the non-profits to meet the demand for 17,000 affordable rental units over the next six years.

- Continue to address chronic homelessness through collaboration with federal and county governments and community agencies.

This year, the DHS achieved many notable accomplishments in each of its divisions and attached agencies. For instance, costs for two benefits programs, the TANF and TAONF programs which are detailed on page 9, decreased as more benefit recipients found employment. For the fourth year in a row, there was also a significant decrease in caseloads during FY 2003.

The Department's goal, however, is not to merely decrease caseloads but to move people into jobs by providing opportunities and incentives for people to obtain and maintain employment and to work with government in creating a stronger economy. For the fourth year in a row, the State received a federal bonus for the success of its welfare reform program in getting people into employment. **Hawaii was among the nation's best in helping welfare recipients move towards employment in 1999, 2000, 2001, and 2002. The bonus is awarded to the top 10 performing states in each of four work measures: job entry rate, job success (combination of a job retention rate and an earnings gain rate), improvement in job entry rate, and improvement in job success.**

The number of child welfare cases continued to rise in FY 2003, continuing to tax the limited resources of the Child Welfare Services program. However, DHS employees continued to address the challenges by increasing the number of foster and adoptive parents and providing them with additional support. There were increased partnerships to collaboratively address the problem and the continued expansion of 'Ohana Conferences.

And, as the elderly population continues to increase, DHS employees investigated more reports of abuse of dependent adults. Eleven innovative programs now provide a continuum of comprehensive home and community-based services to prevent premature institutionalization of frail elders and disabled adults and children. Significantly more clients used these services than in previous years.

The DHS is poised on the threshold of this next century to continue to provide excellent services for persons in need. In addition, the DHS will continue to strive for excellence in service delivery.

CHAPTER THREE SELF-SUFFICIENCY

A critical goal of the Department of Human Services (DHS) is to help people to become as self-sufficient as possible, thereby decreasing or eliminating the need for our services. Key to this goal is our ability to help people get employment, keep employment, and increase their wages. Two divisions of the DHS, the Benefit, Employment and Support Services Division (BESSD) and the Vocational Rehabilitation and Services for the Blind Division (VRSBD), provide an effective array of education, training and work activities, as well as support services, to assist clients in achieving this goal. In addition, BESSD provides basic support, such as, financial, food stamp and child care assistance while clients are moving toward self-sufficiency.

A. BENEFIT, EMPLOYMENT AND SUPPORT SERVICES DIVISION (BESSD): Programs, Services, and Achievements

The Benefit, Employment and Support Services Division (BESSD) is the largest division in the DHS. BESSD employees provide a continuum of services, through nine programs that serve different populations, aimed at providing clients with monthly benefits to assist them with such essentials as food, shelter, and child care, as well as employment support and work-training and dependency diversion and prevention. Patricia Murakami is the BESSD Division Administrator.

1) TEMPORARY ASSISTANCE TO NEEDY FAMILIES (TANF) and TEMPORARY ASSISTANCE TO OTHER NEEDY FAMILIES (TAONF)

Program Description

TANF and TAONF are the time-limited welfare reform programs for adults with children. These programs are designed to protect those who cannot work and to require those who are able to work to do so. Unlike the old welfare program, which fostered dependence and low self-esteem, the TANF and TAONF programs require work and promote self-reliance, responsibility, and family stability. Both TANF and TAONF offer a package of strong incentives and penalties, child care support for working parents, and restructured welfare benefits so that it “pays to work.”

Households which include an adult who is not exempt, are allowed to receive TANF or TAONF cash benefits for a maximum of five years in their lifetime. In December 2001, eligibility expired for 539 families who were the first to reach the five-year time limit. In fiscal year 2003, 1,251 cases were closed due to time limits. In fiscal year 2004, only 852 cases were closed due to time limits. The Department continues to expand its outreach activities to ensure that families who are approaching the five-year limit are prepared and have a self-sufficiency plan. Job preparation services, job search skills, training and education are available. Our intent is to assist families towards self-sufficiency as expeditiously as possible.

TANF and TAONF provide monthly cash benefits to families for food, clothing, shelter, and other essentials. To qualify, a family must include children under the age of 19 and the family's total gross income must be under 185% of the 1993 Federal Poverty Level (FPL). For a household of three persons, this means that the monthly income must be less than \$2,109 and the net income must be under 50% of the 1993 FPL or under \$570. All TANF/TAONF households are permitted to acquire resources or assets, but the combined total must be under \$5,000. Vehicles and the home in which a household resides are exempt from consideration as an asset or resource. For an exempt household, e.g., disabled, caring for a child under six weeks, or other exemptions, their net income must be under 62.5% of the 1993 FPL.

Whether a family participates in TANF or TAONF depends on the household composition. In families in which all members are U. S. citizens and no child has two legal parents residing in the home, the family is eligible for federally-funded welfare under TANF. Families which include at least one noncitizen or in which at least one child has both of his or her parents residing in the home are eligible for state-funded welfare under TAONF. Other than the funding sources, the TANF/TAONF programs are identical.

In FY 2004, the Department began implementing dependency diversion and prevention programs and services with the goal of preventing people from needing welfare or keeping people off welfare. Teen Pregnancy Prevention programs were established at several sites around the State. These programs are offered in a variety of different venues including the Department of Education, the DHS Office of Youth Services through contracts at 12 youth centers statewide, and through contracts with private agencies such as Kapiolani Medical Center. In addition, implementation and monitoring, and training and evaluation were provided through memorandum of agreements with the Department of Health and the University of Hawaii School of Medicine and the Outreach College. These programs help to get youth engaged in positive activities during times of the day when they may be at risk of engaging in behavior leading to negative outcomes such as pregnancy, substance abuse, and crime. Youth are exposed to positive information on making healthy decisions in their lives and the opportunity for a better life. Our TANF/TAONF statistics show that 73% of the TANF/TAONF households are one parent families which is why it is important to provide teen pregnancy prevention programs and services.

The Department also implemented a new Self-Sufficiency program. This diversion program is designed to support employment and eliminate the need for people to enter into the welfare system. A lump sum benefit is issued in exchange for a period of ineligibility.

Program Goal

Families will achieve financial self-sufficiency.

Objective	Measurements
The total economic well-being of the client will improve.	<ol style="list-style-type: none"> 1. Average earnings per case will increase. 2. The proportion of individuals working will increase. 3. Total income will increase. 4. Hours worked will increase.
Family stability will improve.	The percentage of intact (two-parent) households will increase.
Recidivism will be reduced.	Fewer cases will return to welfare once off.
Financial assistance program savings will increase.	Financial assistance program costs will decrease.

TANF/TAONF Program Achievements

Hawaii’s welfare reform program is innovative, progressive, and realistic. It provides the right combination of incentives to work and disincentives to remain dependent on public assistance. Our costs have decreased annually as a result of the number of individuals finding employment. Significant decreases in the number of recipients continued in 2003 and 2004. We believe that these changes are the direct result of our program decisions and the hard work of our participants.

- The cost of assistance per TANF household has decreased from \$584 in fiscal year 1997 to \$516 in fiscal year 2003 and \$515 in fiscal year 2004. The cost of assistance per TAONF household has decreased from \$636 per household in 1997 to \$492 in 2003 and

\$487 in 2004. The average length of time on assistance has decreased from 30 months in 1997 to 13 months in 2003 and remained at 13 months in 2004. Although the number of individuals working decreased both years, this decrease is a direct result of the decrease in households receiving assistance. Since the implementation of our welfare reform waiver in December 1996, the number of families receiving assistance has decreased from 22,785 to 12,198 cases in June 2004 or a 46.5% decrease. In 2003, 4,560 households were employed, earning a gross income of \$3 million per month and representing a monthly cost savings of \$1.1 million. In 2004, 3,664 households were employed, earning a gross income of \$2.8 million per month and representing a monthly cost savings of \$1 million.

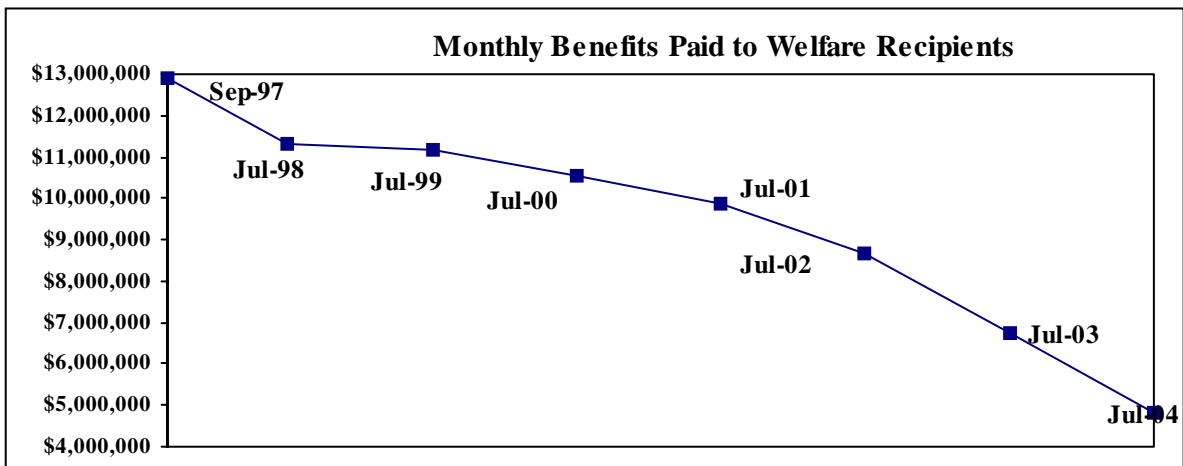
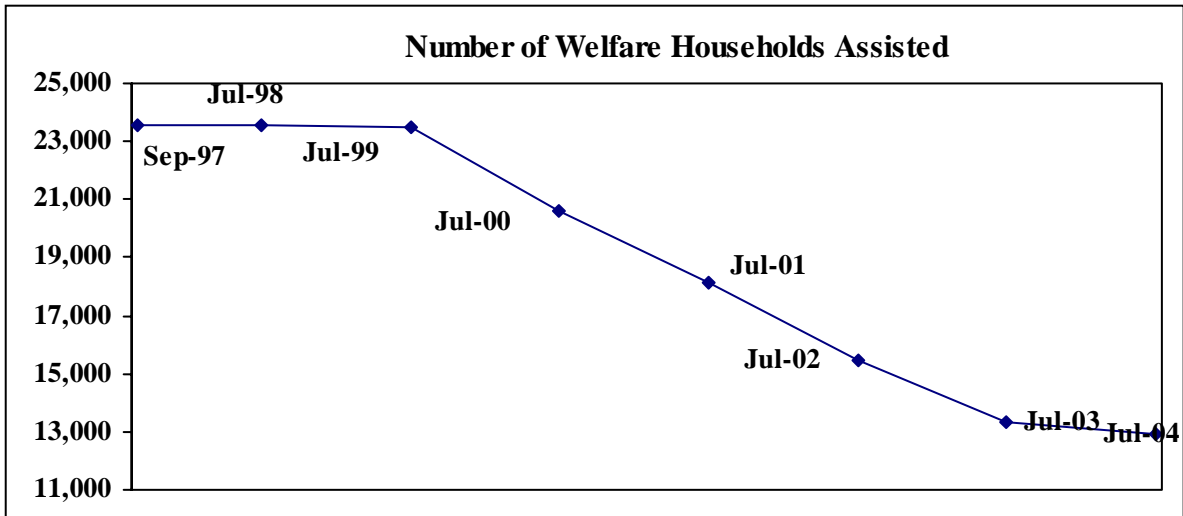
TANF/TAONF Caseload

Fiscal Year	Families per Month Average	Average Time on Assistance
1997	22,333	30
1998	23,530	29
1999	23,659	27
2000	21,782	13*
2001	19,464	15*
2002	16,940	13
2003	14,362	13
2004	12,915	13

*Average time on assistance was recomputed from the start of TANF/TAONF on July 1997.

Welfare Costs (By Selected Months)

	Sept 1997	July 1998	July 2000	July 2002	July 2003	July 2004
Number of Households Assisted	23,573	23,528	20,612	15,428	13,351	12,915
Monthly Benefits Paid to Recipients	\$12.92 million	\$11.32 million	\$10.53 million	\$8.68 million	\$6.76 million	\$4.81 million
Households Reporting Earnings	6,548	7,131	8,275	5,025	4,057	3,664
Gross Earned Income Reported	\$3.72 million	\$5.11 million	\$5.82 million	\$3.81 million	\$3.15 million	\$2.8 million
Monthly Savings to DHS as a Result of Earnings	\$1.44 million	\$1.95 million	\$2.12 million	\$1.39 million	\$1.14 million	\$1 million



- The working relationship with the Office of Community Services of the Department of Labor and Industrial Relations to provide job counseling and job development for our non-English-speaking clients continues. These services are provided in the clients' native language. We have increased our contracts with community agencies to provide statewide employment support for two-parent households.
- These past two years we focused on expanding training and skill building programs for our clients who are not work-ready because of some kind of disability or barrier. We have contracted for services for victims of domestic violence, substance abusers, and individuals with physical or mental disabilities. The Domestic Violence Exemption program has an exemption limit of six months with a possible extension of six months (it was previously twelve plus twelve). Compliance with substance abuse programs and skill building programs is a condition of eligibility for those who need these services. The focus is on helping families achieve self-sufficiency through the contracting of case management services for recovery activities, employment, and skill development. These programs and services are intended to improve the self sufficiency skills of all our families in anticipation of changes to the welfare laws and loss of our waivers. All adults are now required to participate in some activity, whether it is training, counseling, or work, to maintain eligibility.

- The Grant + program was expanded to include for-profit employers as well as the non-profit agencies. This program pays an employer \$650 a month to employ a welfare recipient by turning that subsidy into a wage.
- To assist underemployed families that lost eligibility due to the five-year time limit, the Department continues the Employment Subsidy program. This program allows individuals who have used their 60 months of eligibility, are employed at least 20 hours a week, and are still unable to meet their needs, to receive a \$200 monthly supplement for up to twenty-four (24) months.
- Educational support has been expanded to include the Bridge to Hope program which allows individuals to earn a college degree while they work.
- The Supplemental Security Income (SSI) advocacy program was expanded, through a contract with the Legal Aid Society of Hawaii, to assist disabled individuals receiving federal TANF assistance to access Social Security benefits. Previously, this service was only provided for state-funded individuals in the TAONF, General Assistance, and Aid to the Aged, Blind, and Disabled programs.
- In FY 2004, the Department began implementing dependency diversion and prevention programs and services with the goal of preventing people from needing welfare and keeping people off welfare. Teen Pregnancy Prevention programs were established at several sites around the State. These programs are offered in a variety of different venues including the Department of Education, through the Office of Youth Services through contracts at 12 youth centers statewide, and through contracts with private agencies such as Kapiolani Medical Center. In addition, implementation and monitoring, and training and evaluation were provided through memorandum of agreements with the Department of Health and the University of Hawaii School of Medicine and the Outreach College. These programs help to get youth engaged in positive activities during times of the day when they may be at risk of engaging in behavior leading to negative outcomes such as pregnancy, substance abuse, and crime.
- The Department also implemented a new Self-Sufficiency program. This diversion program is designed to support employment and eliminate the need for people to enter into the welfare system. A lump sum benefit is issued in exchange for a period of ineligibility.
- We are in the process of developing a subsidized employment program in which we will reimburse employers for the salaries of our clients who they hire and train.
- Finally, BESSD received \$866,796 in Temporary Assistance for Needy Families (TANF) bonuses from the U.S. Department of Health and Human Services (DHHS) for BESSD's improved efforts in providing child care subsidies and medical assistance to needy families in the 2002 fiscal year.

The U.S. Department of Health and Human Services awarded the bonuses based on program achievements in helping low-income families obtain employment, food stamps, Medicaid, children's health insurance, child care and increasing the number of children living in families with married parents.

People Served by the TANF/TAONF Programs

Each family which receives financial assistance, whether funded through the TANF or TAONF programs, is different. However, we can identify characteristics that are common. The average case size was 2.97 people in FY 2003 and 2.92 people in FY 2004.

Composition of TANF/TAONF Households

Household Composition	Percentage 2003	Percentage 2004
No Eligible Adult and 1 Child	15%	12%
No Eligible Adult and 2 Children	5%	5%
No Eligible Adult and 3 or More Children	2%	3%
1 Adult and 0 Children	1%	1%
1 Adult and 1 Child	34%	28%
1 Adult and 2 Children	21%	17%
1 Adult and 3 Children	11%	9%
1 Adult and 4 or More Children	7%	6%
2 Adults and 1 Child	1%	6%
2 Adults and 2 Children	1%	5%
2 Adults and 3 Children	1%	4%
2 Adults and 4 or More Children	1%	4%

(Note: Percentages may not total exactly 100% due to rounding.)

Ethnicity of Individuals Served by TANF/TAONF Programs

Ethnicity	Percentage 2003	Percentage 2004
Other Pacific Islander	28%	15%
Hawaiian/Part-Hawaiian	28%	36%
Caucasian	12%	20%
Filipino	11%	11%
Samoan	8%	8%
Asian	10%	8%
Other	3%	2%

Heads of Households of TANF/TAONE Families

Heads of Households	Percentage 2003	Percentage 2004
Female	91%	76%
Male	9%	24%
Under 35 Years Old	63%	64%
Never Married	57%	46%
Married	6%	24%
Common Law	2%	7%
Separated or Divorced	35%	1%
Head of Household Disabled	18%	22%
Head of Household with Grade 12 or Higher Education	62%	23%

2) FIRST-TO-WORK (FTW)

Program Description

The First-to-Work (FTW) program, implemented in FY 1997, is a work program designed to assist able-bodied adults to become attached to the workforce. FTW serves TANF recipients and puts emphasis on: employment, skill-building, training, on-the-job training, and job search activities. FTW also provides supportive services such as child care, transportation reimbursement, and work-related expenses.

Under FTW, the Department offers several work-incentive and job-readiness programs to recipients through partnerships and contracts with public and private agencies:

Work + provides work experiences to welfare recipients through volunteer placements in State agencies.

Grant + places welfare recipients in non-profit agencies. The participating household's grant is given directly to the non-profit agency to pay the recipient it hires.

TOP, the Transitional Opportunity Program, is a private-public partnership that provides employers with similar incentives as Grant +. The goal is to hire more welfare recipients.

Ho'ala provides welfare recipients with job-readiness skills and is contracted out to the City and County of Honolulu's Work Hawaii program.

Program Goal

To assist able-bodied persons receiving cash assistance to obtain employment and to become self-sufficient.

People Served by the First-To-Work Program

Island	FY 99	FY 00	FY 01	FY 02	FY 03	FY 04
Oahu	6,096	6,251	7,046	6,009	8,393	5,358
Hawaii	1,878	1,924	2,144	1,768	2,523	1,480
Maui/Molokai	544	796	538	468	1,084	720
Kauai	337	412	221	205	598	393
Total	8,855	9,383	9,949	8,450	12,598	7,951

Age Distribution of FTW Clients

Age	2003		2004	
	Count	Percent of Total	Count	Percent of Total
<16	4	0.03%	4	0.05%
16 to 24	3,985	31.6%	2,224	28.0%
25 to 34	4,774	37.9%	3,224	40.6%
35 to 44	2,981	23.7%	1,836	23.1%
45 to 55	808	6.4%	628	7.9%
55+	46	0.4%	35	0.4%
Total	12,598	100%	7,951	100%

Ethnic Distribution of FTW Clients

Ethnicity	2003		2004	
	Number	Percentage	Number	Percentage
Part Hawaiian	4,880	38.8%	2,111	36.6%
Caucasian	2,894	23.0%	1,618	20.4%
Filipino	1,804	14.3%	1,112	14.0%
Samoan	944	7.5%	578	7.3%
Asian, Black, Hispanic	1,262	10.0%	1,143	14.4%
Other	792	6.3%	589	7.4%
Total	12,598	100%	7,951	100%

Highlights of the First-to-Work Program

- There were 7,651 intakes into the First-to-Work Program in FY 03 and 4,066 intakes in FY 04.
- 895 participants enrolled in Job Readiness for FY 03 and 976 in FY 04.
- A total of 35,127 child care slots were provided to FTW participants in 2003 and 2004. This amounted to an average of 2,927 children in care per month.
- During FY 03 the Work + program served 1,976 participants. This increased to 2,232 participants in FY 04.
- During FY 03 the Transitional Opportunity Program (TOP) served 85 participants which increased to 94 participants in FY 04.
- In FY 04, 813 FTW participants were placed in adult education.
- 1,435 FTW participants were placed in vocational training in FY 04.

FTW Program Achievements

- During FY 03, there were 4,832 participants working while in the program. In FY 04 the number working increased to 5,862.
- By the end of June 2003, there were a total of 2,299 TANF clients working and 2,261 TAONF clients working, a total of 4,560. In June 2004, 2,135 TANF clients were working and 2,077 TAONF clients, a total of 4,212.
- A total of 3,328 TANF/TAONF participants exited the program due to employment during FY 03. A total of 2,146 TANF/TAONF participants exited the program due to employment during FY 04.
- The average wage during FY 03 for clients working while on welfare was \$9.47 per hour. The median wage for FY 03 was \$6.75 per hour. The average wage during FY 04 for clients working while on welfare was \$8.68 per hour. The median wage for FY 04 was \$7.00 per hour.

- Progress on achieving 50% performance target for FFY 2002:
The reduction in Hawaii's TANF caseload resulted in a net 25.1% decrease from the FFY 2002. This meant the revised performance target for Hawaii was 24.9%. We achieved a 29.7% final participation rate for FFY 2001.
- Progress on achieving 50% performance target for FFY 2003:
The reduction in Hawaii's TANF caseload reduction resulted in a net decrease of 23.4% from FFY 2003. The revised performance target is 26.6%. We achieved a 32.5% final participation rate for FFY 2002. The adjusted participation rate with our waiver was 58.8%.

Future Performance Targets

- To have 55% of the TANF mandatory population meeting the 30 hour participation requirement by September 30, 2005. This target compares to the Federal expectation that 50% of the population be in compliance with this requirement by that time.
- To have 4,200 TANF adults working for pay by September 30, 2005.
- To have 1,800 TANF participants served through Work Plus by September 30, 2005.
- To have 20 TANF participants in TOP by September 30, 2005.

3) EMPLOYMENT AND TRAINING (E&T)

Program Description

The Employment and Training (E&T) program is a state-wide work program designed to assist able-bodied adults to become attached to the workforce. This work program replaces the PRIDE program on Oahu. E&T serves Food Stamp recipients and puts emphasis on: employment, work experience, training, on-the-job training, and limited job search activities. E&T also provides supportive services in the form of a participant reimbursement to cover work-related expenses and child care.

Program Goal

To assist able-bodied persons receiving Food Stamp benefits to obtain employment and to become self-sufficient.

Persons Served by the E&T Program

Employment and Training Clients Served By County

Island	FY 01	FY 02	FY 03	FY 04
Oahu	842	1,121	1,789	1,123
Hawaii	248	319	416	123
Maui	208	343	295	97
Kauai	153	172	190	76
Total	1,451	1,955	2,690	1,419

Age Distribution of Employment and Training Clients

Age	FY 2003		FY 2004	
	Number of Clients	Percent of Total	Number of Clients	Percent of Total
<16	0	0%	1	0%
16 to 24	535	19.9%	248	17.5%
25 to 34	558	20.7%	275	19.4%
35 to 44	849	31.6%	497	35.0%
45 to 55	636	23.6%	354	25.0%
55+	112	4.2%	44	3.1%
Total	2,690	100%	1,419	100%

Ethnic Distribution of Employment and Training Clients

Ethnicity	FY 2003		FY 2004	
	Number of Clients	Percent of Total	Number of Clients	Percent of Total
Part Hawaiian	954	35.5%	516	36.4%
Caucasian	819	30.5%	339	23.9%
Filipino	351	13.1%	204	14.4%
Samoan	11	4.1%	58	4.1%
Asian, Hispanic, Black	388	14.4%	260	18.3%
Other	67	2.5%	42	3.0%
Total	2,690	100%	1,419	100%

Achievements and Highlights of the Employment and Training Program

- 1,679 intakes into the E&T Program during FY 03 and 850 intakes in FY 04.
- 2,690 clients were served during FY 03 and 1,419 clients were served in FY 04.
- A total of 686 clients were employed in FY 03 and 968 were employed in FY 04.
- 509 clients were in job readiness components in FY 03 and 344 in FY 04.
- 36 clients were in an Adult Education component in FY 03 and 77 clients in FY 04.
- 42 clients were in a vocational training component in FY 03 and 77 in FY 04.
- 303 clients were involved in work experience in FY 03, increasing to 386 in FY 04.
- There were a total of 187 exits due to employment in FY 03 and 147 exits in FY 04.
- The average wage at exit was \$7.84 per hour and the median wage was \$6.50 per hour in FY 03. In FY 04, the average wage at exit was \$7.26 per hour and the median wage was \$6.25 per hour.

Future Performance Targets

- To have 700 E&T clients employed by June 30, 2005.
- To have 150 E&T clients exit due to employment by June 30, 2005.
- To have 200 E&T clients involved in work experience programs by June 30, 2005.

4) CHILD CARE CONNECTION HAWAII (CCCH)

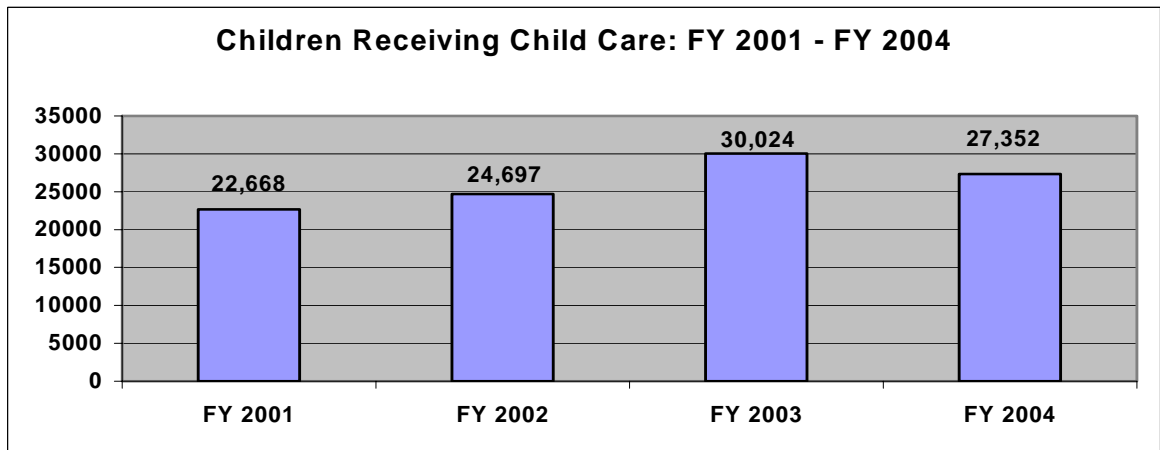
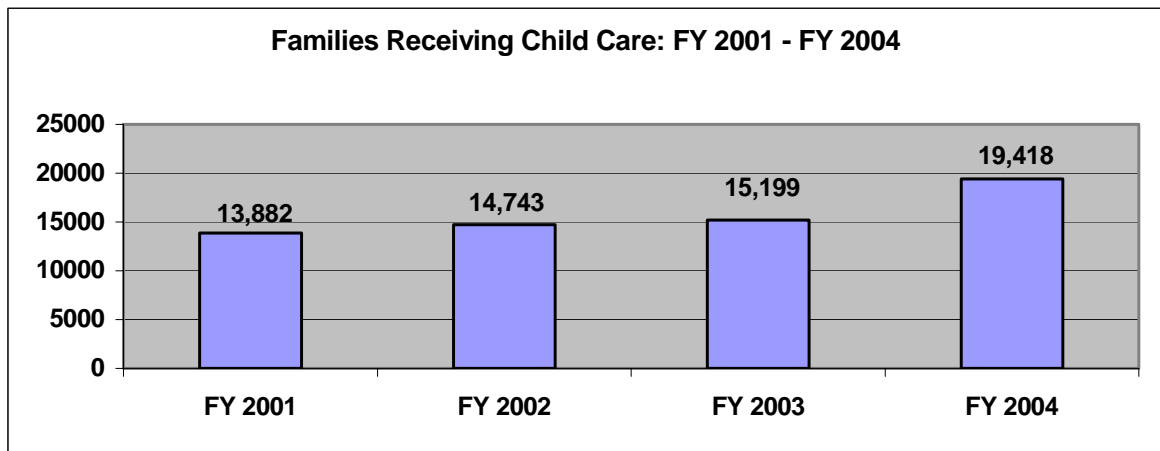
Program Description

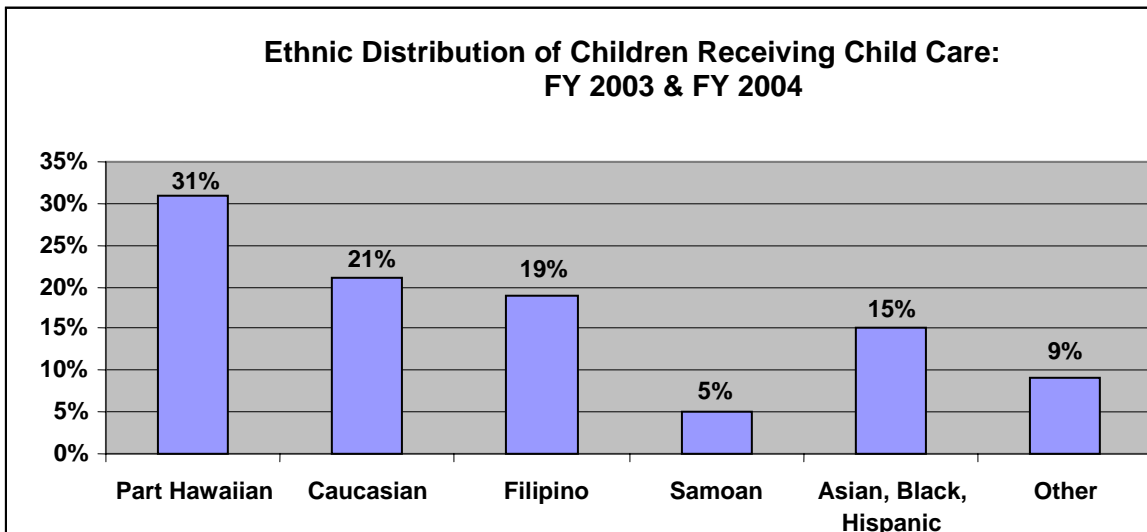
The Child Care Connection Hawaii program is a statewide service that offers the licensing of child care facilities and child care payment assistance to needy families. Under the licensing program, the primary intent is to ensure the safety, health, and well-being of children cared for within licensed facilities. Under the payment assistance program, financially needy families can apply for child care assistance if they work or are attending training to become self-sufficient.

Program Goal

To assist able-bodied persons receiving cash assistance to obtain employment and to become self-sufficient.

The People Served:





Child Care Connection Program Achievements

- There were 15,199 active families receiving Child Care Payment assistance for 30,024 children in FY 03. In FY 04 there were 19,418 active families receiving child care for 27,352 children.
- Payments totaling \$42,610,074 were made to families in FY 03 and \$41,166,853 in payments in FY 04.
- Number of Family Child Care Homes Licensed: 434.
- Number of Group Care Centers (includes Group Child Care Homes, Before and After School, and Infant Toddler Centers): 529
- Licensed Child Care Slots Available: 26,583.

Future Performance Targets

Performance targets for the Child Care Connection Hawaii program for FY 2005 are:

- To have 440 Family Child Care Homes licensed by June 30, 2005.
- To have 540 Group Care Centers licensed by June 30, 2005.
- To have 27,000+ Child Care Slots available by June 30, 2005.
- To provide child care payments for 28,000 children by June 30, 2005.

5) HEAD START COLLABORATION PROJECT

Program Description

The State Head Start Collaboration Project is funded by a federal grant through the Administration for Children and Families, Head Start Bureau, to ensure coordination of Head Start services with health care, welfare, child care, education, community service activities, family literacy services, activities relating to children with disabilities and services for homeless children.

Program Goal

To support the development of multi-agency and public/private partnerships at the State level to effect school readiness, enhance access to comprehensive services and improve quality of life for low-income children and their families including those enrolled in Head Start (HS) and Early Head Start (EHS) programs.

Head Start Collaboration Project Achievements

- Facilitated interagency Memorandum of Agreements between Woman, Infants, and Children (WIC) in the Department of Health and the Department of Education (DOE) with Head Start grantees.
- Participated in the development and implementation of the Head Start Association of Hawaii's strategic plan goals and objectives to better serve Hawaii's low-income children and families.
- Represented Head Start(HS)/Early Head Start (EHS) in state early care and education system planning efforts and supported local HS/EHS program needs.
- Published the Hawaii Head Start Fact Sheet and distributed to State Legislators and staff at the Champions for Children event.
- Participated on the Federal Early Childhood Comprehensive Systems (ECCS) grant work group.
- Coordinated the development and implementation of the Head Start Hawaii Oral Health Strategic Plan statewide activities which included the train-the-trainer for Cavity Free Kids preschool oral health curriculum.
- Helped develop the Head Start Hawaii component of the Department of Human Service's e-gov website.
- Worked with the state resource and referral agency People Attentive to Children (PATCH), Hawaii Covering Kids, Hawaii Careers with Young Children, Sequenced Transition into Education in the Public Schools (STEPS), Good Beginnings Alliance, Hawaiian Islands Oral Health Task Force, Pre-Plus committee, TEACH advisory, Homeless committee, WIC, Department of Health Dental Division, Public Health Nursing, and Early Intervention Services on behalf of the Head Start target population and other low-income families.
- Convened the Head Start State Collaboration Office advisory board.

- Participated in National State Collaboration Director meetings, Region IX partnership meetings, National Association of Child Care Resource and Referral Agencies (NACCRRA) conference, Community Action Partnerships annual conference, and PRISM Update training.

Project Goals FY 2005

- Provide continuance of work projects initiated in FY 2004.
- Co-convene Hawaii Careers for Young Children.
- Participate on State team to the BUILD Initiative National Convening.
- Co-sponsor application for the Strengthening Families pilot project.
- Submit grant to Association of State and Territorial Dental Directors (ASTDD) for Head Start oral health strategic plan activities.
- Coordinate the Solutions-To-Ice statewide year-long initiative funded by a Supplemental Federal Grant to the State Collaboration Office.

6) GENERAL ASSISTANCE (GA)

Program Description

The General Assistance program provides cash benefits for food, clothing, shelter, and other essentials to adults between the ages of 18 and 64, without minor dependents, who are disabled and who do not qualify for Social Security. To be eligible, the adult must have little or no income, not qualify for a federal category of assistance, and be certified by a DHS medical board to be unable to engage in any substantial employment of at least thirty hours per week for a period of at least sixty days.

The GA program is funded by a block-grant appropriated by the State Legislature each year. This means that to stay within the block-grant appropriation, adjustments to the monthly benefit amount must be made throughout the year based on the number of individuals who are participating in the program. Currently, the monthly benefit is \$418 a month for an individual and may not exceed this amount. Assets may not exceed \$2,000 for a single person and \$3,000 for a couple to maintain eligibility.

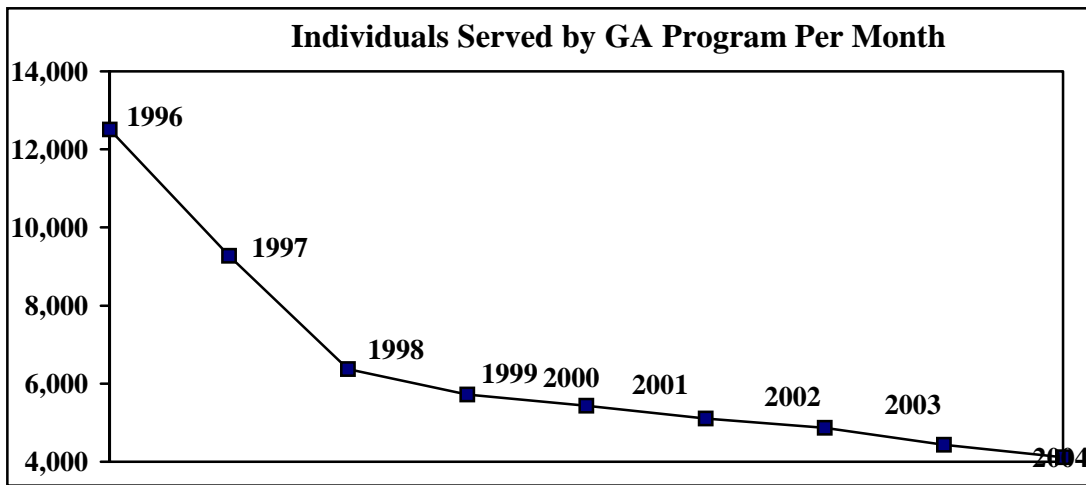
Program Goal

To provide temporary economic assistance to those eligible for financial support, to ensure they receive at least a minimally adequate standard of living.

Objective	Measurements
Eligibility based on disability will be standardized.	All applicants will be referred to a medical provider contracted by the Department and 100% of disability statements will be reviewed by a Departmental board.
Supplemental Security Income (SSI) referrals and approvals will increase.	Based on Departmental board review and recommendation, clients will be referred to the Legal Aid Society of Hawaii for SSI advocacy.

GA Program Achievements

- All individuals who claim a disability are examined by a contracted medical provider. All medical examinations are then reviewed by a Departmental board. This process has been implemented statewide and has standardized the definition being used to determine if a person is disabled and eligible for this program. All those needing assistance are now being assessed through the use of a consistent standard.
- The Legal Aid Society of Hawaii's advocacy contract for Social Security benefits was extended to maximize the number of people eligible for federal assistance. This service has been made available to families as well as single people. As a result of this contract, 345 individuals were converted from State assistance to Federal Social Security in FY 03 and 277 individuals were converted in FY 04.
- These two changes have been instrumental in decreasing the average length of time on State assistance from 17 months to 10 months. They have also resulted in a decrease in the number of individuals receiving GA benefits and have enabled the transfer of persons with long-term disabilities to the federally-funded Social Security program.



GA Caseload

Year	Individuals per Month
1996	12,510
1997	9,273
1998	6,373
1999	5,718
2000	5,434
2001	5,108
2002	4,867
2003	4,432
2004	4,112

Typical Characteristics of Individuals Served by GA Program

Characteristics of Individuals	Percentage*
<i>Age of Head of Household</i>	
29 Years or Younger	21%
Between 30 and 39 Years	25%
Between 40 and 49 Years	32%
Between 50 and 59 Years	19%
60 Years and Older	3%
<i>Marital Status of Head of Household</i>	
Single	57%
<i>Gender of Head of Household</i>	
Male	57%
Female	43%

*These percentages remained consistent over the past four years, varying only one or two percentage points.

Ethnicity of Individuals Served by GA Program

Ethnicity	Percentage FY 03	Percentage FY 04
Caucasian	40%	40%
Hawaiian/Part-Hawaiian	30%	30%
Chinese	2%	2%
Filipino	9%	9%
Japanese	6%	6%
Black	3%	3%
Other Asian	2%	2%
Samoan	2%	2%
Korean	1%	1%
Other Pacific Islanders	4%	4%
Others	1%	1%

Citizenship of Individuals Served by GA Program

United States Citizens	95%	94%
Non-citizens	5%	6%

7) AID TO THE AGED, BLIND, AND DISABLED (AABD)

Program Description

The Aid to the Aged, Blind, and Disabled program provides cash benefits for food, clothing, shelter, and other essentials to adults who are elderly (65 years of age or older) or who meet the Social Security Administration (SSA) definition of disabled. To qualify, individuals must have countable income that is below 62.5% of the 1993 Federal Poverty Level and may not have resources in excess of \$2,000 for a single person and \$3,000 for a couple.

Program Goal

Provide economic assistance to those eligible for financial support to ensure that they receive at least a minimally adequate standard of living.

Objective	Measurement
To decrease or contain the cost of issuance of State benefits through the SSA.	The cost of issuing the SSI/SSP does not exceed the amount issued.
To guarantee that all of those desiring assistance, who are eligible, receive benefits.	The number of individuals receiving benefits should never be less than 70% of those potentially eligible. It currently is 72%.
Expedite the reimbursement of SSI benefits to eligible households.	All reimbursements will be completed within 10 working days of the Department receiving a warrant from the SSA.

AABD Program Achievements

- The Department is current in its reimbursements of SSA warrants and is meeting the federally imposed timeframe. Also, the approvals and reimbursements from Supplemental Security Income have increased significantly due to the Legal Aid Society of Hawaii's advocacy contract. This is important as it provides more money to these individuals and shifts the cost from the State to the federal government. In addition, the Department initiated a project with the Legal Aid Society of Hawaii to review all AABD cases to review their SSI status and the award amount to maximize the use of Federal dollars.
- Effective January 2003, the Department no longer issues State supplements to those individuals in independent living arrangements. This eliminated the \$8.59 processing fee to issue a \$4.90 supplement. The Department continues to issue the State supplement to individuals in domiciliary care since for these cases the supplement is between \$450 and \$550 per month. This change represented a cost reduction of over one million dollars in processing fees.

Combined Reimbursement of State Funds for AABD, GA and TAONF from the SSA

Fiscal Year	Reimbursement from the SSA	Cost of Contract with LASH for Reimbursement Activities	Reimbursement to State (Net)
2000	\$2,030,878	\$150,760	\$1,880,118
2001	\$1,636,071	\$171,050	\$2,711,270
2002	\$1,743,904	\$217,950	\$1,525,954
2003	\$3,115,720	\$404,450	\$3,071,270
2004	\$3,516,908	\$297,850	\$3,219,058

The People Served by the Aid to the Aged, Blind, and Disabled (AABD) Program

AABD Caseload

Year	Individuals per Month
1998	3,213
1999	3,227
2000	3,198
2001	2,982
2002	2,803
2003	2,614
2004	2,175

Household Characteristics of Individuals Served by AABD Program

Characteristics of Individuals	Percentage
<i>Age of Head of Household</i>	
Age 65 and Older	60%
Younger than Age 65	40%
<i>Marital Status of Head of Household</i>	
Married	31%
Widowed	28%
Single	22%
Separated	9%
Divorced	9%
Common Law	1%
<i>Gender of Head of Household</i>	
Female	61%
Male	39%

(Note: Percentages may not total exactly 100% due to rounding.)

Ethnicity of Individuals Served by AABD Program

Ethnicity	Percentage
Filipino	28%
Chinese	15%
Other Asian and Pacific Islanders	18%
Caucasian	11%
Hawaiian/Part-Hawaiian	9%
Korean	9%
Japanese	4%
Samoan	2%
Black	1%
Others	3%

Citizenship of Individuals Served by AABD Program

	Percentage FY 03	Percentage FY 04
United States citizens	47%	45%
Non-citizens	53%	55%

Other Data Pertaining to AABD Program

	FY 03	FY 04
Length Of Time On Assistance	26 months	26 months
One-Member Households	94%	83%
Two-Member Households	6%	17%

8) FOOD STAMP PROGRAM (FS)

Program Description

In addition to cash assistance, eligible low-income families are issued benefits under the Food Stamp program, a Federally-funded program through the U.S. Department of Agriculture. The purpose of this program is to safeguard the health and well being of the nation's population by raising the level of nutrition among low-income households. These households purchase food using their Electronic Benefit Transfer (EBT) Card which replaced food stamp coupons on all islands in August 1998.

To qualify, a household must have income below 130% of the current Federal Poverty Level which was \$1,872 for a family of three in 2003 and \$1,902 for a family of three in 2004. Households may not have resources in excess of \$2,000 unless one of the members is over age 60. The resource maximum for these households is \$3,000. Benefit amounts are based on income and family size. The current monthly maximum benefit amount for a family of three is \$553.

Program Goal

To deliver benefits and services accurately and in a timely manner.

Program Objective

To meet Federal compliance standards.

Food Stamp Program Achievements

In 2003, the State ranked ninth in the nation with a payment accuracy rate of 94.97%. In 2004, the State's ranking improved to seventh in the nation with a payment accuracy of 95.22%. For these payment accuracy achievements, the Department received \$1,476,790 in enhanced administrative funding in FY 03 and \$502,986 in FY 04 from the Food and Nutrition Service of the U. S. Department of Agriculture. In the last seventeen years, Hawaii has received over \$15.9 million in performance bonuses for payment accuracy. In ten of those seventeen years, Hawaii has been first or second in the nation for Food Stamp payment accuracy.

The Electronic Benefits Transfer (EBT) card system was implemented in Hawaii in 1998 for disbursement of not only food stamp but also financial assistance benefits.



This EBT card has the individual's cash benefits, child care assistance, and food stamp equivalent that may be drawn down like a debit card.

**Food Stamp Program Participation
(Monthly Average)**

Program	Number of Persons Participating		Number of Households Participating		Benefits Issued (millions \$)	
	FY 03	FY 04	FY 03	FY 04	FY 03	FY 04
AFDC	20,611	17,393	6,927	5,921	\$2.67	\$2.26
AFDC-UP	11,066	9,189	3,063	2,582	\$1.37	\$1.16
NA	3,302	3,711	817	886	\$0.38	\$0.41
GA	2,889	2,720	2,863	2,680	\$0.48	\$0.45
SSI	11,389	11,452	10,417	10,463	\$1.39	\$1.38
ABD	1,565	1,705	1,397	1,482	\$0.25	\$0.27
NPA	49,738	52,951	23,330	24,554	\$6.39	\$6.84
Total	100,569	99,126	48,815	48,569	\$12.90	\$12.77

AFDC = Aid to Families with Dependent Children recipients
 AFDC-UP = Aid to Families with Dependent Children -- Unemployed Parents recipients
 NA = Non Assistance
 GA = General Assistance recipients
 SSI = Supplemental Security Income recipients
 ABD = Aid to the Aged, Blind and Disabled recipients
 NPA = Non-Public Assistance recipients

B. VOCATIONAL REHABILITATION AND SERVICES FOR THE BLIND DIVISION (VRSBD): Programs, Services, and Achievements

The Vocational Rehabilitation and Services for the Blind Division (VRSBD) administers three programs that have separate but related functions to provide for the rehabilitation needs of persons with disabilities to secure employment and to lead full and productive lives. The underlying philosophy and goal of the VRSBD is that through employment, individuals with disabilities are empowered toward economic self-sufficiency, independence, and inclusion and integration into society.

1) VOCATIONAL REHABILITATION (VR) PROGRAM

VR provides vocational rehabilitation services to assist persons with disabilities to prepare for and enter the world of work. The economic benefits of the VR program are significant. They include increased earnings and purchasing power, increased taxes paid, and a decreased dependency on public assistance. As persons with disabilities achieve the employment outcome intended by the program, they become tax-paying citizens and more than “pay back” the costs of the program. A focus on a successful rehabilitant and her employer illustrates how powerful this program can be.

Vocational Rehabilitant and Employer of the year 2004 - Kauai Branch Office



Loretta (Lori) Iloreta, 2004 Rehabilitant of the Year, Kauai Branch Office, walked into the Kauai VR Office in 2000 requesting that her case be re-opened because she decided it was time to look for a real job after being underemployed for many years. She wanted a job that would give her a sense of accomplishment and satisfaction at the end of the day. Lori's first choice was to work in her favorite store, Safeway. Unfortunately, Safeway wasn't hiring at that time. Three years later and after countless interviews, Lori continued to wait for the perfect job again mentioning Safeway and her dream of working there. This

time there were openings! The manager at that time, Janine Hashitate, scheduled an informal meeting with all her department managers and within an hour, Lori had managed to convince them that her deafness (due to Usher's Syndrome) would not be a communication issue and that she could do any job task necessary. She was hired on the spot. VR flew in an interpreter from Oahu to work with local interpreters to provide orientation and training services for the Safeway employees. Safeway supplied a text telephone and a TTY was ordered for the store. Lori started out as a courtesy clerk but soon found her niche in the produce department, under the guidance of produce manager, Leo Bunao. Mr. Bunao wishes he had more employees like Lori with her efficiency, dedication and quick mind and wants her to work 40 hours a week. Lori is happy, as reflected in her quick smile and deft hands, working steadily at the job she dreamed of for many years. Safeway Kapa'a provides leadership for job opportunities for persons with disabilities in the community. Current manager, Charles Martin, following the lead of Janine Hashitate, has hired several VR clients in the past year, including persons with orthopedic impediments, learning disabilities and hearing impairments. Teamwork and a supportive environment are reflected in all areas from management down to initial “team interviews” through orientation and training. Safeway is open to new ideas and relentless in the effort to provide needed job accommodations and modifications to ensure individual success on the job. Safeway does it all! Congratulations to Safeway and to Loretta Iloreta, a winning combination for the Kauai Branch of the Vocational Rehabilitation and Services for the Blind Division of the Department of Human Services.

Vocational Rehabilitation Program Achievements in FY 03 and FY 04

- 6,043 citizens with disabilities in FY 03 and 6,707 in FY 04 were served throughout the State.
- 2,260 new referrals in FY 03 and 2,291 new referrals in FY 04 were received. The majority of participants were self referred males between the ages of 20 and 55 and were high school graduates. The primary disabilities include learning disabilities, mental retardation, orthopedic/neurological problems, and psychiatric disabilities.
- 617 individuals achieved successful employment outcomes in FY 03 increasing to 658 individuals in FY 04.
- 593 individuals (93%) were placed in competitive jobs in FY 03 and 519 (79%) in FY 04.
- 294 (48%) in FY 03 were individuals with significant disabilities which increased to 519 (79%) individuals in FY 04.
- In FY 03, 223 individuals (36%) received public assistance prior to their rehabilitation. In FY 04, 195 (30%) individuals received public assistance prior to their rehabilitation.
- The VR program is cost effective. In FY 03 and FY 04, the average case service cost was \$2,382. VR services increased the earning power of their clients with disabilities from a weekly average of \$53 at referral to \$255 a week at closure in FY 03 and in FY 04 from \$63 at referral to \$312 a week at closure. These are yearly earnings increases of around 496%, from \$2,576 to \$13,260 in FY 03 and from \$3,276 to \$16,224 in FY 04.
- The percentage of clients with any earned income increased from 14% at application to 91% in FY 03 and from 20% to 98% in FY 04.

<i>Indicators</i>	FY 2001	FY 2002	FY 2003	FY 2004
<i>Participants Served</i>	6,619	5,866	6,403	6,707
<i>Referrals Received</i>	1,912	2,053	2,260	2,291
<i>Placed into Jobs</i>	566	517	617	658
<i>Placed into Competitive Jobs</i>	526 (92%)	482 (93%)	593 (96%)	519
<i>Participants with Severe Disabilities</i>	233 (41%)	213 (41%)	294 (48%)	
<i>Receiving Public Assistance</i>	190 (33%)	165 (32%)	223 (36%)	195 (30%)
<i>Net Gain in Annual Earning Power</i>	398%	496%	496%	495%

2) SERVICES FOR THE BLIND PROGRAM (HO'OPONO)

Ho'opono, the Services for the Blind program's goal is to enable visually impaired adults to attain maximum vocational and functional independence with its team of skilled professionals providing varied services to meet the participant's individual needs.

DEPARTMENT OF HUMAN SERVICES MANAGER OF THE YEAR 2003



Dave Eveland, Services for the Blind Division Program Administrator, DHS Manager of the Year with Vivian Ma receiving a special plaque for 15 years as a volunteer reader for the blind.

Mr. David Eveland, Services for the Blind Branch Administrator of the Vocational Rehabilitation and Services for the Blind Division, is the DHS Manager of the Year for 2003. Dave has lead his branch in contributing to improved public service to the blind consumer groups by developing and implementing program changes-changes he knew would not be free of controversy and challenges. He researched and studied alternative techniques and the skills of blindness, carefully listening to local blind consumer groups prior to making the decision to implement any policy changes.

Blind consumer groups' recommendations were used in developing the personal adjustment program services, i.e., use of sleep shades and long cane. These changes are resulting in more independent, employed blind and visually impaired people in the State of Hawaii. These project efforts called "New Visions" have manifested freedom for blind persons and the realization that blindness is not a barrier to success. It was launched in November, 2002.

One Dave's most distinctive management qualities is his ability to garner the input and support from consumer organizations of the blind. He received resolutions from the local chapter of the National Federation of the Blind and the Hawaii Association of the Blind supporting his leadership and efforts to improve services for the blind in Hawaii. Other states now look to Hawaii with their concerns for dealing with the change process.

Dave continues his associations with, among others, the National Council of State Agencies for the Blind, the National Organization of Volunteer Leaders, and the District 14 Health Facilities Group. He served as Hawaii's Project Manager for Independent Living Services for Older Individuals Who Are Blind and has served as an advisory board member for the Hawaii Center for the Deaf and Blind, the Imua Keiki Project and the DOL Transition Grant.

New Visions

Ho‘opono's New Visions program became a reality on November 1, 2002. It utilizes methods and techniques to teach blindness skills such as long cane travel and Braille. Center students commit to full-time participation to take classes and learn new skills without the use of residual vision to become proficient in the use of the long cane. The New Visions Mission is to create an atmosphere where students gain knowledge, skills and develop a positive attitude about themselves. Developing confidence and blindness skills will enable them to obtain employment and make their dreams a reality. Students planned and organized numerous events in and for Ho‘opono as part of their training which included luncheons, recognition ceremonies, and a White Cane Awareness Walk. Students conduct tours of Ho‘opono and have joined consumer organizations to develop their social skills and awareness of issues that affect them.

Ho‘opono Program Achievements

- The Adjustment Section served 118 individuals and taught 87 persons with severe disabilities to adjust to their blindness and to live more independently in FY 03. In FY 04, 89 individuals were served and 55 persons with blindness were able to live more independently.
- The Low Vision Clinic served 377 individuals in FY 03 and 344 in FY 04. In both years, optical aids were prescribed for 276 persons to make maximum use of their residual vision for reading and distance viewing.
- VR Counselors placed 21 individuals with severe visual problems in FY 03 and 28 individuals in FY 04 into a wide range of jobs.
- The Rehabilitation Teacher provided in-home services which assisted 99 persons to resume personal, leisure, and home management activities.
- The Ho‘opono Workshop served 26 people in FY 03. Gross sales from manufactured goods, subcontracted work and from sales to military commissaries and base exchanges totaled \$538,430. The Ho'opono Workshop was closed in FY 04.
- A wide range of volunteers provided 1,585 hours of support services to the agency in FY 03 and 1,289 hours in FY 04. The estimated value of these services totaled approximately \$15,283 for FY 03 and \$11,026 for FY 04.
- The annual White Cane Safety Awareness Day was held on October 15th in the Capitol District.
- The first ever Camp Ho'opono, a weeklong retreat for youth at Camp Erdman, challenged young persons to use their blindness skills in an outdoor setting.

Randolph-Sheppard Vending Facility Program

During the federal Fiscal Year 2001, the U.S. Department of Education, Office of Special Education, Rehabilitation Services Administration reported the following details of the 50 Business Enterprise Programs around the nation. There are 48 states, the District of Columbia and Puerto Rico that participate in the Randolph-Sheppard Vending Program. There are three classifications of facilities: vending machines, cafeterias, and snack bars/other. Thirty-three of 35 in Hawaii are snack bars/other.

The Vending Facility Program for FY 03 served 37 legally blind persons at 34 business enterprise sites. Net individual annual income averaged \$58,280 for federal Fiscal Year 2002; with the range approximately \$8,000 to \$200,000. The national average was \$37,246. Total gross sales for State Fiscal Year 2002 for Hawaii was \$17,214,862. Hawaii's program is only one of twelve states that does not assess set-aside payments from net proceeds to fund its program operations. During the past year, individual benefit payments were \$6,000 per individual vendor in addition to their net earnings. National average benefits paid from non-set aside program are \$2,233.

NET PROFITS	SNACK BAR NET PROFITS	AVERAGE SALES VENDING - ALL CATEGORIES
National Average = \$34,927	National Average = \$29,680	National Average = \$141,692
Hawaii Average = \$50,705	Hawaii Average = \$51,667	Hawaii Average = \$474,232
Hawaii Ranking = 6 th behind Vermont, Illinois, Colorado, Nevada and Washington; ranging from \$10,043 in Puerto Rico to \$72,301 in Nevada	Hawaii Ranking = 3 rd after Nevada and West Virginia	Hawaii Ranking = 1 st followed by Nevada at \$307,386

During FY04, the Hawaii Blind Vending Program continued to be one of the top producers in the nation. During FY 04, six (6) blind candidates were trained and placed in vending facilities totaling 41 operators statewide. The program generated an additional \$84,000 in revenue over 2003 to fund various activities including \$8,000 paid per operator in health and retirement benefits. An additional \$1.6 million in gross facility sales in 2004 also netted almost \$250,000 in gains over 2003 of net income for the blind vendors.

RANDOLPH-SHEPPARD VENDING FACILITY PROGRAM GROWTH

	2003	2004
Gross Sales	\$17,214,862	\$18,604,156
Merchandise Purchased	\$ 9,324,342	\$ 9,726,586
Gross Profit	\$ 7,955,843	\$ 8,931,179
Other Operating Exp.	\$ 6,101,440	\$ 6,837,334
Operating Profit	\$ 1,854,403	\$ 2,093,845
Other Income	\$ 262,779	\$ 272,921
Net Proceeds	\$ 2,117,182	\$ 2,366,766
Set Aside Funds	0	0
Fair Minimum Return	0	0
Net Profit Vendors	\$ 2,117,182	\$ 2,366,766
Revolving Account Funds Added	\$ 328,165	\$ 412,447
VR Clients Trained And Placed	2	6

3) DISABILITY DETERMINATION PROGRAM

The Disability Determination Branch (DDB) determines eligibility for Social Security Disability Insurance (SSDI) benefits and Supplemental Security Income (SSI) payments. The SSDI (Title II of the Social Security Act) program provides benefits to insured workers with disabilities and their families based on the workers' employment and earnings history. The SSI (Title XVI) program serves financially needy, aged, blind, and disabled individuals, including those with no recent employment experience.

Program Goal

To maximize program effectiveness and efficiency by determining the eligibility of applicants for assistance.

Disability Determination Program Achievements

- 10,695 disability determination claims were processed in FY 03 and 11,315 in FY 04.
- 5,649 favorable determinations were made in FY 03 and 6,028 in FY 04.
- A 95.2% accuracy rate achieved in FY 03, increasing to 97.6% in FY 04, on all determinations processed.
- 352 children (under age 16) in FY 03 and 359 children in FY 04, who were allowed SSI payments, were referred to the Department of Health, Children with Special Needs Branch.
- For FY 03, 14,630 individuals, plus dependents, received SSDI benefits and 14,491 individuals received SSI payments. The actual SSDI and SSI payments made to residents of Hawaii totaled approximately \$265,416,000.

For FY 04, 19,546 individuals, plus dependents, received SSDI benefits and 14,491 individuals received SSI payments. The actual SSDI and SSI payments made to residents of Hawaii totaled approximately \$280,436,000.

DDB Program Accomplishments

Indicators	FY 2001	FY 2002	FY 2003	FY 2004
Claims Processed	10,654	10,180	10,695	11,315
Favorable Determinations	5,841	5,757	5,649	6,028
Accuracy Rate	95%	94.4%	95.2 %	97.6%
Referred to VR	278	291	114	
Referred to CWSNB	378	346	352	359
Payments made to Hawaii's residents	\$203,623,764	\$220,465,000	\$265,416,000	\$280,436,000

CHAPTER FOUR PROTECTION

The Department provides protection and security from abuse and neglect for children and dependent adults. While ensuring safety, our programs also endeavor to minimize disruption for clients and provide for safe living arrangements with the goal of reducing the recurrence of abuse, neglect, and maltreatment.

A. SOCIAL SERVICES DIVISION (SSD): Programs, Services, and Achievements

The SSD has two branches, the Child Welfare Services Branch and the Adult and Community Care Services Branch. Both branches aid vulnerable members of society and are community-based and neighborhood-focused, with partnerships and collaborations between the public and private sectors.

The Department has developed and implemented many new programs and improvements in both child welfare and adult services. In child welfare services these include ‘Ohana Conferencing, which has become a nationally recognized model of family decision-making used to develop and implement safety and permanency plans for children; Project Visitation, a sibling visitation project in partnership with the Family Court, the Na Keiki Law Center, and Friends of Foster Kids to help siblings separated in different foster care homes to get together regularly with the help of volunteers; and the Adoption Connection program that continues to aggressively recruit new foster and adoptive families and provide them with training and post-permanency services.

Hawaii’s growing elderly and disabled population now have many more alternatives to costly nursing home care. Between 1997 and 2001, the Nursing Home Without Walls program doubled in size and the Residential Alternative Community Care program grew by 700%. The significant expansion of these and other home and community care Medicaid waiver programs increases services to consumers and reduces costs to taxpayers for costly institutional long-term care services. The frail elderly can remain in their homes longer through chore services and the respite and senior companion programs.

1) CHILD WELFARE SERVICES (CWS)

The goal of the child welfare services program (CWS) is to ensure the safety, permanency, and well-being of children in their own homes. When it becomes necessary to remove a child from the family home, family connections are preserved through regular visits with parents and siblings. When a child cannot be safely returned to the family within a reasonable time frame, CWS proceeds with a permanent placement through adoption, legal guardianship, or other long-term substitute care. Go the Department’s website at www.hawaii.gov/dhs for “A Guide to Child Welfare Services.”

To ensure successful outcomes when CWS interventions are necessary, CWS interventions are:

- Tailored to the individual needs of each child and family, while fully utilizing the strengths, problem-solving abilities and unique capacities of each family and local community.
- Culturally sensitive and respectful of families’ lifestyles, dynamics and choices for themselves and their children.

- Undertaken in a spirit of partnership and collaboration with all parties interested in and committed to strengthening families' capacity to make healthy choices for the safety and well-being of their children.

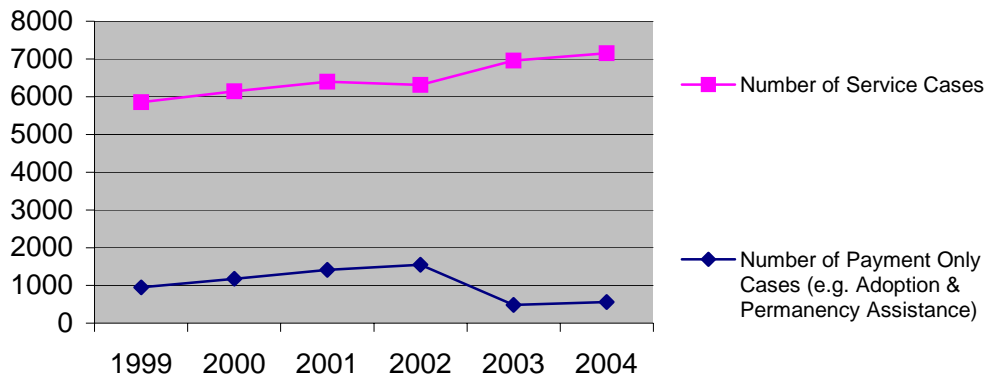
CWS programs include family strengthening and support, child protection, foster care, adoption, independent living and licensing of foster family boarding homes, group homes and child placing organizations. Services are available on the islands of Oahu, Hawaii, Kauai, Maui, Molokai, and Lanai, with 36 units/sub-units and a staff of over 500.

Our dedicated CWS staff are trained to provide services with:

- *A Multidisciplinary/Teamwork Approach* -- taking input from others in a respectful way.
- *Outcome-driven Creativity* -- approach individual's problems with openness.
- *Transparency* -- our work is transparent and our approach to be working with others is open.
- *A Non-Adversarial Attitude* -- be respectful of differences and focus on win-win solutions.
- *Tenacity* -- not giving up and continually demonstrate compassion and caring.
- *A Focus on Strength Building* -- strengthening the families and the community's capacity to care for children safely within their families.

Caseload

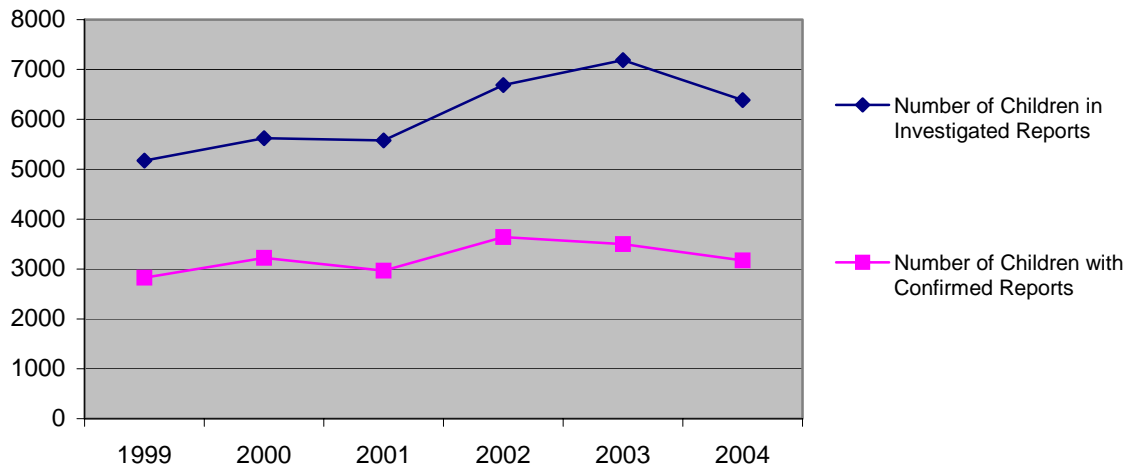
**CWS Caseload Data Statewide
FY 1999-2004**



At the end of FY 03, there were 6,995 active CWS cases statewide. This increased to 7,153 active CWS cases in FY 04. Over the last six years, cases have increased by 22%. Numerous factors contribute to child maltreatment, such as parental substance abuse, family violence, and mental illness. Therefore, effective CWS intervention requires strong partnerships with the police, State agencies such as the Family Court and the Departments of Health and Education, and private agencies, community groups and advocacy groups who play a crucial role in the safety and healthy development of children.

Reporting and Intake

Children in Investigated and Confirmed Reports of Maltreatment Statewide SFY 1999-2004



Child abuse and neglect reports made to CWS are assessed using a standardized risk assessment matrix to determine if intervention is necessary to ensure the safety of the child. Over the past six years, the number of children in reports assigned for investigation increased by over 23% from 5,171 in FY 1999 to 6,383 in FY 2004 and the number of children with confirmed reports increased by 12%. In the majority of cases, children with confirmed reports were threatened with harm to their safety.

Types of Child Maltreatment Reports Confirmed Statewide

Type of Maltreatment	FY 2001	FY 2002	FY 2003	FY 2004
Threatened Harm	67%	68%	69%	63%
Neglect/Deprivation	13%	13%	14%	16%
Physical Abuse	10%	10%	9%	11%
Sexual Abuse	6%	5%	5%	6%
Psychological Abuse	3%	2%	2%	2%
Medical Neglect	1%	2%	1%	2%
Number of Children	2,971	3,642	3,501	3,174

In 2003, CWS implemented a phase-in plan to centralize reports statewide on Oahu, beginning with West Hawaii in October 2003, Maui in March 2004, Kauai in November 2004, and East Hawaii by December 2004. The toll-free reporting number is 1-800-494-3991.

Foster Care

A total of 5,178 children were in foster care during FY 04, compared to 5,071 children during FY 03. Children aged five and younger constituted nearly 41% of all children in foster care. Of the 2,191 children that exited foster care in FY 04, 60% or 1,324 children were reunified with their families, 17% or 383 children were adopted, 11% or 231 children left care to a legal guardianship, and 12% or 253 children left to permanent arrangement, such as emancipation.

Ages of Children in Foster Care

Age	FY 2001		FY 2002		FY 2003		FY 2004	
	Number	%	Number	%	Number	%	Number	%
0 to 5	1,617	37%	1,877	39%	1,927	38%	2,123	41%
6 to 11	1,355	31%	1,441	30%	1,474	29%	1,502	29%
12 to 18	1,398	32%	1,509	31%	1,670	33%	1,553	30%
Total	4,370		4,827		5,071		5,178	

Licensed Foster Homes Statewide

Type of Foster Home	FY 2003	FY 2004
General Licensed Homes	661	753
Child-Specific Licensed Homes	1,177	1,173

At the end of FY 2004, there were 1,898 foster homes. CWS has a statewide contract with Hawaii Behavioral Health to recruit, train and complete home study of prospective foster parents. Interested individuals may call 1-800-494-3391 for more information. Child-specific licensed foster parents are relatives or individuals licensed specifically for a child. Beginning 2005, training of child-specific licensed foster parents will be provided by the Hawaii Foster Parent Association. In August 2004, a grant from the Administration for Native Americans was awarded to the Partners In Development Foundation, a Native Hawaiian community-based organization, in partnership with the Department to encourage recruitment statewide of native Hawaiian foster homes for children.

Child Welfare Outcomes

FY 2004 Performance on National Child Welfare Outcomes Measures from FY 2003 by Island:

- Hawaii: Reunification within 12 month of entry into foster care improved from 76.6% to 78.6%. *The national standard of percent of children reunified from foster care within 12 months of entry into foster care is 76.2% or more.*
- Kauai: Repeat maltreatment was reduced from 12.7% to 5.5%. *The national standard of percent of children who were victims of another confirmed maltreatment within a six-month period is 6.1% or less.*
- Maui: Incidence of child maltreatment in foster care remained at 0.3%. *The national standard of percent of children experiencing confirmed maltreatment from foster parents or facility staff is 0.57% or less.*
- Oahu: Placement stability outcome measure improved from 72.0% to 85.2%. *The national standard of percent of children experiencing no more than two placement settings after having been in foster care for 12 months or less is 86.7% or more.*

There were seven deaths in FY 04 in active CWS cases or cases closed within 90 days, compared to 12 in FY 03. Eleven of the children in FY 03 died from accidental, non-abusive causes. One child's death was investigated by the police and the preliminary investigation indicated the child's death was a homicide that occurred in a babysitter's home. Each case was reviewed by the Multi-Disciplinary Team and by the Program Development Office to determine if any rules or child welfare services procedures needed modification as a result of the fatalities. In FY 03, two deaths were accidental deaths, one was from natural causes, and four from undetermined causes with no suspicion of child abuse or neglect. Each death case was reviewed by the Child Protection Multi-Disciplinary Team for case planning and the Program Development Office to determine if any rules or child welfare services procedures needed modification as a result of the death.

Child and Family Services Review (CFSR)

CWS has adopted a Federal set of outcomes and related measures to assess performance in achieving safety, permanency, and well-being for children within required time limits. The Child and Family Services Review (CFSR) is a federally-mandated review of states' child welfare systems. The on-site CFSR conducted by the Federal Department of Health and Human Services (DHHS) in July 2003 found Hawaii did not meet the standard in six out of the seven child welfare outcomes areas and five out of the seven systemic factors. A Program Improvement Plan (PIP) was developed and approved by DHHS on July 1, 2004 to address areas needing improvement within the next two years.

Key areas identified as needing improvement are:

- Timely response to child abuse/neglect reports
- Action to ensure the risk of harm to children on active cases
- Involvement of the family and child in case planning
- Less re-entry into foster care and more stability in foster placements
- Face-to-face contacts with children, parents and foster parents
- Quality assurance monitoring and continuous system improvement

Strategies for Improvement:

- Work with community-based organizations to meet the increased need for family strengthening services as an alternative to CWS intervention
- Prioritize intake referrals
- Expand access to Ohana Conferencing
- Improve training, procedures, and tools
- Enhance service array

For a complete review of Hawaii's CFSR, PIP and intended improvements, go to the Department's website at www.hawaii.gov/dhs/cfsr

FY 2003 Statewide Achievements

Strengths-Oriented Practice:

- Title IV-E collaborative child welfare training with the University of Hawaii, School of Social Work: 11 MSW graduates employed in CWS by end of FY 2003, bringing the total to 35 since FY 2000.
- More than 569 Ohana Conferences conducted in FY 2003, including the facilitation of 34 legal guardianships and 8 adoptions.
- The U.S. Health and Human Services awarded the Department \$208,000 in adoption incentive payments for the Department's completing 349 adoptions, a 17.5% increase to the previous highest baseline of 297 adoptions in the federal Fiscal Year 1998.

Service Expansion:

- Transferred TANF funds to CWS for expansion of diversion services, sex abuse counseling, emergency shelter foster homes, Multidisciplinary Team services, psychological evaluations, after-hours child welfare services intake and crisis intervention in Maui County, and substance abuse treatment.

Multi-Agency Partnership:

- Ninety-three (93) foster/adoptive families recruited, trained, and approved using the Child Welfare League of America's PRIDE curriculum in FY 03.
- Co-sponsored training initiatives with the Hawaii Foster Parent Association for child-specific foster parents on Oahu.

- Continued adoption and post-permanency awareness in Hawaii through the Adoption Connection - a partnership with the Rotary, the Junior League, the Casey Family Program, the Child and Family Service, the Family Court, and the DHS.
- Collaborated with the Hawaii Youth Services Network and the Casey Family Program to help youth transition from foster care to independent living.
- Continued to support the Hawaii Foster Youth Coalition, a youth-led organization that assists youth in foster care with developing leadership skills and advocacy and provides a mechanism for youth feedback on Child Welfare Services.
- Continued to support volunteers to provide transportation and facilitate visits with siblings living in different foster homes through Project Visitation, a collaboration with the DHS, the Family Court, the Na Keiki Law Center, and the Friends of Foster Kids.
- Continued collaboration with Kapiolani Medical Center, University of Hawaii School of Medicine's Hawaii Dyson Initiative, the City Prosecutor's Office, and the Honolulu Police Department, for the support of the CARE (Child AT-Risk Evaluation) Program and Project Hope (Hawaii Outreach Pre-Placement Evaluation) for foster children to receive comprehensive forensic medical examinations.
- Partnering with the Family Court and the Department of Health's Alcohol and Drug Abuse and Public Health Nursing programs to implement the Dependency Drug Court on Oahu.
- On-going collaborative groups including the Child Welfare Services Advisory Council, the Title IV-B/2 Statewide and Regional Planning Committees, the Blueprint for Child Welfare Reform, and the Court Improvement Project.

Continuous Improvement and Increased Accountability:

- The Child and Family Services Review of Hawaii's child welfare system allowed for CWS staff and community stakeholders review of CWS.
- Internal quality assurance monitoring to assess progress.
- Citizen Review Panels on Maui, Hawaii, Oahu, and Kauai.

FY 2004 Statewide Achievements

- Increased Title IV-E earnings by \$3 million from FY 03.
- Expanded Purchase of Services via TANF/Title XX funds by \$3 million to enhance service array.
- Passed a secondary Federal Title IV-E audit; failure would have resulted in loss of IV-E revenues.

Note: Data presented for 2003 and 2004 was extracted from the Child Protective Services System (CPSS) on 8/16/04.

Future Challenges and Opportunities

- Strengthening families to prevent and remedy abuse through the expansion of diversion programs, substance abuse treatment, and Ohana Conferencing.
- Sufficient community resources to support families and reunification efforts to prevent foster care placement.
- Resources to support and strengthen foster families and those families who have assumed permanent custody of children.
- Continuous recruitment and retention of foster families, especially for those children with special needs (teens, siblings, children with emotional and behavioral problems).
- Manageable caseloads.
- Development of an efficient computerized data and communication system.
- Recruitment and retention of qualified staff.
- Implementation of the approved Program Improvement Plan to address areas needing improvement.

DEPARTMENT OF HUMAN SERVICES EMPLOYEE OF THE YEAR 2003



left to right: Lillian B. Koller, DHS Director; Johnny Papa, DHS Employee of the Year;
Henry Oliva, DHS Deputy Director

Johnny Papa, Unit Supervisor for the Special Services Intake Unit of the Social Services Division, Child Welfare Services Branch was the Department of Human Services Employee of the Year for 2003. Johnny is the supervisor for the “24/7 Child Protective Services Hotline” on Oahu and West Hawaii which receives, assesses, and processes all reports of child abuse and neglect, 24 hours a day, 7 days a week. As Unit Supervisor for the Special Services Intake Unit, she manages multiple priorities and pulls her staff together as a team to overcome work barriers and requirements.

Through her leadership and administrative skills, her staff has met increasing work requirements even though staff vacancies existed. Child abuse and neglect cases have increased by 23 percent in the last 5 years and Child Welfare Intake receives over 20,000 calls a year. In a continuing effort to improve efficiency, she put into action a standby system on active CPS cases using child welfare staff to perform standby duties. This standby system relieves the Child Welfare Intake staff from crisis calls on active cases and enables the limited intake standby resource to focus on new CPS reports. This “win-win” solution is responsive to staff as well as clients.

Last fall due to a major staffing shortage, Johnny agreed to provide intake services to the West Hawaii Section, thus relieving West Hawaii’s sole intake social worker to investigate Child Protective Service reports. This involved mass coordination with numerous West Hawaii providers (schools, the police, diversion purchase of services, service providers, mandated reporters, phone company, etc.). She compiled a procedural guidebook with maps, phone numbers of agencies, key contacts, etc.) as reference for her staff. It was a major undertaking to manage the scheduling and training of standby staff and to ensure that standby staff is available 365 days a year on Oahu and West Hawaii.

Even with her busy workload, Johnny still finds time to maintain positive community relations. She makes herself available as a guest speaker to the police, schools and community agencies to educate the public about child protective services and the mandatory reporting law. All these reflect Johnny’s “can-do” attitude, dedication and commitment to her work and community.

2) ADULT AND COMMUNITY CARE SERVICES (ACCS)

The Adult and Community Care Services Branch (ACCSB) provides Adult Protective Services to protect vulnerable dependent adults and home and community-based services to prevent premature institutionalization of vulnerable dependent adults.

The Adult Protective Services program provides crisis intervention, including investigation and providing emergency services to dependent adults who are reported to be abused, neglected, or financially exploited by others or seriously endangered due to self-neglect.

Program Goals

Safety – Protection of Vulnerable Dependent Adults

- Respond to reports of abuse/neglect, including self-neglect, and financial exploitation of dependent adults.
- Maintain the number of dependent adults who are re-abused within any 12-month period to 5% or less.

ADULT PROTECTIVE SERVICES

	FY 01 Actual	FY 02 Actual	FY 03 Actual	FY 04 Actual
Reports investigated	480	509	607	671
Confirmed abuse or neglect	203	217	201	168
% confirmed	42%	43%	33%	25%
Re-abuse within 12 month period	4.4%	3.1%	2.9%	1.6%

Adult Protective Services Outcomes

- In FY 03, adult protective reports were received and investigated on 607 dependent adults: 69% of the reports involved individuals age 60 and older; 33% or 201 of the reports investigated were confirmed for abuse, neglect, or financial exploitation. Subsequent re-abuse within a 12-month period occurred for 2.9 % of the confirmed reports.
- In FY 04, adult protective reports were received and investigated on 671 dependent adults: 73% of the reports involved individuals age 60 and older; 168, or 25% of the reports investigated were confirmed for abuse, neglect, or financial exploitation. Subsequent re-abuse within a 12-month period occurred for only 1.6 % of the confirmed reports.

Adult Protective Services Achievements

- The contract with the Department of the Attorney General to implement the Financial Exploitation Project on Oahu to improve the Department's response to the misuse of a dependent adult's money or property continued. The contract includes funds for a social worker, an investigator/auditor, and a social services assistant to focus on the investigation of financial exploitation.

The contract period for this project began in March 1, 2002 and has been extended through October 31, 2005. Funding is provided through the Edward Byrne Memorial State and Local Law Enforcement Assistance Program (Bureau of Justice Assistance, Office of Justice Programs, U. S. Department of Justice). Total project cost is \$210,909 (\$158,182 Federal, \$52,727 State) for the period 3/1/02 to 3/31/04. For the period 4/1/04

through 2/28/05, total project cost is \$151,227 (\$113,420 Federal, \$37,807 State). 184 clients have been served through June 30, 2004.

- The ACCSB is continuing a contract with the Department of the Attorney General to implement the Case Management for Elderly Victims of Crime Project on Oahu to provide services to elderly victims of abuse or neglect who have unmet needs. The contract includes funds for two social workers and a social services assistant to assist clients with accessing needed services, including financial management services. Referrals to this project are from the Department's Adult Intake Unit and the Adult Protective Services Unit.

The contract period for this project began October 1, 2002 and has been extended through September 30, 2005. Funding is provided through the Federal Victims of Crime Act (VOCA). A total of 106 clients have been served through June 30, 2004. Total funding for the Federal Fiscal Year, 10/1/03 to 9/30/04, was \$175,287 (Federal \$145,797, State \$36,449).

Planning for the Future

- Statutory and Administrative Rule changes will be sought to establish background checks, including criminal record history and Adult Protective Services and Child Protective Services checks, as requirements for service providers who have direct contacts with ACCSB clients, and as a prerequisite for adult day care licensure. The background checks are expected to provide an increased degree of protection for clients and other vulnerable service recipients.
- Every effort will be made to make the Financial Exploitation Project a permanent part of the adult protective services program as part of the Department's commitment to providing adult protective services to the community. This commitment includes seeking to make the Financial Exploitation demonstration project's three temporary staff positions permanent positions.

CHAPTER FIVE HEALTH

The Department helps low-income adults and children obtain needed health care through the federal Medicaid program. State-funded programs help provide health care for low-income adults and children and immigrant children and women who are not eligible for Medicaid. Innovative home and community-based programs help prevent premature institutionalization of vulnerable dependent adults and children by providing a continuum of comprehensive home and community-based services and Medicaid waiver programs.

A. MED-QUEST DIVISION (MQD): Programs, Services, and Achievements

The MQD administers the State's medical assistance or Medicaid programs. Medicaid, a federal program created by Congress in 1965, was designed to provide medical care to the low-income population. The MQD had an annual budget of \$755 million (\$520 million in federal funds) in FY 2003 and \$847 million (\$495 million in federal funds) in FY 2004 used for benefits and administration of the Medicaid program.

The MQD provides medical assistance through several programs under Medicaid. Hawaii QUEST Managed Care (QUEST) and Medicaid Fee-For-Service (FFS) are the two largest programs. Other programs include QUEST-Net, QUEST Spenddown, Transitional Medical Assistance, State Children's Health Insurance Program (S-CHIP), Federal and State-funded Coverage of Individuals with Breast and Cervical Cancer, and Special Programs for Medicare Beneficiaries. MQD also administers the Immigrant Children's Program and the Medical Assistance for Pregnant Legal Immigrants Program which are both fully State-funded. Additionally, the MQD oversees the Funeral Payments Program for the State.

These programs enable those in need to maintain and improve their health by providing payment for medical, dental and other professional health services, hospital, nursing home, home health and other institutional health care, drugs, and other related health care services, including transportation and burial services.

Application and Eligibility

There is a general application form for all Medical Assistance programs. A separate, simplified application form is used for pregnant women and children. All interested individuals are urged to apply, and the Department will place eligible persons in the appropriate program. There are basic eligibility requirements, including income and asset limits, which differ by "coverage groups", among which are children, pregnant women, the elderly, and the disabled.

Basic eligibility requires the applicant to: (1) be a U.S. citizen or qualified alien for individuals age 19 years and older (citizenship requirements may be waived for individuals under age 19); (2) be a Hawaii resident; (3) not be residing in a public institution, and (4) provide a Social Security number. Financial eligibility requires the applicant to be within income and asset limits. However, pregnant women and individuals under age 19 are not subject to an asset limit.

The MQD coordinates with other health insurers to ensure Medicaid FFS and QUEST recipients who have other health insurance coverage exhaust these benefits before Medicaid FFS or QUEST benefits are utilized. The MQD also recovers medical expenses when Medicaid FFS or QUEST recipients are injured in motor vehicle accidents and employment-related accidents, and when QUEST or FFS clients recover damages from malpractice suits, product liability suits, and other

lawsuits. Under certain conditions, a claim may also be filed against the estate of a deceased Medicaid recipient for funeral, burial, or medical expenses.

The MQD Eligibility Branch (EB) staff is processing more than 7,000 applications per month in addition to maintaining an active caseload of over 96,000 cases Statewide. Altogether, the MQD oversees the provision of health care to more than 190,000 eligible residents. EB staff are actively working with the community to ensure easy access to health insurance and swift problem resolutions. In addition, the EB worked with a group of public, private and government agencies in the development of a simplified application form, the pregnant women and children only application form, and the pre-printed and passive renewal forms and processes. These new forms and processes have made it easier for individuals to apply for and continue to receive services.

RECIPIENT GROWTH IN FY 2004				
Island	Jul-03	Jun-04	Growth	% Increase
Oahu	121,933	127,827	5,894	5%
Kauai	8,797	9334	537	6%
Hawaii	34,001	36004	2,003	6%
Maui	13,502	14,712	1,210	9%
Molokai	2,198	2,235	37	2%
Lanai	222	269	47	21%
Statewide	180,653	190,381	9,728	5%

1) HAWAII QUEST MANAGED CARE (QUEST)

The QUEST program serves eligible individuals who are under age 65 and are not blind or disabled. QUEST participants may choose from among participating managed health plans throughout Hawaii, knowing that all plans offer the same benefits. Beneficiaries choose their primary care provider from among the provider network of their respective medical plans. QUEST enrollment has increased from 142,309 in July 2003 to 150,849 at end of FY 04.

Benefits under QUEST include:

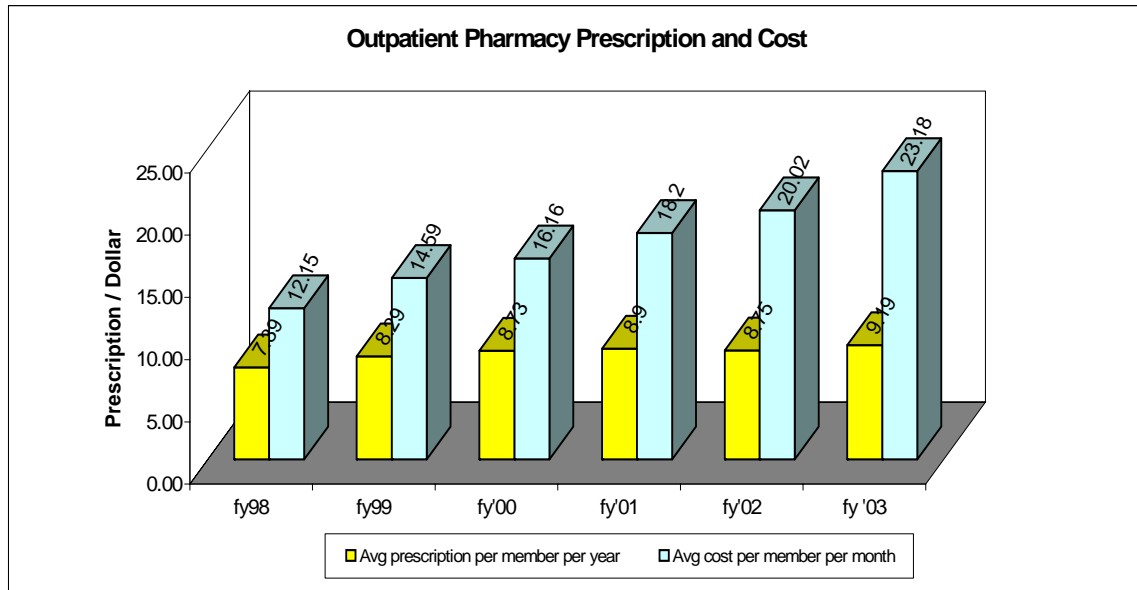
- Inpatient hospital care – medical, surgical, and rehabilitation care, inpatient psychiatric and detox, maternity and sub acute;
- Outpatient hospital care – emergency room, ambulatory surgical centers and outpatient psychiatric;
- Prescription drugs (generic unless unavailable), maintenance prescription drugs, prenatal vitamins, and birth control pills for adults;
- Laboratory, radiology, and diagnostic;
- Biological and medical supplies including medical equipment and appliances;
- Physician services;
- Podiatry;
- Whole blood;
- Eye examination, refraction, and eyeglasses;
- Prosthetic devices, including hearing aids;
- Transportation to, from, and between medical facilities, including inter-island or out-of-state air transportation, food and lodging when necessary;
- Nursing facility services and home health;
- Respiratory care services;
- Hospice care services; and
- Dental services – individuals under 21 have full dental benefits, adults have emergency care only.

QUEST Quality Measures

Outpatient Pharmacy Prescription and Cost

Outpatient pharmacy prescription costs continued to rise in the past six fiscal years. The average number of prescriptions increased from 7.39 to 9.19 per member per year, and the average cost increased from \$12.15 to \$23.18 per member per month.

An increase in outpatient pharmacy utilization rate is associated with efforts to better manage disease and decrease the inpatient and emergency room use. However, the average cost per member per month has almost doubled in the past six years, and has become a problem in controlling the overall cost of patient care.



2) MEDICAID FEE-FOR-SERVICE (FFS)

The FFS program covers eligible residents who are age 65 and older, blind, or disabled. Currently, the State has over 39,000 participants enrolled in this program. In the FFS program, recipients may see any participating Medicaid provider and the State will pay for eligible medical services. The benefits under FFS are the same as those for QUEST.

3) EARLY & PERIODIC SCREENING, DIAGNOSIS, & TREATMENT (EPSDT)

The Early & Periodic Screening, Diagnosis & Treatment (EPSDT) program offers additional services for all Medicaid clients under 21 years of age with no co-payment requirement. EPSDT provides coverage for:

- Complete medical and dental examinations;
- Hearing, vision and laboratory tests;
- Immunizations and skin tests for tuberculosis;
- Assistance with necessary scheduling and transportation upon request; and
- Additional needed treatment for conditions detected during screening.

Annual EPSDT Participation Report	FY 2002	FY 2003	% Increase
Total individuals eligible	107,258	114,494	7%
Total screens performed	63,829	81,652	28%
Total individuals referred for treatment	16,978	21,574	27%

4) QUEST-NET

The QUEST-Net program offers beneficiaries limited health care benefits, although children in QUEST-Net receive the same benefits as the QUEST program, including EPSDT . To be eligible for QUEST-Net, beneficiaries must first have been enrolled in the QUEST or FFS programs and subsequently lost coverage due to increasing income, assets, or other qualifying reasons. The income range for QUEST-Net can be up to 300% of the FPL and some members may have to pay a monthly premium share. QUEST-Net enrollment has increased from 1,816 recipients in July 2003 to 1,946 recipients in June 2004.

Maternity benefits are not covered under the QUEST-Net program, but once a female is determined pregnant she may apply for the QUEST program and when deemed eligible, receive full maternity benefits including prenatal vitamins.

5) QUEST-SPENDDOWN

The QUEST Spenddown program provides medical and dental coverage to certain families and children who, because of their income, are not eligible for coverage under the QUEST program. QUEST Spenddown is also available to clients who are QUEST-Net recipients who have a medical need for which QUEST-Net coverage is exhausted or is not provided.

To qualify, a family's monthly gross income must be more than the FPL but not exceed 300 % of the FPL for a family of applicable size. The family must also have monthly medical bills that are equal to or greater than the family's excess income. The spenddown amount is the family's excess income amount. In any month that the family is eligible, the family is responsible to pay for medical bills up to the spenddown or excess income amount. Any remaining medical bills in excess of the spenddown amount will be paid by the QUEST Spenddown program if it is an eligible QUEST service.

6) TRANSITIONAL MEDICAL ASSISTANCE

Prior to the Welfare Reform Act of 1996, a person who was eligible for Aid to Families with Dependent Children, AFDC (the predecessor to the TANF program), was automatically eligible for Medicaid. The Welfare Reform Act delinked TANF and Medicaid eligibility and concurrently created section 1931 of the Social Security Act to provide health coverage to persons who formerly would have been eligible for both AFDC and Medicaid. Current enrollment is at 4,760, a decrease from 5,417 in July 2003.

Previously, when a recipient lost AFDC eligibility due to increased earnings or work hours, the recipient was entitled to AFDC transitional Medicaid for up to twelve months. Under Section 1931 provisions, a recipient who qualifies for medical assistance using AFDC standards can receive free medical assistance. When a recipient loses Section 1931 status, continued free medical coverage for up to twelve months is provided under the provisions of Section 1925 of the Social Security Act. To be eligible for the Section 1925 extension, a family must (1) have been eligible under Section 1931 provisions, (2) have lost Section 1931 eligibility due to increased earnings or loss of earned income exemptions of a family member, and (3) include a child under 19. In addition, free medical assistance can be provided for a four-month period to recipients who lose Section 1931 eligibility due to increased child or spousal support.

7) STATE CHILDREN'S HEALTH INSURANCE PROGRAM (S-CHIP)

S-CHIP was created to help states expand health coverage to more children whose families may be working but do not earn enough to pay for private coverage for their children. Currently, federal funds cover 71.23% of the program costs, and the State's Tobacco Settlement Funds cover

the remaining 28.77%. Enrollment in this program has increased from 10,382 in July 2003 to 12,261 in June 2004.

To qualify for free health coverage, children must be uninsured, under age 19, and have family income less than 200% of the FPL. In 2003, for a three-person household this is income of \$2,926 a month and \$3,528 a month for a four-person household.

S-CHIP is implemented in Hawaii as a Medicaid expansion. Blind and disabled children receive coverage through the Medicaid Fee for Service Program. Those who are not blind or disabled are covered under QUEST. To avoid confusion by the public, S-CHIP is not referenced as a separate program. Instead the Medicaid and QUEST programs are identified as providing coverage to all eligible children with family incomes not exceeding 200% of the FPL.

8) IMMIGRANT CHILDREN'S PROGRAM

Hawaii provides fully State-funded coverage for immigrant children who are barred from participating in the Medicaid program for the first five years of their U.S. residency. The program provides legal immigrant children under age 19 with family income within 200% of the FPL, the same services as provided under the FFS and QUEST programs. Currently there are 2,462 children enrolled in this program, increased from 2,111 in July 2003.

9) MEDICAL ASSISTANCE FOR PREGNANT LEGAL IMMIGRANT WOMEN PROGRAM

This fully State-funded program was implemented on July 1, 2004. This program makes medical assistance available to eligible pregnant legal aliens, aged nineteen and older, from the onset of their pregnancy to the month in which the 60-day postpartum period ends. The eligibility requirements and coverage provisions are identical to those for pregnant women in the federally-funded medical assistance programs except for the age requirements and the non-applicability of the five-year waiting period for legal immigrants to receive federally-funded Medicaid coverage.

10) BREAST AND CERVICAL CANCER PROGRAM

Medicaid Fee-for-Service is available to individuals under age 65 with cancer or pre-cancerous conditions of the breast and cervix as allowed by Public Law 106-354. These individuals must be screened and diagnosed by a physician approved by the Hawaii Breast and Cervical Cancer Control Program of the Department of Health. In addition, they can not have medical coverage that would pay for the treatment of their breast or cervical cancer, and their gross family income cannot exceed 250 % of the FPL. Assets are not considered in determining eligibility.

Hawaii also provides the same coverage to women, who are legally admitted immigrants who are barred from any federally-funded medical assistance program or are citizens of the Marshall Islands, the Federated States of Micronesia, or Palau, through a look-alike program funded entirely with State funds. The State companion program for individuals with breast and cervical cancer was established in 2001 by the Hawaii Legislature under Act 278.

Breast and Cervical Cancer Program Recipients

Program	July 2003	June 2004
Federal Breast Cancer	15	23
Federal Cervical Cancer	4	3
State Breast Cancer	2	4
State Cervical Cancer	1	0

11) FUNERAL PAYMENTS PROGRAM

The Funeral Payments program provides partial funeral expense payments to qualified applicants, up to a maximum of \$400 for mortuary expenses and \$400 for burial expenses. Any person may apply for the deceased. Applicants need to apply for funeral benefits with the Med-QUEST Division before making the funeral arrangements. The deceased person may be eligible if qualifying under one of the following two categories:

- Person who is eligible for medical or financial assistance from the State, or
- Unclaimed body, meaning the person died without any known or surviving relatives and friends, or the deceased person died without any legally responsible relatives (for example, the deceased did not have a spouse or legal guardian).

12) THIRD PARTY LIABILITY PROGRAM

The Third Party Liability (TPL) program ensures that Medicaid FFS and QUEST recipients who have other health insurance coverage exhaust these benefits first before Medicaid FFS or QUEST benefits are utilized. This to ensure that the Medicaid Program is the payer of last resort. As such, the State Medicaid agency and/or its designated agents must make active efforts to cost avoid or recover Medicaid payments made on claims for which other coverage was available at the time that health care services were rendered.

The Department of the Attorney General (State Claims Unit), the TPL contractor, Affiliated Computer Services (ACS), and other health insurance providers such as the QUEST Health Plans (HMSA, Kaiser and AlohaCare), Medicare, CHAMPUS, the Veteran's Administration, and Worker's Compensation, coordinate to help to contain Medicaid program expenses by recovering Medicaid expenses when accident or liability insurance is liable and by cost-avoiding medical expenses when a recipient has other health insurance coverage.

The TPL program also recovers medical expenses when Medicaid FFS or QUEST recipients are injured in motor vehicle or employment related accidents, and when QUEST or Medicaid FFS recipients recover damages from malpractice suits, product liability suits, and other lawsuits related to slip and fall injuries, and assaults. If a third party is liable for the recipient's injury, the Medical Claims Unit in the Department's Fiscal Management Office files a lien against the liable third party.

The Attorney General's State Claims Unit also places liens on home property of Medicaid recipients confined in Nursing Homes and files claims against a deceased recipient's estate when real property is involved. The ACS TPL Contractor also identifies health insurance coverage by following up on insurance leads, and conducts Medicaid recovery activities on deceased recipients subject to estate recovery by filing small estate claims. The QUEST Health Plans also help to contain medical expenses by identifying and reporting their members' other health insurance coverage, cost avoiding medical expenses and recovering accident claims.

TPL Recoveries for FY 2002 and FY 2003*		
Activity	FY 2002	FY 2003
Accident Recoveries	\$2,610,335	\$4,861,348
Cost Avoidance	\$9,930,687	\$9,339,284
Estate Recoveries	\$ 224,848	\$ 241,686
Home Property Liens	\$1,212,139	\$2,297,327
QUEST Health Plans	\$3,395,231	\$5,451,420

*Due to the one-year filing deadline, this is the most current information that is available.

MQD Achievements

- Pre-Printed Eligibility Annual Renewal Forms: The pre-printed Eligibility Renewal Form replaced the Departmental Eligibility Redetermination form for annual eligibility renewals. This simplified pre-printed, system generated form requires the recipients to only re-confirmation and/or report changes of information for their annual eligibility. Previously, recipients had to fill out the entire Eligibility Redetermination form with information that they had already reported to the Department. Adult participants in the Medicaid programs must sign and return their annual renewal forms.
- Passive Renewal For Families With Children: For families with children, the pre-printed eligibility redetermination form is not required to be signed and returned to the Department if the information previously reported has not changed. This new “Passive Renewal” process was implemented on June 1, 2004 through the coordinated efforts of the MQD Policy and Program Development Office, the MQD Eligibility Branch, the DHS Office of Information Technology, the Hawaii Covering Kids Project, and the QUEST Health Plans. This effort reduces the number of families who would otherwise be terminated from Medicaid due to non-submission of the required form within the required time limit, only having them to reapply again the following month.

PASSIVE ELIGIBILITY REVIEWS 06/04 TO 09/04			
County	Families Eligible for Passive Renewal	Families Who Used Passive Renewal	% Utilizing Passive Renewal
Honolulu	8,181	5,806	71%
Hawaii	2,346	1,488	63%
Maui	1,429	955	67%
Kauai	711	530	75%
Statewide	12,667	8,779	69%

- Pregnant Women and Children’s Application: To simplify and expedite the application process for pregnant women and children, the Medical Assistance Application For Children and Pregnant Women Only form (DHS 1108), was developed and implemented in January 2004. Use of this form assists the Department to achieve the goal of processing pregnant women applications within 5 working days of receipt of the completed application by the Department.

In FY 04, the number of pregnant women receiving medical assistance increased 31%, from 3,590 individuals at the beginning of the first quarter to 4,688 or 1,098 more individuals at the end of the fiscal year. As of October 30, 2004, the number of pregnant women receiving medical assistance increased to 5,189. There have been increases on all islands.

Number of Women Statewide Receiving Medical Assistance FY 04

Island	No. Women Receiving Assistance Receiving	% Increase
Hawaii	1,019	19.6%
Kauai	283	5.5%
Lanai	10	0.2%
Maui	522	10.1%
Molokai	26	0.4%
Oahu	3,329	64.2%
Total	5,189	100%

- The Eligibility Branch (EB) has maintained timely application processing and continues to process a minimum of 7,000 applications per month. The EB works closely with the community to ensure easy access to health insurance and swift problem resolutions. Self-declaration of information for applications eases the process for applicants. A new simplified application form was implemented in October 2002.
- Hawaii Rx Plus Program: The implementation of the Hawaii Rx Plus in July 2004 enabled the State to offer a prescription drug assistance program to all Hawaii residents with an income equal to or less than 350% of the Federal Poverty Level (FPL) who have no prescription drug coverage or insufficient prescription drug coverage. The application process is simple and quick. To apply, a Hawaii resident only has to answer three questions: are you a resident of the State, are all available drugs covered by your drug insurance all of the time, and what is your income for the last 12 months. After signing and submitting their application, eligibility is determined and two membership cards are issued to the eligible applicant and their household within 72 hours. This program was designed to reduce the cost of prescription drugs to qualified participants through a simple application process and not duplicating existing prescription drug benefits available through the Hawaii Pre-Paid Health Care Act. The chart below shows enrollees per county as of 10/29/04.

RX PLUS ENROLLEES PER COUNTY AS OF 10/29/04

County	Enrollees
Honolulu	10,504
Hawaii	3,349
Kauai	1,314
Maui	1,775
Statewide	16,942

- Preferred Drug List: The Med-QUEST Division initiated the development of an “enhanced prior authorization” program by identifying preferred drugs in selected therapeutic classes. Within specific therapeutic classes, drugs are reviewed for their clinical efficacy, safety and economic value and placed on a Preferred Drug List. The implementation of the Preferred Drug List ensures health quality while creating a cost-effectiveness strategy.
- Multi-State Pooling Initiative for Prescription Drugs: The Department, through the Med-QUEST Division, became a member of the Multi-State Pooling Initiative to address the high cost of prescription medications. This unique pool combines the purchasing power of the states to leverage higher pharmaceutical manufacturer discounts through supplemental rebates from drug manufacturers participating through signed agreements. It is estimated that Hawaii will accrue an estimated \$4 million in savings during the first year of its participation in the pool.
- Uninsured Children: Beginning February 2, 2004 outreach services were enhanced to identify and enroll the uninsured children living in the State through a contract with Hawaii Covering Kids.
- Supplemental Payments For Public Hospitals: On June 9, 2004, the Medicaid State Plan Amendment that allowed payments to publicly owned and operated hospitals for uncompensated costs for services provided to individuals without medical insurance was approved. Payments to be claimed were retroactive to September 1, 2003. This

amendment will allow the State to receive a Federal match to address costs incurred by the uninsured population by our public hospitals.

- The Federally Qualified Health Centers (FQHC) assist families with children in the completion of applications and submission to the Med-QUEST Division for medical assistance eligibility determination. During FY 2004, the Department received 6,306 medical applications from FQHCs throughout the State.

Applications from FQHCs in FY 2004						
Date	East-HI	West-HI	Kauai	Maui	Oahu	Monthly
<i>Jul-03</i>	71	91	8	79	363	612
<i>Aug-03</i>	61	70	15	79	363	588
<i>Sep-03</i>	81	49	8	98	246	482
<i>Oct-03</i>	65	68	7	168	208	516
<i>Nov-03</i>	76	63	15	97	225	476
<i>Dec-03</i>	72	38	10	95	176	391
<i>Jan-04</i>	75	67	10	103	148	403
<i>Feb-04</i>	68	59	9	99	215	450
<i>Mar-04</i>	73	61	14	149	227	524
<i>Apr-04</i>	77	45	10	153	333	618
<i>May-04</i>	72	74	16	162	280	604
<i>Jun-04</i>	66	57	14	167	338	642
Total	857	742	136	1,449	3,122	6,306

- The Membership File Integrity Section (MFIS) of the MQD's Customer Service Branch, was awarded the Department of Human Services 2004 Team Excellence Award in August 2004. They were further honored as the best team in State government in 2004 by receiving the prestigious Governor's Team Award for statewide excellence. This award recognized MFIS for their tireless efforts to reduce errors and resolve problems in the automated systems used to administer the Department's public assistance programs, including the Hawaii Pre-Paid Medical Management Information System (HPMMIS), the Hawaii Automated Welfare Information system (HAWI), and the Benefit and Earnings Data Exchange system, and also for their support of their MQD colleagues in the Medical Standards Branch with special projects. These special projects undertaken by MFIS ensured timely processing of information for claims processing, data input, and the tracking of prior authorizations to ensure that our recipients received appropriate medical and dental services, medication, equipment, and supplies.

MFIS STAFF RECEIVES 2004 GOVERNOR'S AWARD



- Medicaid Medical Transportation Case Management: Effective July 1, 2004, funding was obtained to provide transportation services for Fee-For-Service Medicaid individuals to enable them to receive medically necessary services that were unavailable on their island or within the State. Covered services include air and ground transportation, meals, lodging and attendant care, as needed.
- Health Insurance Portability and Accountability Act (HIPAA): The privacy phase of Health Insurance Portability and Accountability Act of 1996 (HIPAA) was implemented on April 14, 2003. Many forms have been modified so that they are compliant with HIPAA's strict rules and regulations. MQD staff worked closely with our consultants, the 4Thought Group, who assisted with the training of all MQD staff on HIPAA regulations and how it affects day-to-day operations. Also implemented was a database tracking system for completed HIPAA release of information authorization forms. The privacy and transaction and code sets phases were implemented during October 2003.

The MQD has been able to continually monitor HIPAA compliance throughout the Division through the development of policies and procedures for on-going reviews of existing practices, periodic audits of division compliance efforts, and training and monitoring of staff. The MQD, in collaboration with other Hawaii health care organizations, has also been active in continuous education of State health care providers with on-going HIPAA implementation.

The new HIPAA security rule that relates to the protection of an individual's protected health information in any electronic medium, such as computer networks and systems, is currently being implemented. All covered entities, including the MQD, must be in compliance by April 20, 2005. The security rule mandates on-going monitoring, assessment and protection of the storage, transmission, and authentication of electronic protected health information. In addition, the DHS, through the MQD, has contracted with a consulting firm to implement the HIPAA security rules department-wide. This will be an on-going task with projected completion sometime in 2006. The next HIPAA transaction and code set mandate is electronic claims attachments and will require the MQD to modify the current computer system to accommodate this new HIPAA standard.

Lastly, implementation of the HIPAA National Provider Identifiers (NPI) standard, which requires a standard unique health identifier for health care providers, has begun. All health care providers who are covered entities must obtain and use NPIs. All health care payors, such as MQD, will be required to accept the NPI as the only national health care provider identifier. Compliance date for implementation of the HIPAA NPI is May 23, 2007.

- As part of the HAPA Claims Project, new Medicaid plastic ID cards were distributed to each eligible recipient in October 2002. These cards are permanent and include the recipient's name, date-of-birth and HAWI ID number. Providers must check eligibility each time a recipient presents this card.

A number of ways have been implemented to assist providers in verifying eligibility. The Automated Voice Response System was implemented with the information of each recipient. The provider simply enters key information to receive required information on the recipient within seconds. There is no cost to providers to utilize the System.

Online eligibility verification through the internet was made available in November 2002. The provider enters key information and the system will search for status information. Online verification is available at no cost to providers.

A provider may also purchase a point-of-sale (POS) instrument to swipe the recipient's card upon arrival in their office. Within seconds, information on that recipient will be printed for the provider.

- With over 11,000 hits daily, a new and improved MQD website was also implemented this year. Information on Med-QUEST, QUEST, Fee-For-Service programs, provider information and updates, HIPAA information and other data can be found at www.med-quest.us.

B. SOCIAL SERVICES DIVISION (SSD): Programs, Services, and Achievements

ADULT AND COMMUNITY CARE SERVICES (ACCS)

The Social Services Division's Adult and Community Care Services Branch (ACCSB) administers eleven innovative programs, described below, to help prevent premature institutionalization of vulnerable dependent adults and children by providing a continuum of comprehensive home and community-based services and Medicaid waiver programs.

Program Goals

Prevention of Premature Institutionalization

- Provide a continuum of comprehensive home and community-based services.
- Increase the availability and choices of home and community-based service alternatives for frail and disabled adults and children.
- Maximize Federal funds for reinvestment to expand home and community-based service alternatives.

The eleven home and community-based services include:

Chore Services provides essential housekeeping services to enable eligible disabled clients to remain in the community. To receive chore services, an individual must be eligible for Supplemental Security Income (SSI), Medicaid, or financial assistance from the Department. Services may also be provided without regard to income in adult protective situations.

Adult Day Care assists a limited number of disabled adults with placement into and the cost for licensed adult day care services in the community. To receive adult day care services, an individual must be eligible for Supplemental Security Income (SSI), Medicaid, or financial assistance from the Department

Adult Foster Care provides placement and case management services to eligible clients in licensed adult residential care homes. To receive adult foster care services, an individual must be eligible for Supplemental Security Income (SSI), Medicaid, or financial assistance from the Department

Senior and Respite Companion Programs provides stipends to low income older adults who provide in-home companionship and limited personal care to frail elders and provide respite and relief for caregivers.

Foster Grandparent Program enables low-income seniors to assist children with special and exceptional needs.

The Medicaid waiver programs include:

Nursing Home Without Walls (NHWW), established in 1983 to provide in-home services, as an alternative to institutional care, to Medicaid-eligible individuals, including children, certified as requiring nursing facility level of care.

Residential Alternatives Community Care Program (RACCP), established in 1983 to provide residential placements in foster homes, Expanded ARCHs (Adult Residential Care Homes), and assisted living facilities as alternatives to more costly institutional care for Medicaid-eligible adults who require nursing facility level of care but who are not able to benefit from in-home services because they have no caregivers or a residence.

Developmentally Disabled/Mentally Retarded Home and Community-Based Services Program (DD/MR HCBS), established in 1983 to serve individuals with developmental disabilities and mental retardation living in the community who are Medicaid-eligible and certified as requiring ICF-MR (Intermediate Care Facility-Mental Retardation) level of care. The Departments of Human Services and Health collaborate to administer and implement this program and to maximize Federal Medicaid reimbursement.

HIV Community Care Program (HCCP), established in 1989 to provide persons diagnosed with HIV infection and/or AIDS who are Medicaid-eligible and certified as requiring nursing facility level of care with care services that support living in the community during the last stages of the disease.

Medically Fragile Community Care (MFCC), established in 2000 to serve children under 21 years old, who are Medicaid-eligible, needing sub-acute or nursing facility level of care, and whose families need support to keep them in the home or in a licensed child foster home.

Program of All-inclusive Care for the Elderly (PACE), established in 1995, is a comprehensive health and long-term managed care program that provides services for elders certified as requiring nursing facility care (minimum intermediate care facility (ICF)) through a fixed per person per month rate. Individuals must voluntarily select PACE which includes primary medical care provided by the PACE physician. Services are primarily provided at the Maluhia and Leahi Day Centers.

ACCS Program Achievements

- In FY 03, institutionalization was prevented or delayed for 5,007 frail elders, and disabled adults and children in the State: 1,204 through the chore services program, 83 through the adult day care program, 176 through adult foster care services, and 3,544 individuals through the Medicaid waiver programs.

In FY 04, institutionalization was prevented or delayed for 5,869 frail elders, and disabled adults and children in the State: 1,377 through the chore services program, 68 through the adult day care program, 167 through adult foster care services, and 4,257 individuals through the Medicaid waiver programs.

- In FY 03, the Senior Companion/ Respite Companion Programs together provided 206 companions and delivered 154,721 hours of service to 836 clients.

In FY 04, the Senior Companion/Respite Companion Programs together provided 214 companions and delivered 150,541 hours of service to 773 clients.

- The Foster Grandparent Program recruited 165 foster grandparents who worked with 730 children with special needs in FY 03.

The Foster Grandparent Program recruited 165 foster grandparents who worked with 800 children with special needs in FY 2004, with 128,903 hours of service (an average of 781 hours annually per foster grandparent).

- The RACC Program served 684 clients in FY 03 and 1,165 clients in FY 04, a 70% increase or 481 more individuals served.
- The NHWW Program served 845 individuals in FY 03 and 912 individuals in FY 04, an increase of 8%.

- The DD/MR HCBS Program served 1,773 individuals in FY 03, or 216 (about 14 %) more than in FY 02, when 1,560 individuals were served. In FY 04, 1,945 individuals were served, or 172 more individuals, a 10% increase over FY 03.
- The MFCC Program served 45 individuals in FY 03, or 22 (96%) more individuals than in FY 02, when 23 individuals were served. In FY 04, 48 individuals were served, a 3% increase.
- The HCC Program served 92 individuals in FY 03 and 83 in FY 04.
- The PACE Program served 105 individuals in FY 2003 and 104 in FY 04..

HOME AND COMMUNITY-BASED SERVICES CLIENTS

PROGRAM	FY 01 Actual		FY 02 Actual		FY 03 Actual		FY 03 Actual	
Chore	1423		1359		1204		1377	
Adult Day Care	92		87		83		68	
Adult Foster Care	328		249		176		167	
Senior Companion ¹	156	587	152	607	147	602	151	557
Respite Companion ²	60	306	53	241	59	234	63	215
Foster Grandparent ³	162	720	165	730	165	730	165	800
<i>Medicaid Waiver Programs:</i>								
<i>NHWW</i>	805		854		845		912	
<i>RACCP</i>	653		814		684		1165	
<i>DD/MR HCBS</i>	1335		1560		1773		1945	
<i>HCCP</i>	86		92		92		83	
<i>MFCC</i> ⁴	17		23		45		48	
<i>PACE</i>	107		104		105		104	
<i>Medicaid Waiver Program Total:</i>	3,003		3,447		3,544		4,257	

¹ Senior Companions served annually |Clients served annually (Prior to FY 00, numbers reflected average number of clients served monthly).

² Respite Companions served annually |Clients served annually (Prior to FY 00, numbers reflected average number of clients served monthly).

³ Foster Grandparents served annually |Children with special needs served annually.

⁴ The MFCC Program began operations in March 2000.

- A new computer payment system for the Medicaid waiver programs, developed in coordination with the Department's Med-Quest Division, was put into operation.
- The ACCSB assumed responsibility for maintaining the Department's accounting of the state Supplemental Security Income (SSI) payments to eligible Federal SSI recipients.
- Established criteria for RACC participants to receive State supplements to federal SSI payments.
- The Centers for Medicare and Medicaid Services (CMS), the federal agency in charge of the Medicaid waiver program, approved the Department's request to add Specialized Medical Equipment and Supplies as a new service under the HCCP and NHWW Medicaid waiver programs. This service will contribute to maintaining eligible waiver clients in community-based care and out of institutions.
- The CMS approved 5-year renewals for the MFCC - 3/1/03 through 2/28/08; the HCC - 6/1/03 through 5/31/08; and the DD/MR - 7/1/2001 through 6/30/06 programs.

- The Senior Companion Program (SCP) received a Program for National Significances (PNS) grant of \$13,317 to support three Senior Companions on Molokai to serve 8-10 clients. The funds are part of President Bush's national Homeland Security initiative, for disaster preparedness, i.e., assisting frail homebound seniors to minimize risks/injuries in the home, as well as to have a disaster plan.

Planning for the Future

- With the increased need for long-term care alternatives, opportunities to further expand cost effective programs, such as the Nursing Without Walls (NHW) and the Residential Alternatives Community Care (RACC) Medicaid waiver programs, which help to prevent premature institutionalization will be sought and explored.

CHAPTER SIX DHS ADMINISTRATION AND SUPPORT SERVICES

A. DHS ADMINISTRATION

The Office of the Director has the primary responsibility for the daily operations of the DHS. The Director is appointed by the Governor and confirmed by the Senate, and is assisted by the Deputy Director.

Five Staff Offices support the DHS Administration, operating divisions, and attached agencies.

The Administrative Appeals Office (AAO), headed by Susan Wong, provides administrative proceedings for contested cases for the DHS' programs. It has contracts with seventeen (17) attorneys in private practice to conduct hearings for the Department. The AAO receives almost 1,5000 fair hearing requests and referrals annually and it issues about 700 fair hearing decisions each year. The AAO also serves as the rules coordinator for the Department and reviews administrative proceedings for the adoption, modification, or repeal of departmental rules.

The Fiscal Management Office (FMO), managed by Ed Igarashi, provides staff assistance and advisory services for the administrative functions of fiscal management and housekeeping services. The FMO formulates policies and procedures and administers the Department's central accounting, funds management, client and vendor payment, employee payroll, inventory management, contracting, purchasing, records management, office space allocation, and central mail distribution functions. The FMO also provides consultative and technical advisory services in these functional areas.

The Management Services Office (MSO), led by Benjamin Fong, provides research, budget, quality assurance, program and financial evaluation, and assessment capabilities to enable the DHS to oversee its programs and to make effective decisions concerning those programs. The MSO conducts studies, analyses, evaluations, and reviews to ensure regulatory compliance, achievement of stated goals and objectives, and effective and efficient departmental programs and services and use of resources.

The Office of Information Technology (OIT) is responsible for the overall administration, planning, direction, management, development, implementation and maintenance of all Information Technology (IT) and Information Systems processing for the Department statewide. The OIT, with approximately 60 employees, provides project planning and management, business application systems development and maintenance, systems software and hardware management, tele-communications and network management and support, technical training, and operates the Data Center including computing facilities management, data control and technical help desk functions located in the Queen Liliuokalani Building basement. The OIT also oversees the administration of the dedicated DHS Mainframe system complex and all hardware peripherals located at the Department of Accounting and General Services (DAGS) Information and Communication Services Division (ICSD), separate from the State's mainframe system. Additionally, this office also directs and coordinates all IT matters within and between the DHS and other State and county agencies, federal agencies, and commercial hardware and software vendors including private consultants. James Lum is the Chief Information Officer.

The Personnel Office (PERS), managed by Ed Nose, oversees the personnel programs of the Department, including recruitment, examination and placement, position description, classification and pricing analysis, labor relations, civil rights, employee safety and relations, employee training and development, personnel transactions, and maintenance of personnel records.

B. INVESTIGATION AND RECOVERY OFFICE (INVO)

The INVO provides investigative services in support of the DHS' efforts to discover, investigate, report, and prosecute crimes that violate rules for programs administered by the BESSD. In addition to prosecutions, the INVO disqualifies clients found to have provided false eligibility information and recovers, to the maximum amount practicable, moneys due the DHS as a result of overpayments. The INVO also conducts investigations of malfeasance within the Department.

In FY 2003, the INVO received 2,631 complaints and referrals from fraud hotlines and DHS eligibility workers. Eight hundred sixty-three (863) individuals were disqualified for fraudulently obtaining benefits. In addition, the INVO referred 164 cases to the prosecutors' offices after investigations. The total fraud amount involved in these cases was \$2,655,772.

In FY 2004, the INVO received 2,428 complaints and referrals from fraud hotlines and DHS eligibility workers. Six hundred seventeen (617) individuals were disqualified for fraudulently obtaining benefits. In addition, the INVO referred 153 cases to the prosecutors' offices after investigations. The total fraud amount involved in these cases was \$3,005,958.69.

INVO is now in the second year of a very successful campaign aimed at keeping fleeing felons from receiving food stamps or financial aid. We now do a computer match with the FBI's National Crime Information Center (NCIC) every six months. In the October 2003 match, 137 people with warrants out for their arrest from across the nation, were identified and their cases were closed. In June of 2004, we discovered 134 new fleeing felons had signed up in just six months time. Notices on this new batch are now going out to workers, disqualifications will be effective in September 2004. Several have filed for fair hearings but none have been successful. We have also indicted many of these same individuals for the additional charge of welfare fraud. Fleeing felons are ineligible for benefits until they settle the conditions of their warrants with the issuing law enforcement agencies. This year's removal of 271 felons from DHS rolls means an annual departmental savings of \$1,599,192.00

	FY 03	FY 04		FY 03	FY 04
COMPLAINTS	2,631	2,428	INDICTED		
REFER TO AG	164	153	FINANCIAL	\$1,204,411	\$1,213,606
INDICTED	132	152	FOOD STAMPS	\$ 621,063	\$ 733,869
CONVICTED	112	103	MEDICAL	\$ 294,857	\$ 255,030
REFER ADH	323	312	CHILD CARE	\$ 114,784	\$ 165,347
ADH GUILTY	127	172	OTHER	\$ 115,028	\$ 214,197
ADH WAIVERS	863	617	TOTAL	\$2,350,143	\$2,582,048
REFER TO ATG			CONVICTED		
FINANCIAL	\$1,287,018	\$1,384,533	FINANCIAL	\$ 955,173	\$1,037,776
FOOD STAMPS	\$ 752,057	\$ 752,358	FOOD STAMPS	\$ 431,933	\$ 517,200
MEDICAL	\$ 280,456	\$ 310,479	MEDICAL	\$ 274,475	\$ 246,642
CHILD CARE	\$ 124,740	\$ 351,516	CHILD CARE	\$ 48,167	\$ 132,266
OTHER	\$ 211,501	\$ 207,073	OTHER	\$ 76,367	\$ 206,537
TOTAL	\$2,655,772	\$3,005,959	TOTAL	\$1,786,114	\$2,140,420
REFER ADH			ADH & WAIVERS		
FINANCIAL	\$ 107,604	\$ 111,666	FINANCIAL	\$ 475,820	\$ 324,054
FOOD STAMPS	\$ 88,942	\$ 104,203	FOOD STAMPS	\$ 382,105	\$ 394,713
MEDICAL	\$ 2,181		MEDICAL	\$ 9,524	\$ 17,821
CHILD CARE			CHILD CARE	\$ 7,997	\$ 9,261
OTHER	\$ 390		OTHER	\$ 390	
TOTAL	\$ 199,117	\$ 215,369	TOTAL	\$ 875,836	\$ 745,849

CHAPTER SEVEN ATTACHED AGENCIES

Two agencies, the Office of Youth Services and the Housing and Community Development Corporation of Hawaii are attached to the DHS for administrative purposes.

A. OFFICE OF YOUTH SERVICES (OYS): Programs, Services, and Achievements

The Office of Youth Services (OYS) was established by the Legislature in 1989 and administratively placed within the DHS. The OYS provides and coordinates a continuum of services and programs for youth-at-risk to prevent delinquency and reduce the incidence of recidivism. The OYS also strives to provide a clear sense of responsibility and accountability for all youth services in Hawaii. Although a core responsibility of the OYS is to manage and operate the Hawaii Youth Correctional Facility (HYCF), the agency places great emphasis on providing and supporting “front end” prevention, diversion, and intervention services.

The OYS focuses on six programs that address youths’ needs from prevention to incarceration and aftercare. The following is a brief description of the programs and services the OYS provided in FY 2003.

1) YOUTH SERVICE CENTERS (YSC)

The OYS partially funds several YSC across the State to provide services that enable youth at risk to develop positive personal attributes. The YSC are a means to provide youth and families with direct access to a continuum of support, prevention programs, and intervention services as well as information and referral services to a variety of agencies and resources within a community-oriented family support environment. The effective YSC incorporate a community planning process which includes citizen and family involvement, focus on accountability, encourage interagency collaboration to ensure that individuals receive help “under one roof but from several sources,” and create partnerships and joint ventures.

Conducting activities during after-school hours, weekends, school intercessions, and holidays so as to complement and not duplicate other youth services, the YSC agencies provide targeted community outreach services and case management and supportive counseling to youth and their families. Community outreach involves staff making direct contact with youth, school personnel, and community members and organizations in an identified community to actively seek out youth to have them participate in activities and programs and to link with services that could enable them to interact and participate more successfully in the school and/or community as violence-free and drug-free individuals. The positive activities and programs that youth may engage in at the YSC include sports and physical fitness, performing, visual, and culturally-focused arts and crafts, and educational development and support services such as tutoring, service learning, and career exploration.

2) YOUTH GANG RESPONSE SYSTEM (YGRS)

The YGRS was created to address issues relating to youth gang involvement through an orderly and coordinated effort. The YGRS builds and maintains partnerships between public and community-based organizations to provide meaningful and positive opportunities for youth at-risk for gang involvement and youth who are already involved with gangs.

This statewide network of organizations meets regularly to foster the development of on-going strategies that incorporate the following critical elements: (1) law enforcement and gang

intelligence; (2) information sharing; (3) training and community awareness; (4) school and community-based prevention and intervention programs; and (5) research and evaluation.

As a result of this collaboration, at-risk youth, schools, and communities benefit from a range of YGRS services that include school-based gang prevention programs, anti-gang public awareness presentations and campaigns, truancy intervention services, gang/delinquency intervention programs, anti-gang law enforcement sweeps, anti-gang training, informational forums, and on-going research on youth gang and delinquency trends. The YGRS is confident that these types of services help our at-risk youth to discover essential assets that will guide them toward healthier and safer lifestyles.

3) ADOLESCENT DIVERSION – HO`OKALA

Ho`okala, which means to “free or release,” is a statewide diversion program that the Juvenile Justice State Advisory Council and the OYS began in 1993 to ensure that juveniles are not secured inappropriately in police lock-up. The program was implemented to maintain compliance with three of the four federal mandates of the Juvenile Justice and Delinquency Prevention (JJDP) Act of 1974, as amended.

Ho`okala provides status offenders and non-violent law violators who have been arrested and who would otherwise be securely confined in police lock-ups, with 24-hour access to immediate crisis intervention services, assessment services, referral services, and short-term case management services. The program provides one-to-one supervision (attendant care) for youth whose parents cannot be contacted, case management and/or access to emergency shelter services. Through these services, the program aims to divert juveniles from further involvement with the juvenile justice system and to provide immediate intervention at the point of arrest.

4) NON-RESIDENTIAL AND IN-COMMUNITY SERVICES

Non-residential and in-community services provide appropriate intervention and supportive services to youth who are experiencing behavioral, emotional, substance abuse, or adjustment problems while in the community. Youth who benefit from these services are those who may be at risk for incarceration or further involvement in the juvenile justice system, or who are in transition from incarceration at the HYCF to the community. These services include assessment/diagnosis, intensive supervision, individual, group and family counseling, cognitive restructuring, anger management skill development, independent living, social skill building, self-concept development, alternative educational services, and substance abuse education. Family strengthening activities are also provided as part of an overall effort to successfully maintain the youth in their families.

5) COMMUNITY-BASED RESIDENTIAL SERVICES

Institutional care for the majority of our troubled, abused, and neglected youth is not appropriate. Youth who do not require secure confinement or institutional care are better served in a less restrictive environment that can provide individual and intensive services that are conducive to their growth and development. Less restrictive programs are often more cost-effective and better suited in fostering positive change in at-risk youth. Community-based residential programs allow youth in transition a unique opportunity to experience, in a safe and nurturing environment, many challenges they will face when living within a community. The goal of residential services is to provide an environment in which youth are able to increase their resiliency and reduce their risk factors to the extent they are able to safely return to a more permanent living situation. Services are provided to assist youth by increasing their decision-making, social and independent living skills, and by increasing their commitment to learning and education as important factors in their lives. Residential programs are provided on all major islands and provide an opportunity for youth to remain on their respective island near family and other community support systems.

6) HAWAII YOUTH CORRECTIONAL FACILITY (HYCF)

The primary purpose of the HYCF is to provide safe and secure housing for the most violent and dangerous juvenile offenders who pose a threat to the community. The HYCF provides a variety of counseling, treatment, and educational services within the facility to aid in the redirection and rehabilitation of each ward. The programs conducted within the facility are intended to be a part of this effort to provide guidance and opportunities for positive changes in the behavior of the youth.

The HYCF developed a vocational training program that was designed to instill good work ethics and appropriate social skills necessary for the youth to gain employment, and to introduce the youth to real work experience. The youth are taught basic job skills in aquaculture, hydroponics, vehicle repair and maintenance, food services, and building maintenance skills such as carpentry, painting, plumbing, electrical, and welding. The Hawaii Department of Education has recognized and granted high school credits for youth enrolled in the vocational training program. The program was developed by the OYS in partnership with the University of Hawaii's Employment Training Office (ETO). The ETO instructors trained and certified the maintenance staff as vocational trainers. The vocational trainer's learning modules included curricula development and classroom management. These foundational skills have greatly contributed to the success of the program. Also, periodic recertification help maintain the high level skills taught to the trainers.

The Vocational Training Facility, which was completed a few years ago, includes classrooms, offices for the trainers, and workshop areas adequately equipped for classroom and hands on instruction. The vocational training program is a fine example of a well-designed program and serves as a showpiece at the HYCF.

7) FEDERAL GRANT PROGRAMS

In addition to the service areas, the OYS also oversees and manages a variety of federal grant programs that enable the State to improve the juvenile justice and education systems and/or implement local programs and services for youth. The following narratives provide a brief description of each of these federal grant programs

US DEPARTMENT OF JUSTICE, OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION (OJJDP)

The OYS is the State agency designated by the Governor to manage four block grant programs and one discretionary grant program. These programs are administered by the OJJDP, and are intended to assist states in improving the effectiveness of their juvenile justice system.

Juvenile Justice and Delinquency Prevention Act

In 1974, Congress enacted the federal Juvenile Justice and Delinquency Prevention (JJDP) Act to improve the effectiveness of the juvenile justice system. It has been repeatedly reauthorized and reflects Congressional awareness of the differences in managing juvenile and adult offenders, as well as a belief in the key role of prevention and early intervention in combating juvenile crime and violence. The Act was recently reauthorized in November 2002.

The Act requires states to establish a State Advisory Group (SAG), appointed by the Governor, to and to provide policy recommendations to the Governor, the Legislature, and the OYS. That Act also requires the SAG to over see the administration of the following JJDP Act programs:

JJDP Act, Title II, Formula Grants Program

The Formula Grants Program enables states to meet and maintain compliance with the four core requirements of the JJDP Act, support delinquency prevention efforts, and improve the

juvenile justice system. The core requirements require the deinstitutionalization of status offenders, removal of law violators from jails and lockups, elimination of sight and sound contact between juveniles and adult offenders, and reduction of the disproportionate numbers of youth of ethnic minority who come into contact with the law.

JJDP Act, Title V, Incentive Grants for Local Delinquency Prevention Program

The Title V grants program is aimed at reducing delinquency and youth violence by supporting local communities in implementing delinquency prevention programs. Grants are made to the counties that are in compliance with core requirements of the JJDP Act. The program requires establishment of a Policy Prevention Board to oversee the implementation of the prevention programs.

JJDP Act, Title II, Part E, State Challenge Activity Grants Program

The State Challenge Activities Grants Program provides incentives for states that are in compliance with the core requirements of the JJDP Act. These incentives are provided to improve the state's juvenile justice system by developing and improving policies and programs in one of more than ten specific Challenge Activities areas.

Juvenile Accountability Incentive Block Grant (JAIBG) Program

The JAIBG program provides funds to states and units of local government to promote greater accountability in the juvenile justice system. Through this program, juvenile offenders are held accountable for their wrongdoing by individualizing their consequences to make them aware of and answerable for the loss, damage, or injury perpetuated upon victims. The SAG oversees the administration of this program by serving as the State Juvenile Crime Enforcement Coalition, which is charged with developing a plan to reduce juvenile recidivism.

Enforcing Underage Drinking Laws Program (Discretionary Grants Program)

The Enforcing Underage Drinking Laws Program assists local communities in actively addressing the problem of alcohol consumption by minors by funding a variety of educational, enforcement, and collaboration efforts.

U.S. DEPARTMENT OF EDUCATION, TITLE IV, PART A, SAFE AND DRUG FREE SCHOOLS AND COMMUNITIES ACT (SDFSCA) STATE FORMULA GRANTS, GOVERNOR'S PROGRAM

The OYS administers the Governor's Program which is 20% of the total amount of this award received by the State for the purpose of fostering safe and drug-free learning environments and supporting academic achievement. The Governor's portion is primarily awarded to community-based agencies that provide drug-use and violence prevention activities for populations needing special services, such as dropouts and suspended and expelled students. The services also target youth between the ages of 10 to 19 years old who have been arrested, have had contact with the police, or are experiencing social, emotional, psychological, educational, moral, physical or similar problems, or who are of ancestry over-represented within the juvenile justice system.

U.S. DEPARTMENT OF HEALTH AND HUMAN SERVICES – TITLE XX BLOCK GRANT

The purpose of the Title XX Block Grant Program is to provide services to at-risk youth and youth in need of foster care. A primary goal of this grant is to increase the level of self-sufficiency for youth and prevent institutionalization within the social welfare or juvenile justice systems.

OYS Achievements

- A 35 % reduction in youth population at the HYCF, allowing less serious youth offenders to be placed in alternative programs in their communities.
- Working with government and private partners to develop more community alternatives to incarceration, i.e., the \$2.68 million Hale Kipa contract, which is meant to divert youth away from the juvenile justice system.
- Permanently replacing the HYCF administrator and the conviction of a youth correction officer who sexually assaulted female wards.
- On Maui, the positive outreach incentive (POI) program, funded through the OYS, is a voluntary initiative that provides immediate consequences and intervention services to youth that admit their involvement in their accused offenses. These youth are able to participate in a “work crew” that provides a range of community services including painting over graffiti within their community as well as cleaning-up various county parks across the island. Between January 2003 and June 2004, a total of 101 youth entered the program and 61 youth successfully completed all program requirements.

The OYS Annual Report can be found on-line at ww.hawaii.gov/dhs/dhs_legislative_reports.htm.

B. HOUSING AND COMMUNITY DEVELOPMENT CORPORATION OF HAWAII (HCDCH): Programs, Services, and Achievements

The Housing and Community Development Corporation of Hawaii was established by Act 350, Session Laws of Hawaii 1997, which consolidated the Hawaii Housing Authority (HHA), Housing Finance and Development Corporation (HFDC), and the Rental Housing Trust Fund Commission (RHTF) into a single housing entity effective July 1, 1998. Previously, the HHA administered and/or managed federal and state low-rent public housing projects and subsidy programs, as well as facilities to assist the homeless, the HFDC administered housing finance and development programs that assisted low and moderate-income renters and first-time homebuyers, and the RHTF financed affordable rental housing projects. The Act placed HCDCH under the Department of Business, Economic Development and Tourism (DBEDT) for administrative purposes.

On July 1, 2003, the HCDCH was transferred from the DBEDT to the Department of Human Services (DHS) pursuant to Act 92, Session Laws of Hawaii (SLH) 2003. The need for affordable housing runs along a continuum from no shelter to permanent rentals and for-sale housing.

The continuum of housing begins with the unsheltered homeless who need immediate relief. The first response is outreach and assessment to identify an individual's or family's needs and unite them with facilities and services. Moving along the housing continuum, emergency shelters provide safe, decent housing alternatives to living on the streets. The next step is transitional housing, which provides appropriate supportive services such as job training, child care, substance abuse treatment, mental health services and instruction in life skills. The different needs of the homeless are coordinated with and among the various state, federal, county, and private non-profit organizations.

Further along the continuum is permanent housing – for rental or homeownership. Federal and State low rent public housing and rental subsidy programs provide very low and low income individual and families with access to safe, decent, and affordable housing. The Corporation's financing and development assistance programs facilitate the development of affordable housing that addresses the unrelenting shortage of affordable housing. Programs include, but are not limited to, low-income housing tax credits, multi-family bond financing, interim construction financing, and Hula Mae single family mortgage loans for first-time homeowners. In regards to homeownership and the final stage in the continuum of housing, HCDCH offers the Hula Mae Single Family and the Mortgage Credit Certificate Programs.

Program Goals

The Corporation has adopted a comprehensive and integrated approach in providing Hawaii's residents with opportunities for affordable housing and supportive services. The direction of HCDCH has been:

- Focus on increasing and preserving permanent housing opportunities for the most vulnerable households.
- Assist private developers and non-profit organizations in providing affordable housing in independent and supportive settings. In addition, HCDCH facilitates of housing opportunities rather than directly undertakes development of housing.
- Foster resident responsibility and self-sufficiency rather than dependency.
- Facilitate community development versus stand-alone projects.
- Strive to maintain self-supporting housing operations.

HCDCH Achievements for FY 03 and FY 04

The below table shows the total number of units and persons being served by HCDCH in 2003-2004:

Housing Program	Units	Persons Served
Federal Public Housing	5,398	13,070
State Public Housing	864	1,370
Homeless	403	5,040
Emergency Beds	413	-----
Section 8 Tenant-Based	3,058	7,156
Section 8 Project-Based (Owned)	174	500
Section 8 Project-Based (Contract Administration)	2,283	5,700
State Rent Supplement	405	582
Hula Mae Single Family	9,756	29,268
Mortgage Credit Certificate	545	1,635
Low-Income Housing Tax Credit	4,162	*
Rental Housing Trust Fund	2,270	*
Hula Mae Multi-Family	571	*
Rental Housing System	1,363	*
Rental Assistance Subsidy	1,437	*
Rental Assistance Construction	786	*12,680
Total	33,888	7,001

*Combined Total (Units receiving multiple financing from HCDCH were counted once.)

In addition, the HCDCH:

- Completed the restoration and repairs of four federal housing projects: Maili, Salt Lake, Waimaha Sunflower Phase 3, and Lanakila Phase 2A.
- Awarded a total of \$4.1 million in low-income State and federal tax credits and \$13 million in low-interest loans to six developers who will build new or preserve existing affordable housing units on Hawaii, Kauai, Maui and Oahu. The six projects will provide a total of 323 affordable housing units for seniors and families.
- Approved the transfer of lands in Lahaina to the Department of Hawaiian Home Lands (DHHL) for development of as many as 2,700 new homes on the Big Island, 326 homes on Oahu, and 304 new homes on Maui.
- On Hawaii, over \$500,000 in tax credits per year for 10 years and \$3.3 million in construction financing for 60 affordable elderly rentals through the 2002 were committed through the Kinoole Limited Partnership in Hilo and \$600,000 in tax credits per year for 10 years and \$3 million in construction financing were committed for the Hualalai Elderly Housing in Kailua-Kona.

Also, the transfer of lands in Kona to DHHL for the development of as many as 2,700 new homes for Native Hawaiians was approved.

In Hilo, HCDCH partnered with the U.S. Department of Housing and Urban Development to provide \$268,245 in federal funding for the Boys and Girls Club to develop anti-drug programs for youth and to renovate the existing clubhouse.

- On Kauai, \$4.4 million in Rental Housing Trust Fund financing for the preservation of 58 affordable rentals was committed through the Lihue Gardens Preservation Limited Partnership.

\$500,000 in tax credits per year for 10 years were provided for 40 units of affordable family rental housing which opened in Hanamaulu.

- On Maui, \$900,000 in tax credits per year for 10 years for 61 affordable elderly rentals were provided through the Wailuku Senior Living Limited Partnership, which began construction.

\$600,000 in tax credits was committed per year for 10 years for 34 affordable elderly rentals through the Hale Mahaolu Ehiku Limited Partnership on Maui.

Lands in Lahaina were transferred to the DHHL for the development of as many as 304 new homes for Native Hawaiians.

- On Oahu, \$800,000 in tax credits per year for 10 years were committed for 64 affordable family rentals through the Palehua Terrace 2 Limited Partnership, \$1.5 million in tax credits per year for 10 years and \$2.4 million in Rental Housing Trust Fund permanent financing were committed for 107 elderly affordable rental units through the Tusitala Limited Partnership on Oahu, and \$800,000 in tax credits per year for 10 years and \$3.8 million in Rental Housing Trust Fund permanent financing were provided for 54 units of affordable family rental housing which opened in Honolulu.

Lands in Kapolei were transferred to the DHHL for development of as many as 326 new homes for Native Hawaiians.

\$300,000 in federal funding was obtained to assist the elderly and disabled in public housing to continue to live independently.

For more information on the HCDCH go to www.hcdch.hawaii.gov/.

APPENDIX I A

**THE BUDGET FOR FISCAL YEAR 2003
By Division and Attached Agency**

<u>Division</u>	<u>HMS</u>	<u>Program Title</u>	<u>Positions</u>	<u>Amount</u>
BESSD	201	Temporary Assistance to Needy Families	0.00	\$67,754,595
BESSD	202	Payments to Assist the Aged, Blind and Disabled	0.00	\$13,303,299
BESSD	203	Temporary Assistance to Other Needy Families	0.00	\$36,741,096
BESSD	204	General Assistance Payments	0.00	\$23,761,632
BESSD	206	Federal Assistance Payments	0.00	\$1,491,331
BESSD	236	Eligibility Determination & Employment-Related Services	594.00	\$24,757,791
BESSD	237	Employment and Training	0.00	\$1,714,574
BESSD	302	Child Care Services	26.00	\$6,399,645
BESSD	305	Child Care Payments	0.00	\$42,184,561
BESSD	903	General Support for Benefit, Employment & Support Services	106.00	\$35,470,143
MQD	230	Health Care Payments	0.00	\$401,397,094
MQD	245	QUEST Health Care Payments	0.00	\$321,895,685
MQD	902	General Support for Health Care Payments	213.00	\$24,822,275
SSD	301	Child Welfare Services	451.50	\$45,476,882
SSD	303	Child Placement Board and Related Client Payments	0.00	\$41,397,376
SSD	601	Adult Community Care Services Branch	117.50	\$19,961,202
SSD	603	Home-Based and Community-Based Care Services	0.00	\$92,394,899
SSD	901	General Support for Social Services	47.00	\$2,851,931
VRSBD	238	Disability Determination	45.00	\$4,798,445
VRSBD	802	Vocational Rehabilitation	120.50	\$14,992,650
OYS	501	Youth Services Administration	22.00	\$5,751,712
OYS	502	Youth Services Program	0.00	\$4,492,916
OYS	503	Youth Residential Programs	77.00	\$7,293,385
ADMIN	904	General Administration of the DHS	187.00	\$8,670,997
DHS TOTAL:			2,006.50	\$1,249,776,116

APPENDIX I B

**THE BUDGET FOR FISCAL YEAR 2004
By Division and Attached Agency**

<u>Division</u>	<u>HMS</u>	<u>Program Title</u>	<u>Positions</u>	<u>Amount</u>
BESSD	201	Temporary Assistance to Needy Families	0.00	\$73541648
BESSD	202	Payments to Assist the Aged, Blind and Disabled	0.00	\$6,644,528
BESSD	203	Temporary Assistance to Other Needy Families	0.00	\$25,510,633
BESSD	204	General Assistance Payments	0.00	\$21,911,632
BESSD	206	Federal Assistance Payments	0.00	\$1,809,458
BESSD	236	Eligibility Determination & Employment-Related Services	591.00	\$27,516,491
BESSD	237	Employment and Training	0.00	\$1,688,755
BESSD	302	Child Care Services	26.00	\$6,746,006
BESSD	305	Child Care Payments	0.00	\$61,943,778
BESSD	903	General Support for Benefit, Employment & Support Services	105.00	\$37,174,981
MQD	230	Health Care Payments	0.00	\$515,355,048
MQD	245	QUEST Health Care Payments	0.00	\$309,293,699
MQD	902	General Support for Health Care Payments	218.00	\$25,801,747
SSD	301	Child Welfare Services	451.50	\$46,897,309
SSD	303	Child Placement Board and Related Client Payments	0.00	\$45,260,712
SSD	601	Adult Community Care Services Branch	117.50	\$13,700,111
SSD	603	Home and Community-Based Care Services	0.00	\$86,331,040
SSD	605	Community-Based Residential Support	0.00	12,711,261
SSD	901	General Support for Social Services	47.00	\$3,103,480
VRSBD	238	Disability Determination	45.00	\$5,048,313
VRSBD	802	Vocational Rehabilitation	120.50	\$15,915,200
HCDCH	220	Rental Housing Services	221.00	\$47,734,373
HCDCH	222	Rental Assistance Services	17.00	\$26,710,677
HCDCH	223	Broadened Homesite Ownership	0.00	\$237,012
HCDCH	224	Homeless Services	4.00	\$6,283,495
HCDCH	225	Private Housing Development and Ownership	22.00	\$3,572,936
HCDCH	227	Housing Finance	11.00	\$4,405,532
HCDCH	229	HCDCH Administration	49.00	\$13,257,852
HCDCH	231	Rental Housing Trust Fund	0.00	\$14,008,563
HCDCH	807	Teacher Housing	0.00	\$358,567
OYS	501	Youth Services Administration	22.00	\$5,645,472
OYS	502	Youth Services Program	0.00	\$4,852,153
OYS	503	Youth Residential Programs	89.00	\$6,952,623
ADMIN	904	General Administration of the DHS	<u>188.00</u>	<u>\$9,439,093</u>
DHS TOTAL:			2,344.50	\$1,487,364,17

APPENDIX II

DEPARTMENT OF HUMAN SERVICES

BENEFIT, EMPLOYMENT & SUPPORT SERVICES DIVISION

STANDARD OF ASSISTANCE FOR FINANCIAL AND FOOD STAMP PROGRAMS

FINANCIAL ASSISTANCE PROGRAM - MONTHLY ALLOWANCE STANDARD (Effective March 1, 2000)														
HH SIZE	SON	1 SOA	2 SOA	3 SOA	HH SIZE	SON	1 SOA	2 SOA	3 SOA	HH SIZE	SON	1 SOA	2 SOA	3 SOA
1	670	418	335	418	6	1845	1153	922		11	3020	1887	1510	
2	905	565	452	565	7	2080	1300	1040		12	3255	2034	1627	
3	1140	712	570		8	2315	1446	1157		13	3490	2181	1745	
4	1375	859	687		9	2550	1593	1275		14	3725	2328	1862	
5	1610	1006	805		10	2785	1740	1392		15	3960	2475	1980	
										15+	+235	+146	+117	

- *Standard of Need is the 100% Federal Poverty Level Standard established by the federal government effective July 1, 1993. Changes in the standard of need shall be adjusted annually per legislative approval.*
 1. *Standard of Assistance is 62.5% of the Standard of Need, applicable to AFDC, AABD categories, and Refugees receiving GA.*
 2. *Standard of Assistance is 50% of the Standard of Need, applicable to mandatory work required AFDC households, effective Feb. 1997.*
 3. *Standard of Assistance is 62.5% of the Standard of Need, applicable to GA category, effective May 1, 2000. The standard shall be established by the department and shall not exceed 62.5% of the Standard of Need.*
- *Excludes medical care costs which are met in full by the Department through its Medicaid Program*
- *Excludes Food Stamp bonus (additional benefits) which varies by family size and net income*
- *Emergency assistance due to natural disaster provided.*
- *Recipients for the cost of replacing or repairing household appliances (refrigerator & stove) limited to cost not to exceed \$350.*

Amount of assets disregarded:	AFDC cases:	\$5,000 regardless of family size
	GA, AABD, SSI Cases	\$2,000 - 1 person; \$3,000 - couple

FEDERAL FOOD STAMP ACT (Effective October 1, 2003)												
HH Size	Monthly Gross Income	Monthly Net Income	Thrifty Food Plan	HH Size	Monthly Gross Income	Monthly Net Income	Thrifty Food Plan	HH Size	Monthly Gross Income	Monthly Net Income	Thrifty Food Plan	
1	1120	861	210	6	3075	2365	1001	11	5033	3870	1738	
2	1511	1162	386	7	3466	2666	1106	12	5425	4171	1896	
3	1902	1463	553	8	3857	2967	1264	13	5817	4472	2054	
4	2293	1764	702	9	4249	3268	1422	14	6209	4773	2212	
5	2684	2065	834	10	4641	3569	1580	15	6601	5074	2370	
								15+	+392	+301	+158	

- HH with an elderly or disabled person must meet Monthly Net Income limits.

Amount of assets disregarded:	Households with at least one member age 60 or older:	\$3,000 regardless of family size
	Households with a totally disabled person	\$3,000 regardless of family size
	Other households including 1 person households:	\$2,000 regardless of family size
Standard Deduction:	For household size of 5 members or less	\$189
	For household size of 6 members or more	\$197
Gross earned income deduction:	From household's gross earned income	20%
Shelter Deduction:	Non-elderly or disabled household:	Up to a maximum of \$509
	Elderly or disabled household	Unlimited
	Homeless household	\$143
Dependent Care deduction:	Per dependent child under two years of age	Up to a maximum of \$200 per child
	Per other dependents	Up to a maximum of \$175 per dependent

TITLE XVI OF SOCIAL SECURITY ACT (Effective January 1, 2004)												
AABD-SSI Updated Summary of State Supplemental Payment Plan for SSI Recipients (2.1% Increase)												
	Living in Independent Arrangement				Living in Household of Another				Individuals Living in Domiciliary Care			
	Individual		Couple		Individual		Couple		Type 1 (5 or less residents)		Type 2 (6 or more residents)	
	1/03-12/03	1/04-12/04	1/03-12/03	1/04-12/04	1/03-12/03	1/04-12/04	1/03-12/03	1/04-12/04	1/03-12/03	1/04-12/04	1/03-12/03	1/04-12/04
Federal	552.00	564.00	829.00	846.00	368.00	376.00	552.67	564.00	552.00	564.00	552.00	564.00
State	0	0	0	0	0	0	0	0	521.90	521.90	629.90	629.90
Total	552.00	564.00	829.00	846.00	368.00	376.00	552.67	564.00	1073.90	1085.90	1181.90	1193.90
*Inc.	+2.10	+12.00	+3.20	+17.00	+4.66	+8.00	+8.00	+11.33	+7.00	+12.00	+7.00	+12.00
Individuals in Medical Institution: Federal \$30.00												

*Figures show net increase in SSI benefits effective January 2004. Pass along of the COLA increase meets the requirements of Section 1618 of the Social Security Act.