

DEPARTMENT OF HUMAN SERVICES

REPORT ON FISCAL YEAR 2006



State of Hawaii



DIRECTOR'S MESSAGE FOR DHS 2006 ANNUAL REPORT

Aloha!

I am proud to release the 2006 fiscal year annual report for the Hawai'i State Department of Human Services (DHS). As Department Director, I hope this compilation of information will provide a more in-depth understanding of how DHS serves Hawai'i's most vulnerable and needy adults and children.

Our committed staff works hard each day to provide timely, efficient and effective programs, services and benefits. These efforts help our clients make healthy choices and improve the quality of their lives as they gain independence, self-determination and personal dignity.

DHS is one of the largest departments in the State, with a **\$1.7 billion annual budget** and a client base of tens of thousands of residents. Core elements of our mission include: helping clients recover from adversity, keeping families together, preventing abuse and neglect among children and vulnerable adults, and encouraging self-sufficiency.

DHS oversees critical social service programs, such as access to financial assistance, healthcare, proper nutrition and housing. We are also responsible for programs that help rehabilitate troubled youth and assist adults in returning to the workforce.

I want to thank all our DHS staff who worked diligently this past year to reach the high goals we set for ourselves. Looking ahead, we will strive for even greater progress in the years to come.

If you need more information on any services or programs DHS offers, please do not hesitate to call my office at (808) 586-4997.

Mahalo,

A handwritten signature in black ink, appearing to read 'Lillian B. Koller', written in a cursive style.

Lillian B. Koller
DHS Director

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ORGANIZATIONAL CHART

Department of Human Services

**Office of Youth
Services**

(Attached for Administrative Purposes)

**Hawaii Public Housing
Authority**

(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**

1



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

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 more than 2,300 permanent positions and a budget of over \$1.7 billion annually, DHS employees strive to help clients meet their basic needs for food, shelter, medical care, and other essentials of daily living helping them to become self-sufficient, independent, and able to make healthy choices to improve their personal dignity and their families' quality of life.

DHS has 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.
- The Vocational Rehabilitation and Services for the Blind Division (VRSBD) helps persons with disabilities and the blind.

DHS also has two administratively attached agencies: the Office of Youth Services (OYS) and the Hawai'i Public Housing Authority (HPHA). OYS provides a wide range of services to Hawai'i's youth. HPHA provides affordable housing and shelter opportunities with resident support services to Hawai'i's residents.

The four divisions of DHS, along with OYS and HPHA, are assisted by five staff support offices, providing administrative hearings for clients, fiscal management, information technology systems support, management services, research personnel and other services. Each of the four divisions has offices throughout the major islands to facilitate geographic support for island-based initiatives and to be accessible for all our clients. DHS maintains offices statewide in 88 separate locations.

CHAPTER TWO DHS ACHIEVEMENTS AND GOALS

The Department of Human Services has taken dramatic steps to improve the quality of life for many customers by finding new and improved ways to help these individuals achieve self-sufficiency, independence, health and well-being. With the Lingle-Aiona Administration's strong leadership, DHS is helping low-income residents get access to quality health care, providing additional work opportunities for people on government assistance, and funding new and expanded prevention services to help steer youth away from drugs and alcohol.

ACHIEVEMENTS

ACCESS TO QUALITY HEALTH CARE

DHS continues to tear down barriers that once prevented needy customers from gaining access to quality health care.

- The Medicaid QUEST waiver renewal, negotiated through the Lingle-Aiona Administration in February 2006, will use more than \$100 million in new Federal funds to cover the majority of healthcare costs of uninsured adults and children over the next six years. Up to 20,000 additional uninsured adults will now be able to receive health insurance through Medicaid. These adults fall in one of the State's lowest income brackets, earning \$910 and below a month. Additionally, 9,000 more children from low-income families will receive health insurance.

The waiver renewal expands QUEST income eligibility by allowing families with incomes up to 250% of the Federal Poverty Level (\$4,637 a month for a family of four) to receive free health insurance for their children. In previous years, a family's income could not exceed 200 % of the poverty level to be eligible for no-cost insurance for their children.

- In October 2006, DHS secured \$24,438,000 in Federal aid to help public and private hospitals in Hawai'i cover the costs of treating uninsured and other needy patients.

A total of \$17,588,000 from the Federal Centers for Medicare and Medicaid Services (CMS) went to all 16 private hospitals in the State to defray the cost of providing free medical services for the uninsured during the 2006 and 2007 fiscal years. An additional \$3.45 million went to the Hawai'i Health Systems Corporation (HHSC) to assist four public hospitals statewide. DHS will continue to help cover the Medicaid shortfall for those public hospitals from January 2007 to June 2007 with another estimated \$3.4 million in Federal funds.

- In October 2006, DHS announced it had won a three-year, \$7.9 million Federal grant to help adults with diabetes better maintain their health so they can continue working 40 hours or more per month. CMS awarded the grant, which will provide more than half the funding for the Hawai'i Demonstration to Maintain Independence and Employment project.

Joining with DHS in this public-private collaboration are the University of Hawai'i at Manoa's Center on Disability Studies, the State Department of Health, and the Hawai'i Business Health Council.

- Under the Federal Medicare Modernization Act's Part D program which took effect January 1, 2006, low-income seniors and disabled individuals who previously received prescription

drugs through Medicaid began receiving these medications through Medicare. In late December 2005, DHS opened enrollment in the new State Pharmacy Assistance Program (SPAP) to help low-income seniors and disabled individuals with their co-payments for prescription drugs. Previously, individuals covered by Medicaid did not pay any co-payments for prescription drugs. The SPAP covers the co-payments for Medicare and Medicaid dual-eligible clients to ensure a smooth transition of prescription drug coverage from Medicaid to Medicare.

MAKING THE TRANSITION FROM WELFARE TO WORK

- Anticipating heightened work requirements under revised Federal regulations for people on welfare, DHS in 2006 offered new financial incentives to encourage clients to seek and maintain employment. This “Reward Work” initiative allows recipients to retain 100 % of their welfare checks while they work, during the first two years of receiving welfare. The program also offers two years of progressive cash bonuses of up to \$8,250 for people who voluntarily exit welfare for employment, plus two months of rent payments to stabilize housing.

STRENGTHENING FAMILIES AND COMMUNITIES

- In September 2006, DHS partnered with Lt. Governor Aiona to begin providing the Discovery Health Connection Web service for free to 29 community service groups at 191 locations statewide. This one-year pilot project will assess the Web service’s effectiveness in increasing awareness among young people about topics such as alcohol and drug abuse, violence prevention, anti-tobacco efforts, nutrition, the human body, mental health, growth and development, physical activity and personal safety.

PROTECTING AT-RISK CHILDREN AND YOUTH

- In September 2006, the Child Welfare Services Branch increased the number of its partnerships with nonprofit agencies to provide additional recruitment, training, home studies and support services for foster families. Agencies now working with DHS in this regard are: Partners-In-Development Foundation, Hui Ho`omalua and Catholic Charities Hawai`i.
- As part of its nationwide Child and Family Services Review, the Federal government, in August 2006, formally recognized Hawai`i’s success over the past two years in meeting a series of goals to improve the safety, well-being and stability of children in the child welfare system. Goals attained by DHS so far include: reducing the risk of harm to children, initiating investigations more quickly into reports of child maltreatment, providing enhanced services to children and their parents and foster parents, involving children and their families to a greater extent in case planning, and increasing social worker visits with children.

These goals are contained in a Program Improvement Plan (PIP) developed for Hawai`i following a 2003 assessment by the State and the U.S. Department of Health and Human Services. Each state has a PIP detailing changes that must be made to comply with Federal standards.

DHS accomplished more than 350 benchmark “action steps” called for in its PIP, along with 19 performance indicators and five systemic improvements. This progress saved DHS more than \$1.7 million in financial penalties the Federal government would otherwise have imposed.

- The Lingle-Aiona Administration, through DHS, introduced a bill requiring public and private schools and other agencies or institutions to immediately report suspected child abuse or neglect directly to DHS or the police. The Legislature approved the bill, which Governor Lingle signed into law in June 2006.
- In November 2006, the Federal government awarded DHS a \$498,000 incentive bonus for significantly increasing the number of children adopted from foster care during 2005. DHS will use the award to promote adoptions of older foster children before they “age out” of the child welfare system. Hawai`i was one of 21 states to receive an incentive award in 2006 from the U.S. Department of Health and Human Services. The Federal agency recognized DHS for increasing the number of foster child adoptions from 354 in 2004 to 431 in 2005.

EXPANDING EARLY CHILDHOOD EDUCATION

- DHS has invested an additional \$5 million to expand early childhood education. The funding, which goes through the Preschool Open Doors (POD) program, has to date added an extra 600 preschool slots statewide.
- Capacity-building bonuses of \$75 per child were issued to preschools that add slots for children and bonuses of \$50 per child were issued to preschools that enroll their staff in professional development programs. In addition, bonuses of \$50 per child were provided for preschools that adopt recognized quality standards.
- During 2006, DHS paid out well over \$1.4 million in incentive bonuses to preschools statewide to expand their programs, professionalize staff and adopt quality preschool standards.

EMPOWERING PERSONS WITH DISABILITIES

- In January 2006, Director Koller named Joe Cordova as Administrator for the Vocational Rehabilitation and Services for the Blind Division (VRSBD). VRSBD helps empower individuals with disabilities through work training and education so they can enter the workforce and move toward self-sufficiency. A blind rehabilitant himself, Cordova encourages positive attitudes among persons with disabilities so they can confidently compete on equal terms with their peers who are non-disabled.

Before joining DHS, Cordova served as Regional Commissioner for the U.S. Department of Education’s Office of Special Education and Rehabilitative Services for Michigan, Illinois, Ohio, Minnesota, Indiana, Kansas, Missouri, Nebraska, Iowa and Wisconsin. He was also Deputy Director of New Mexico’s Commission for the Blind, the Liaison for the Disability Affairs to the City of Albuquerque, and a mental health counselor at the University of New Mexico.

HELPING NATIVE HAWAIIAN FAMILIES

- To provide a nurturing and safe environment for Hawaiian foster children, DHS started the Hui Ho`omaluku statewide initiative by bringing together the Partners In Development Foundation, Catholic Charities of Hawai`i and the Foster Family Programs. This initiative recruits, trains and provides ongoing support to resource families, focusing on kinship care and maintaining family connections.
- In keeping with the traditional Hawaiian practice of “putting things right,” DHS is funding the `Ohana Conferencing program to enhance the safety of keiki involved in the child welfare services system. The program greatly expands the State’s use of this family mediation

approach to locate relatives, transition foster youth to independent living and help heal missing children once they are found.

- Under a partnership with the DHS Child Welfare Services Branch, the Na Kupuna Tribunal is helping place foster children with their family members by locating kin through the use of genealogy and computer searches.
- To help youth make healthy choices, DHS started the Kanu o ka `Aina Learning `Ohana (KALO) after-school program at 10 Native Hawaiian charter schools. The program focuses on developing self-esteem and life skills, as well as cultural activities designed to prevent teen pregnancy, substance abuse, and other risky behaviors.

GOALS

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

This year, 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 detailed on pages 7-14, decreased again as more benefit recipients found employment.

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. In 2005, BESSD received a \$342,281 high performance bonus in the Temporary Assistance for Needy Families (TANF) program from the U.S. Department of Health and Human Services (DHHS) for success in helping clients find and retain employment in 2004.

In fiscal year 2003, DHS undertook the coordination and implementation of Hawai'i's Federal Child and Family Services Review (CFSR). The CFSR is the single-most important Federal review of a state's child welfare system, measuring systemic capabilities and effectiveness of its programs and services. Using the CFSR findings, a state is required to successfully develop and implement a Program Improvement Plan (PIP). If a state is not able to meet the measurable outcomes agreed on in the PIP, the Federal government will impose financial penalties. Hawai'i's two-year PIP was approved by the Federal Administration for Children and Families (ACF) on July 1, 2004. The PIP is a major factor in all aspects of our HMS 301 CWS program.

As Hawai'i's 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.

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 benefits, 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, 852 cases were closed due to time-limits and this figure decreased to 708 cases in fiscal year 2005 and 517 cases in fiscal year 2006. 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. We have also expanded our supportive services for those with barriers to employment. 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 gross income must be less than \$2,109 and the net income must be under 50% of the 1993 FPL or under \$570 if the household includes

an employable adult. 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 household with barriers such as physical or mental disability, their net income must be under 62.5% of the 1993 FPL. For a household of three, this is \$712 per month.

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.

Beginning in FY 2004, the Department began implementing and continues to implement 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 for these programs and contracts 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 74% of the TANF/TAONF households are one-parent families which is why it is important to provide teen pregnancy prevention programs and services.

In FY 2006, the Department implemented a new self-sufficiency program called Grant Diversion(GD), formerly called Upfront Universal Engagement Grant Diversion (UFUE). This program is designed to support employment and eliminate the need for people to enter into the welfare system. This program diverts families from financial assistance for four months. During the initial four months of assistance, families receive “non-assistance” benefits. These benefits do not impact the lifetime eligibility of sixty months. Participants are immediately referred to a work program and the focus is getting these individuals employed within the grant diversion period to prevent loss of their lifetime eligibility and to support self-sufficiency efforts by the household.

Also in response to a strong economy, the DHS expanded their employment service program to help businesses meet their growing labor demands and provide additional work opportunities for individuals on government assistance. The Supporting Employment Empowerment (SEE) program provides pre-screened candidates to companies for employment. Employers will have the opportunity to train individuals to meet their business needs with candidates who either have had previous job experience or possess basic employment skills. The employer sets the wage and the State reimburses \$6.75 per hour plus 14 percent of the wages. In addition, the State covers health insurance and childcare.

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 2006. 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 a high of \$611 in 1997 to \$519 in fiscal year 2006. The cost of assistance per TAONF household has decreased from \$689 per household in 1997 to \$512 in 2006.
- The average length of time on assistance has decreased from 30 months in 1997 to 15 months in 2006.
- Although the number of individuals working decreased, this decrease is a direct result of the decrease in the number of 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 cases to 9,837 cases in June 2006 or a 57% decrease. In 2006, 2,309 households were employed, earning a gross income of \$1.7 million per month and representing a monthly cost savings of \$637,387.

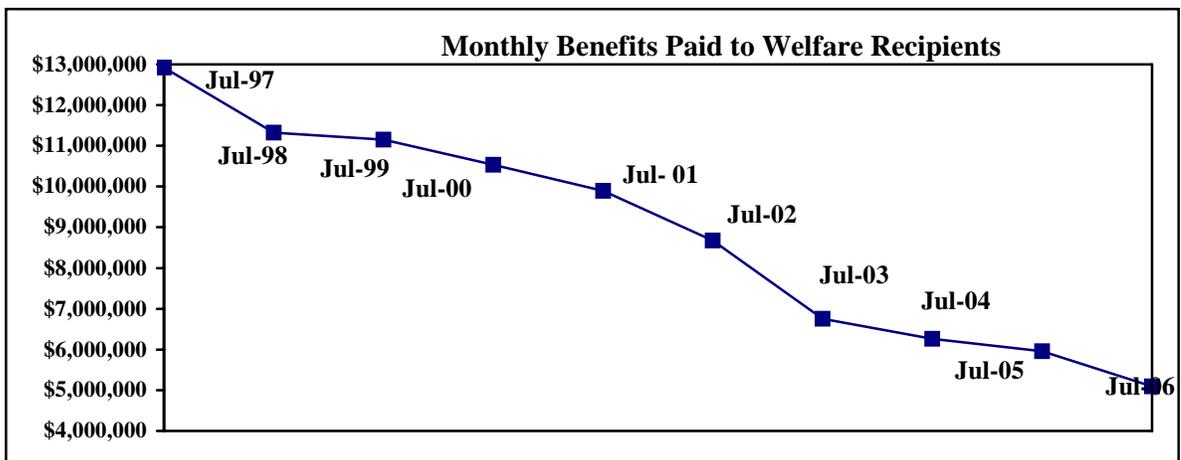
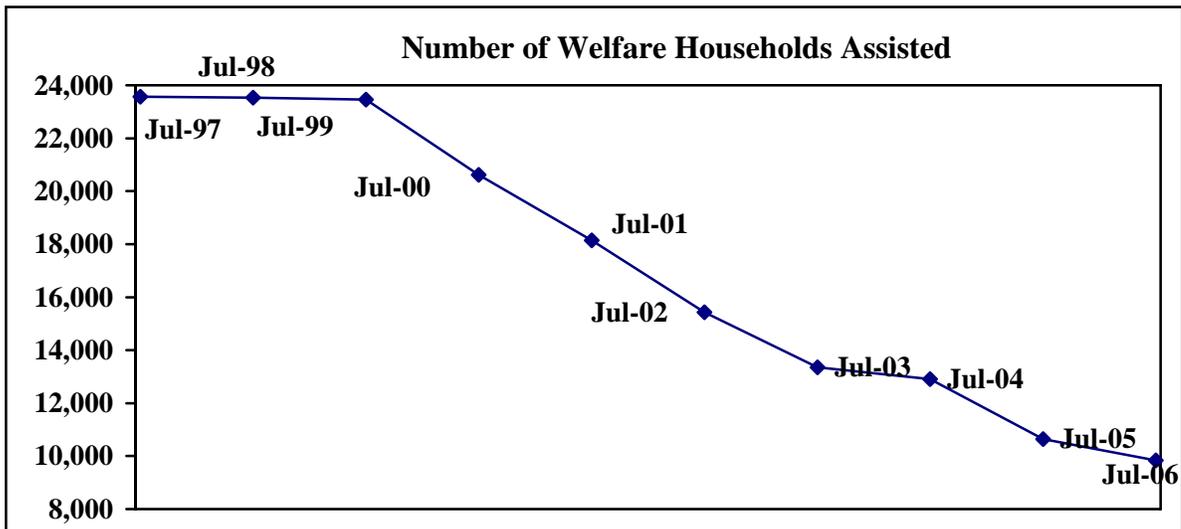
TANF/TAONF Caseload

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	13.3*
2002	16,940	14.8
2003	14,362	16
2004	12,915	15.4
2005	10,642	15
2006	9,837	15

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

**Welfare Costs
(By Selected Months)**

	Sept 1997	July 2002	July 2003	July 2004	July 2005	July 2006
Number of Households Assisted	23,573	15,428	13,351	12,915	10,642	9,837
Monthly Benefits Paid to Recipients	\$12.92 million	\$8.68 million	\$6.76 million	\$6.26 million	\$5.96 million	\$5.09 million
Households Reporting Earnings	6,548	5,025	4,057	3,664	2,705	2,309
Gross Earned Income Reported	\$3.72 million	\$3.81 million	\$3.15 million	\$2.8 million	\$2 million	\$1.7 million
Monthly Savings to DHS as a Result of Earnings	\$1.44 million	\$1.39 million	\$1.14 million	\$1 million	\$760,000	\$637,387



- We have increased our contracts with community agencies to provide statewide employment support for two-parent households.
- These past four years we have focused on expanding training and skill building programs for our clients who have work challenges because of some kind of disability or barrier. We have contracted for services for victims of domestic violence, for persons with substance abuse problems, and for 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, medical treatment 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 federal 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 who lost eligibility due to the five-year time limit, the Department has expanded the Employment Subsidy program. This program allows individuals who have used their 60 months of eligibility, are employed, and are still unable to meet their needs, to receive a \$200 monthly supplement for up to 60 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.
- Since FY 2004, the Department continues to implement 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 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's 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.
- In FY 2006, the Department also implemented a new self-sufficiency program called Grant Diversion. This grant diversion program is designed to support employment and eliminate the need for people to enter into the welfare system. This program diverts families from financial assistance for four months. During the initial four months of assistance, families receive "non-assistance" benefits. These benefits do not impact the

lifetime eligibility of sixty months. Participants are immediately referred to a work program and the focus is getting these individuals employed within the Grant Diversion period to prevent loss of their lifetime eligibility and to support self sufficiency efforts by the household.

- In response to a strong economy, the DHS, in February 2005, launched a new employment-friendly employment program to help businesses meet their growing labor demands and provide additional work opportunities for individuals on government assistance. The Supporting Employment Empowerment (SEE) program reimburses employers for the salaries of our clients whom they hire and train to meet their business needs. The SEE program provides pre-screened candidates, who have either previous job experience or possess basic employment skills, to companies for employment. The employer sets the wage and the State reimburses at the minimum wage (currently \$6.25 per hour) plus 14 percent of the wages. In addition, the State covers health insurance and childcare.

For FY 2006, the SEE program had 129 participating employers, representing a range of industries, and 240 people placed in job-training opportunities.

- The medical review process has been changed to include and standardize the definition of disability to focus more on ability and to better service these individuals. We have also implemented a medical review panel to review all medical findings and to more consistently plan for support services.
- The definition of temporarily absent and eligible households has been expanded to allow maintenance of family assistance while parents are receiving substance abuse and domestic violence services and to allow these services to be funded with federal dollars.
- A Reward Work initiative, which rewards employment through increased disregards, exit bonuses and job retention bonuses, has been developed.
- A simplified reporting system has been implemented which decreases the reporting requirements and simplifies access to our systems.

Looking Ahead

- Develop and implement a five-year TANF Strategic Plan with community, advocate, and provider input.
- Implement the Reward Work initiative which offers further incentives to employment.
 - Provide exit and job retention bonuses to those who exit the payment program in less than 24 months and retain employment.
 - Increase the amount of income we disregard in order to encourage employment.
- Expand our Grant Diversion program to service all families except those with children under the age of six months, those without an adult and those with one adult caring for a disable household member.
- Increase our payment standard to more accurately meet the needs of families. The current standard is based on the 1993 Federal Poverty Level (FPL) and does not adequately reflect the current cost of living. An increase was authorized in Act 287 by the 2006 Legislature and the Governor.

- Expedite our application process to allow individuals to enter the work program more quickly.

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 2.48 people for TANF and 3.70 people for TAONF in FY 2006.

Composition of TANF/TAONF Households

Household Composition	TANF	TAONF
No Eligible Adult and 1 Child	20%	4%
No Eligible Adult and 2 Children	8%	3%
No Eligible Adult and 3 or More Children	5%	1%
1 Adult and 0 Children	1%	1%
1 Adult and 1 Child	31%	16%
1 Adult and 2 Children	18%	10%
1 Adult and 3 Children	9%	5%
1 Adult and 4 or More Children	7%	4%
2 Adults and 1 Child	<1%	17%
2 Adults and 2 Children	<1%	16%
2 Adults and 3 Children	<1%	11%
2 Adults and 4 or More Children	<1%	11%

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

Ethnicity of Individuals Served by TANF/TAONF Programs

Ethnicity	TANF	TAONF
Other Pacific Islander	3%	41%
Hawaiian/Part-Hawaiian	44%	21%
Caucasian	24%	11%
Filipino	10%	9%
Samoaan	8%	8%
Asian	7%	9%
Other	4%	1%

Heads of Households of TANF/TAONF Families

Heads of Households	TANF	TAONF
Female	93%	60%
Male	7%	40%
Under 35 Years Old	65%	62%
Never Married	62%	36%
Married	5%	43%
Common Law	2%	12%
Separated or Divorced	32%	8%
Widowed	1%	1%
Head of Household Disabled	17%	14%
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 02	FY 03	FY 04	FY 05	FY 06
Oahu	6,009	8,393	5,358	4,421	4,417
Hawaii	1,768	2,523	1,480	1,442	1,676
Maui/Molokai	468	1,084	720	497	458
Kauai	205	598	393	333	276
Total	8,450	12,598	7,951	6,693	6,827

Age Distribution of FTW Clients

Age	FY 2006	
	Count	Percent of Total
<16	0	0%
16 to 24	1,844	27.0%
25 to 34	2,900	42.5%
35 to 44	1,526	22.4%
45 to 55	503	7.4%
55+	54	0.8%
Total	6,827	100%

Ethnic Distribution of FTW Clients

Ethnicity	FY 2006	
	Number	Percentage
Part Hawaiian	2,342	34.3%
Caucasian	1,451	21.3%
Filipino	868	12.7%
Samoan	453	6.6%
Asian	543	8.0%
Black, Hispanic	505	7.4%
Other	665	9.74%
Total	6,827	100%

Highlights of the First-to-Work Program in FY 2006

- There were 4,313 intakes into the First-to-Work Program.
- 1,743 participants were enrolled in Job Readiness.
- The Work Experience program served 1,147 participants.
- The Transitional Opportunity Program (TOP) served 32 participants.
- 440 FTW participants placed in adult education.
- 858 FTW participants placed in vocational training during FY 2006.

Progress on Program Outcomes

- During FY 2006, there were 5,026 participants working while in the FTW program.
- A total of 2,147 TANF/TAONF participants exited the program due to employment during FY 2006.
- The average wage during FY 2006 for clients working while on welfare was \$8.84 per hour. The median wage for FY 2006 was \$7.70 per hour.

Future Performance Targets

Performance Targets for the First-to-Work Program for FFY 2007 will be:

- To have 55% of the TANF mandatory population meeting the 30 hour participation requirement by September 30, 2007. This target compares to the Federal expectation that 50% of the population be in compliance with this requirement by that time.
- To have 5,100 TANF/TAONF adults working for pay by September 30, 2007.
- To have 1,200 TANF/TAONF participants served through Work Experience by September 30, 2007.
- To have 80 TANF participants in TOP by September 30, 2007.

3) EMPLOYMENT AND TRAINING (E&T)

Program Description

The Employment and Training (E&T) program is a statewide 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 02	FY 03	FY 04	FY 05	FY 06
Oahu	1,121	1,789	1,123	1,309	1,213
Hawaii	319	416	123	56	54
Maui	343	295	97	45	112
Kauai	172	190	76	80	74
Total	1,955	2,690	1,419	1,490	1,453

Age Distribution of Employment and Training Clients

Age	FY 2006	
	Number of Clients	Percent of Total
<16	0	0%
16 to 24	271	18.7%
25 to 34	266	18.3%
35 to 44	513	35.3%
45 to 55	387	26.6%
55+	16	1.1%
Total	1,453	100%

Ethnic Distribution of Employment and Training Clients

Ethnicity	FY 2006	
	Number of Clients	Percent of Total
Part Hawaiian	519	35.7%
Caucasian	363	25.0%
Filipino	175	12.0%
Samoan	64	4.4%
Asian	184	12.7%
Black	57	3.9%
Hispanic	55	3.8%
Other	36	2.5%
Total	1,453	100%

Achievements and Highlights of the Employment and Training Program in FY 2006

- There were 958 intakes into the E&T Program.
- 1,453 clients were served.
- A total of 1,030 clients were employed.
- A total of 110 clients were in job readiness components.
- A total of 95 clients were in an Adult Education component.
- A total of 146 clients were in a vocational training component.
- A total of 348 clients were involved in work experience.
- There were a total of 437 exits due to employment.
- The average wage at exit was \$7.37 per hour and the median wage was \$6.75 per hour.

Future Performance Targets

- To have 800 E&T clients employed by June 30, 2007.
- To have 250 E&T clients exit due to employment by June 30, 2007.
- To have 250 E&T clients involved in work experience programs by June 30, 2007.

4) CHILD CARE CONNECTION HAWAII (CCCH)

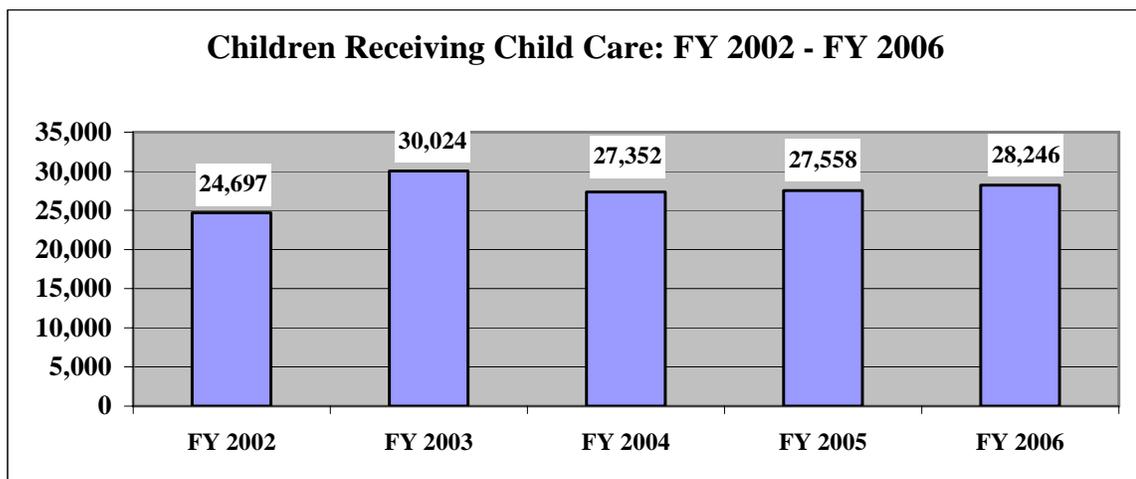
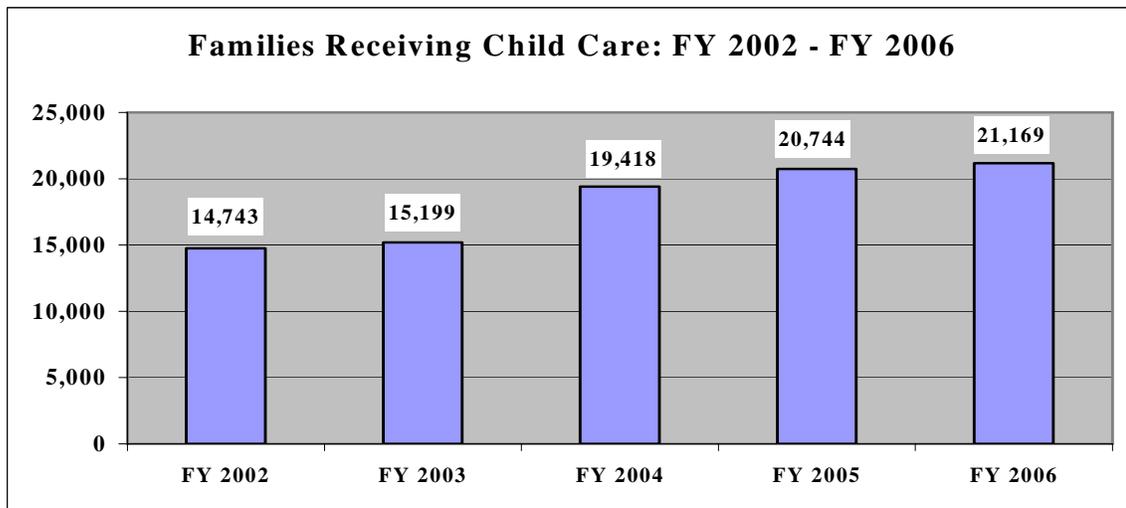
Program Description

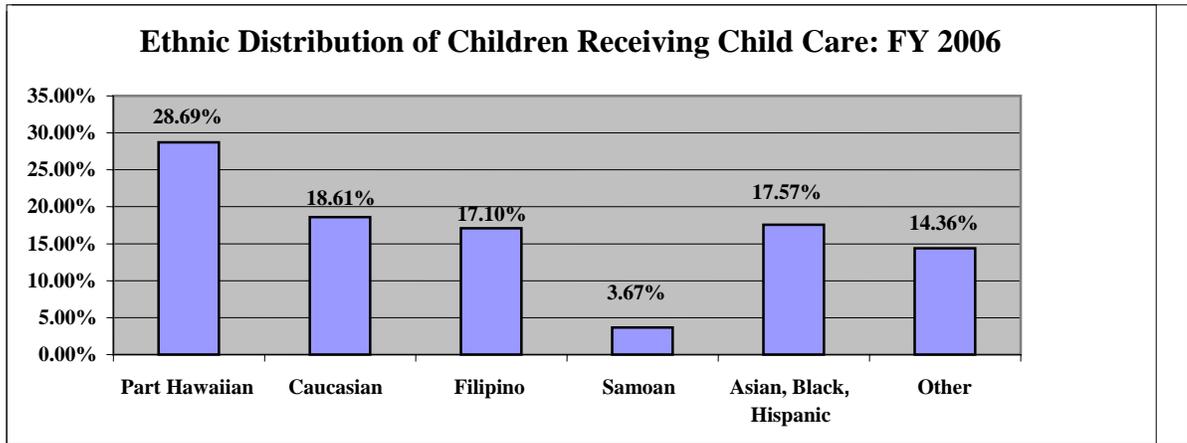
The Child Care Connection Hawaii program is a statewide service offering the licensing of child care facilities and child care payment assistance to needy families. Under the licensing program, the primary intent is to ensure the safety, health, and well-being of children cared for within licensed facilities. 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:





Program Highlights- Child Care Connection Hawaii in FY 2006

- There were 21,169 active families receiving Child Care Payment assistance for 28,246 children.
- Payments totaling \$37,692,946 were made to families.
- Number of Family Child Care Homes Licensed: 591
- Number of Group Care Centers (Includes Group Child Care Homes, Before and After School, and Infant Toddler Centers): 629
- Licensed Child Care Slots Available: 36,456.

Future Performance Targets

- To have 600 Family Child Care Homes licensed by June 30, 2007.
- To have 600 Group Care Centers licensed by June 30, 2007.
- To have an additional 1,000+ Child Care Slots available by June 30, 2007.
- To provide child care payments for an additional 1,000+ children by June 30, 2007.

5) HAWAI'I HEAD START-STATE COLLABORATION PROJECT

Program Description

The Hawaii Head Start State Collaboration Office (HHSSCO) is funded by a federal grant through the Administration for Children and Families, Head Start Bureau, to ensure coordination and delivery of services in eight national priority areas: health care, welfare, child care, education, community service activities, family literacy services, activities relating to children with disabilities, and services for homeless children. Multi-agency and public/private partnerships are developed and facilitated 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.

Program Goals

To help build early childhood systems and enhance access to comprehensive services and support for all low-income children; encourage widespread collaboration between Head Start and other appropriate programs, services, and initiatives, augmenting Head Start's capacity to be a partner in State initiatives on behalf of children and their families; and facilitate the involvement of Head Start in State policies, plans, processes and decisions affecting the Head Start target population and other low-income families.

Head Start Collaboration Project Achievements

- Submitted funding proposal and received HHSSCO grant award of \$125,000 a year for five years from FY 2006-2011.
- Facilitated activities to continue the *Solutions to Ice* initiative funded through a collaboration supplemental project grant which included the development of a DVD presentation entitled *Solutions To Ice: Building Resilience in Hawaii's Keiki and Families* and the training of 84 trainers in Second Step (a preschool violence and substance abuse prevention curriculum) for Head Start classrooms and partners statewide. The partner preschools that received the training and are implementing Second Step curriculum include the State Department of Education's Inclusion of Special Needs Children preschools, the U. S. Department of the Navy's child development centers, and 16 community preschools statewide.
- Supported the expansion of Free to Grow community building partnerships for substance abuse prevention to the communities of Waianae and Kalihi.
- Participated in the implementation of strategic plan goals with the Head Start Association of Hawai'i, Early Childhood Comprehensive Systems (ECCS) grant, Head Start Oral Health Teams, Hawaiian Islands Oral Health Task Force, and the Homeless State Policy Committee for Young Children and their Families.
- Facilitated Head Start/Early Head Start representation in the following State's early care and education system planning efforts: the Act 259 Task Force and working committees, the Good Beginnings Alliance, and Hawai'i Careers with Young Children.
- Published the Hawai'i Head Start Fact Sheet and distributed to state Legislators and staff at the Champions for Children event.
- Continued working partnerships with the state resource and referral agency People Attentive To Children (PATCH); the University of Hawaii's John A. Burns School of Medicine, Department of Pediatrics; the Department of Labor and Industrial Relations, Office of Community Services; Hawaii Covering Kids; Hawaii Careers with Young Children; Sequenced Transition into Education in the Public Schools (STEPS); the Good Beginnings Alliance; the Hawaiian Islands Oral Health Task Force; the Pre-Plus committee; Homeless State planning committee for Children and Families; and the Department of Health's Dental Division, Women, Infants and Children Services Branch, WIC, Public Health Nursing Branch, Child and Adolescent Mental Health Division, and Early Intervention Services program on behalf of the Head Start target population and other low-income families.

Looking Ahead

- Provide continuance of projects as outlined in the Hawaii Head Start – State Collaboration Office, Strategic Plan for Outcomes-Based Actions FY 07 work plan and ensure alignment with the Office of Head Start national program goals.
- Facilitate implementation of the *Solutions To Ice* initiative activities.
- Cultivate new partnerships to meet the needs of Head Start and Early Head Start programs statewide.
- Participate on the Act 259 Task Force for Early Education and Care systems planning.

6) GENERAL ASSISTANCE (GA)

Program Description

The General Assistance program provides cash benefits for food, clothing, shelter, and other essentials to adults ages 18 through 64, without minor dependents, who are temporarily 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 may 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 by statute. 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

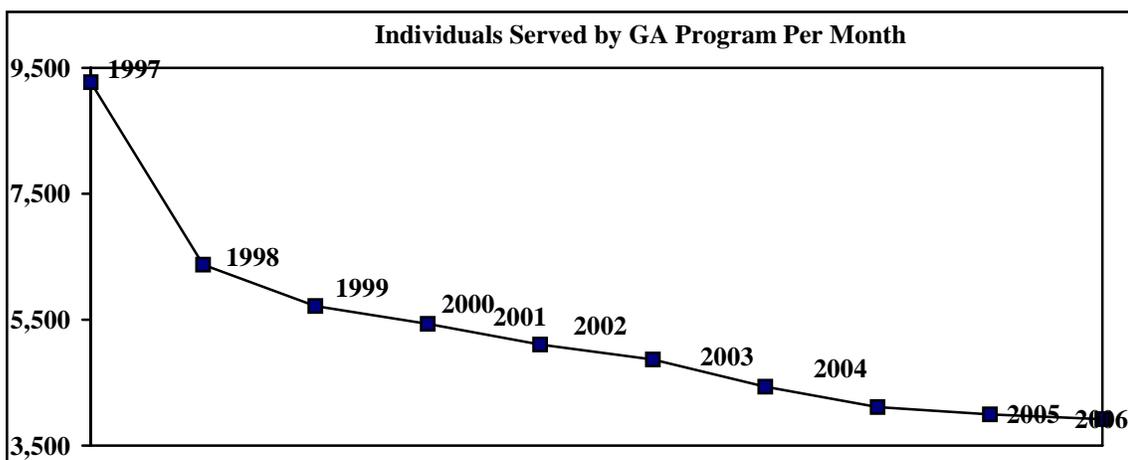
- All individuals who claim a disability are examined by a contracted medical provider. All medical examinations are then reviewed by a Departmental board. This process has been implemented statewide and has standardized the definition being used to determine if a

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, 307 individuals were converted from State assistance to Federal Social Security in FY 05.
- 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.
- A new case alert process was implemented to maximize the referrals for federal benefits.
- The medical review process was modified to clarify the steps to diagnose and service individuals with dual disabilities.
- A Memorandum of Understanding (MOU) was developed with Public Safety Department and the Hawaii State Hospital to allow us to process in advance, people with serious mental illness being released from these facilities. This MOU will allow these individuals to receive continuous support and services.
- We are further modifying our medical review forms and process to better service our customers with dual disabilities.

Looking Ahead

- We are meeting with the Legal Aid Society of Hawaii to improve our advocacy program.
- Working with the Financial Assistance Advisory Council, advocates, and Legislators, the Administration is proposing an increase to our payment standard to more accurately meet the needs of families. The current standard is based on the 1993 Federal Poverty Level (FPL) and does not adequately reflect the current cost of living.
- Our medical review process will be modified to expedite the system and bring it more in line with the review process used for our families.
- We are further modifying our medical review process to better service our customers with dual disabilities.



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
2005	3,994
2006	3,917

Typical Characteristics of Individuals Served by GA Program

Characteristics of Individuals	Percentage*
<i>Age of Head of Household</i>	
29 Years or Younger	20%
Between 30 and 39 Years	22%
Between 40 and 49 Years	33%
Between 50 and 59 Years	22%
60 Years and Older	3%
<i>Marital Status of Head of Household</i>	
Single	58%
<i>Gender of Head of Household</i>	
Male	60%
Female	40%

*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 06
Caucasian	41%
Hawaiian/Part-Hawaiian	29%
Chinese	1%
Filipino	8%
Japanese	6%
Black	3%
Other Asian	2%
Samoan	2%
Korean	1%
Other Pacific Islanders	5%
Others	2%

Citizenship of Individuals Served by GA Program

United States Citizens	94%
Non-citizens	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 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.
- System changes were implemented to create alerts for staff when potentially eligible individuals are not referred to the SSA.
- A special project to maximize the number of individuals referred to the SSA and to increase the individuals receiving full SSI assistance rather than partial benefits was completed.
- 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, 435 individuals were converted from State assistance to Federal Social Security in FY 06.

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
2005	\$2,980,710	\$521,900	\$2,458,810
2006	\$2,778,254	\$442,075	\$2,336,179

Looking Ahead

- We must continue to monitor and improve our SSI referrals and re-referrals.
- We are proposing an increase to our payment standard to more accurately meet the needs of families. The current standard is based on the 1993 Federal Poverty Level (FPL) and does not adequately reflect the current cost of living.

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
2005	2,156
2006	

Household Characteristics of Individuals Served by AABD Program

Characteristics of Individuals	Percentage
<i>Age of Head of Household</i>	
Age 65 and Older	61%
Younger than Age 65	39%
<i>Marital Status of Head of Household</i>	
Married	19%
Widowed	33%
Single	27%
Separated	12%
Divorced	8%
Common Law	1%
<i>Gender of Head of Household</i>	
Female	62%
Male	38%

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

Ethnicity of Individuals Served by AABD Program

Ethnicity	Percentage
Filipino	26%
Chinese	12%
Other Asian and Pacific Islanders	28%
Caucasian	10%
Hawaiian/Part-Hawaiian	9%
Korean	8%
Japanese	5%
Samoaan	1%
Black	1%
Others	0%

Citizenship of Individuals Served by AABD Program

	Percentage FY 06
United States citizens	43%
Non-citizens	57%

Other Data Pertaining to AABD Program

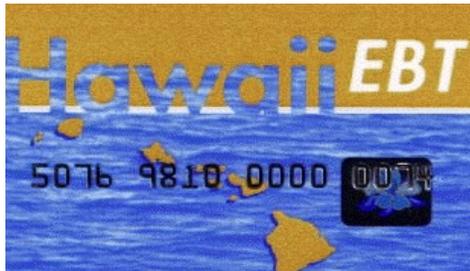
	FY 06
Length Of Time On Assistance	30 months
One-Member Households	90%
Two-Member Households	10%

8) FOOD STAMP PROGRAM (FS)

Program Description

The Food Stamp program is a federal program funded through the U.S. Department of Agriculture that helped put food on the table for approximately 47,120 Hawaii families each day in FY 2006. The Food Stamp program provides low-income households with electronic benefits they can use like cash at most grocery stores, to ensure that they have access to a healthy diet. The Food Stamp program provides crucial support to Hawaii's needy households and to those making the transition from welfare to work.

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.

To participate in the Food Stamp program:

- Households may have no more than \$2,000 in countable resources, such as a bank account (\$3,000 if at least one person in the household is age 60 or older, or is disabled). Certain resources are not counted, such as a home and lot and automobiles.
- The gross monthly income must be 130% or less of the federal poverty guidelines, which was \$2,006 for a family of three in Hawaii in FY 2006. Gross income includes all cash payments made to a household, with a few exceptions specified in the law or by program regulations.
- Net monthly income must be 100% or less of federal poverty guidelines, which was \$1,543 for a family of three in Hawaii in FY 2006. Net income is figured by adding all of a household's gross income, and then taking a number of approved deductions for child care, some shelter costs and other expenses. Households with an elderly or disabled member are subject only to the net income test.
- Most able-bodied adult applicants must meet certain work requirements.
- All household members must provide a Social Security number or apply for one.

Program Goal

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

Program Objective

To meet Federal compliance standards.

Food Stamp Program Achievements

- Hawaii achieved a payment accuracy rate of 94.37% and ranked 23rd in the nation for lowest payment error rate for FY 2005. The national average was 94.16%. Hawaii also had a program access rate of 60.3% in FY 2005 and was ranked 12th in the nation. The national average program access rate was 50.6%. Although Hawaii did better than average in these two measurements, the State did not qualify for a high performance bonus in FY 2006.

In the last nineteen years, Hawaii has received over \$16.4 million in performance bonuses for payment accuracy. In ten of those eighteen years, Hawaii has been first or second in the nation for Food Stamp program payment accuracy.

Food Stamp Program Participation FY 2006 (Monthly Average)

Program	Number of Persons Participating	Number of Households Participating	Benefits Issued (millions \$)
TANF	12,934	4,572	\$1,848,359
TAONF	5,838	1,759	\$808,597
NA	2,438	720	\$309,950
GA	2,606	2,586	\$474,956
SSI	11,979	11,042	\$1,543,879
ABD	1,107	1,025	\$198,340
NPA	52,066	24,581	\$7,310,600
Total	88,967	46,285	\$12,494,681

- TANF = Temporary Assistance to Needy Families recipients
 TAONF = Temporary Assistance to Other Needy Families recipients
 NA = Non Assistance recipients
 GA = General Assistance recipients
 SSI = Supplemental Security Income recipients
 ABD = Aid to the Aged, Blind and Disabled recipients
 NPA = Non-Public Assistance recipients

Looking Ahead

- Simplified Reporting was implemented in August 2006 with the goal of reducing the error rate and qualifying for high performance funds in FY 2007.
- Hawaii will submit its first ever Outreach Plan in FY 2007 to increase participation statewide, with help from community agencies and the development of an online application that can be submitted electronically and has a benefit calculator to determine potential eligibility. The goal is to qualify for a high performance funds in FY 2007 for best or most improved participation rate.
- With the help and guidance of Washington State staff through a state exchange program, Hawaii will implement a Quality Control Error Review Panel in January 2007. The Error Review Panel process should decrease payment errors and improve the State's ability to analyze the root cause of errors and assist in the development of corrective action plans with the goal of reducing the error rate and qualifying for high performance funds in FY 2007.

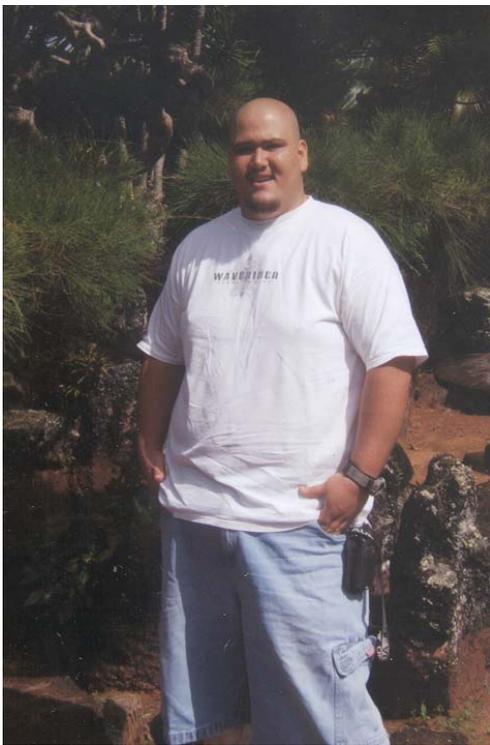
B. VOCATIONAL REHABILITATION AND SERVICES FOR THE BLIND DIVISION (VRSBD): Programs, Services, and Achievements

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 PROGRAM (VR)

VR provides vocational rehabilitation services to assist persons with disabilities to prepare for and enter employment. The economic benefits of VR 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 of choice intended by the program, they become tax-paying citizens and more than pay back the costs of the program.

The following story about a successful rehabilitant, the employer, and the VR office making the match illustrates the power to work for persons with disabilities.



VR Specialist, Christine Bare of Kauai Branch nominated Rudy-Ano Ticannaf or "Teak" as he prefers was born with low lumbar myelodysplasia, which makes it necessary for him to use foot and leg braces to walk. Teak had over ten foot and ankle operations before meeting VR at Waimea, Kauai High School, and after learning about VR Services immediately stated he had no disability. Teak has a wonderful, positive attitude and although he finally agreed he could use VR services, he never let his impediment hold him back from anything, from boogie boarding to lifting weights. He has done whatever his mind determined to do. After graduation from High School, he began a practicum at 95.9 Surf FM, and with the support of the Kong Radio Group and VR services, he became a full time deejay. Teak's voice is now well known on the island, and he is a popular community emcee and commercial spokesperson. He has never forgotten his roots and always returns to Waimea High School to speak to new SEVR students referred to VR each year, empowering and inspiring them in their quest for vocational happiness in the future.

Vocational Rehabilitation Achievements FY 2006

- 7,712 citizens with disabilities were served throughout the State.
- 2,315 new referrals 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 and psychiatric disabilities.

- 697 individuals achieved successful employment outcomes and 659 (95%) were placed in competitive positions.
- 602 (86%) individuals placed were individuals with significant disabilities.
- 214 (31%) individuals received public assistance prior to their rehabilitation.
- The VR program is cost effective. The average case service cost was \$1,727. VR services increased the average annual earning power of people with disabilities from a weekly average of \$55 at referral to \$340 a week at closure, an increase of \$285 a week.
- The percentage of persons with earned income of any kind increased from 15% at application to 94% at closure.

<i>Indicators</i>	FY 2003	FY 2004	FY2005	FY2006
<i>Participants Served</i>	6,403	6,707	7,474	7,712
<i>Referrals Received</i>	2,260	2,291	2,604	2,315
<i>Placed into Jobs</i>	617	658	735	697
<i>Placed into Competitive Jobs</i>	593 (96%)	519 (79%)	692 (94%)	659
<i>Participants with Severe Disabilities</i>	294 (48%)	519 (79%)	609 (83%)	602
<i>Receiving Public Assistance</i>	223 (36%)	195 (30%)	229 (31%)	214(31%)
<i>Net Gain in Annual Earning Power</i>	496%	495%	618%	618%

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.

Ho'opono Program Achievements

- The Adjustment Section served 82 individuals including 49 individuals with severe disabilities to adjust to their blindness and to live more independently in FY 06. On the Neighbor Islands, 16 individuals were served.
- The Low Vision Clinic served 280 individuals, assisting them to maximize use of their residual vision for reading and distance viewing.
- VR Counselors placed 20 individuals with severe visual problems into a diversity of employment opportunities.
- Home Rehabilitation Teachers provided services that equipped 250 persons who are older blind with personal, leisure, and home management activities to live as independently as possible.

- A wide range of volunteers provided 541 hours of support services to the agency. The estimated value of these services totaled approximately \$10,449.
- The annual White Cane Safety Awareness Day was held on October 13, 2006 in downtown Honolulu. Governor Lingle, Director of Human Services Lillian Koller, and other participants raised public awareness about the use of the long white cane.
- The first annual Senior Enrichment Training session was held at the Ho'opono Center for 10 Seniors from three different islands
- The third annual Camp Ho'opono was held at Camp Erdman on the North Shore. The weeklong retreat challenged 10 young people to use blindness skills in an outdoor setting.



- The Business Enterprise program had 41 licensed vendors in FY 06. Their 38 business enterprise sites had total gross sales of \$22,178,806. One new facility was established and one new client was trained and licensed. The average net income was a record \$73,656 per vendor. By comparison, the average income for blind vendors across the nation in FFY 2005 was \$43,584.

Business Enterprise Program (Randolph-Sheppard Vending Facility Program)

The Business Enterprise program was established under the Randolph-Sheppard Act passed by Congress in 1936. The Randolph-Sheppard Act established the priority for blind persons to operate vending stands on government and other properties. The first vending operation in Hawaii started in 1938 at the downtown territorial post office.

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. Hawaii's program is only one of twelve states that does not assess set-aside payments from net proceeds to fund its program operations.

The Business Enterprise program goal is steady and controlled growth. FY 2006 had \$2,960,547 more in gross sales than FY 2005. The total gross sales for Hawaii were over \$22 million dollars. One new facility was established and one new client was trained and licensed. The average net

income was a record \$73,656 per vendor with an additional \$8,000 for each paid by Ho'opono in group retirement and healthcare benefits. By comparison, the average income for blind vendors across the nation in FFY 2005 was \$43,584.

RANDOLPH-SHEPPARD VENDING FACILITY PROGRAM GROWTH

	2004	2005	2006
Gross Sales	\$18,604,156	\$19,218,259	\$22,178,806
Merchandise Purchased	\$ 9,726,586	\$10,037,980	\$10,474,532
Gross Profit	\$ 8,931,179	\$ 8,984,183	\$11,704,274
Other Operating Expenses	\$ 6,837,334	\$ 7,160,819	\$9,898,536
Operating Profit	\$ 2,093,845	\$ 1,823,364	\$1,805,738
Other Income	\$ 272,921	\$ 682,416	\$1,214,157
Net Proceeds	\$ 2,366,766	\$ 2,505,780	\$3,019,895
Set Aside Funds	0	0	0
Fair Minimum Return	0	0	0
Net Profit Vendors	\$ 2,366,766	\$ 2,505,780	\$3,019,895
Revolving Account Funds Added	\$ 412,447	\$ 379,340	\$ 460,959
VR Clients Trained and Placed	6	3	1

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. DDB adjudicates and processes disability claims of Hawaii residents for SSDI authorized by Title II of the Social Security Act and SSI authorized by Title XVI of the Act.

Program Goal

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

Disability Determination Program Achievements

- 8,077 disability determination claims were processed in FY 06.
- 4,465 favorable determinations (52.7%) were made.
- A 95.1% accuracy rate achieved on all determinations processed.
- 22,780 individuals, plus dependents, received SSDI benefits and 15,550 individuals received SSI payments. A total of \$321,284,000 in SSDI and SSI payments made to residents of Hawaii.

DDB Program Accomplishments

Indicators	FY 2003	FY 2004	FY 2005	FY 2006
Claims Processed	10,695	11,315	9,809	8,077
Favorable Determinations	5,649	6,028	5,151	4,465
Accuracy Rate	95.2 %	97.6%	97.1%	95.1%
Payments made to Hawaii's residents	\$265,416,000	\$280,436,000	\$299,657,000	\$321,284,000

DISABILITY DOESN'T MEAN INABILITY

The purpose of National Disability Employment Awareness Month in October is to acknowledge and celebrate the accomplishments of people with disabilities who have overcome barriers and are successfully employed by enlightened employers.

The National Organization on Disabilities pointed out that the disability community, comprising nearly one fifth of the American population, is an untapped market worth over \$220 billion in collective spending power. Enlarging on this are families, friends and service providers of persons with disabilities. The disability community responds positively to companies whose marketing approaches are sensitive to their needs and interests. It means putting more money back in the economy and contributions as taxpayers with creativity, loyalty and consumer diversity in an expanded workforce.

VR assists eligible persons with disabilities to become successfully employed. Hawai'i is facing a serious shortage of workers due to having the nation's lowest unemployment rate, and therefore offers many opportunities for persons with disabilities who were skilled, experienced and motivated for employment.

As we enter the SFY 2007, the Federal EEOC is working to bring more persons with disabilities into the Federal workplace. DHS will also make more opportunities available with the State of Hawai'i and with the Cities and Counties of Hawai'i, Honolulu, Maui and Kaua'i.

Looking Ahead

- Expand our vision and efforts to reach and educate more employers willing to train and hire persons with disabilities.
- Direct more resources and efforts towards high quality employment outcomes.
- Recruit and retain more "qualified personnel."
- Increase emphasis on transition services.
- Improve services to the deaf and hard-of-hearing, as well as to persons with mental illness.

Our country has made great progress to ensure that opportunities are accessible to everyone willing and able to work. Access to jobs was significantly expanded in 1990 when President George H.W. Bush signed the Americans with Disabilities Act (ADA). This has served as a foundation for strengthening our nation's workforce and advancing innovation and American leadership in a global marketplace.

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 consists of 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:

- Expansion of ‘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.

In adult welfare services, Hawaii’s growing elderly and disabled population now have many more alternatives to costly nursing home care. They include:

- Significant expansion of the Nursing Home Without Walls program by doubling in size.
- The Residential Alternative Community Care program and other home and community care Medicaid waiver programs increased services to consumers and reduced 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.

CHILD WELFARE SERVICES (CWS)

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.

The goal of the child welfare services program 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. More information is available by visiting the Department's website at www.hawaii.gov/dhs and viewing "A Guide to Child Welfare Services."

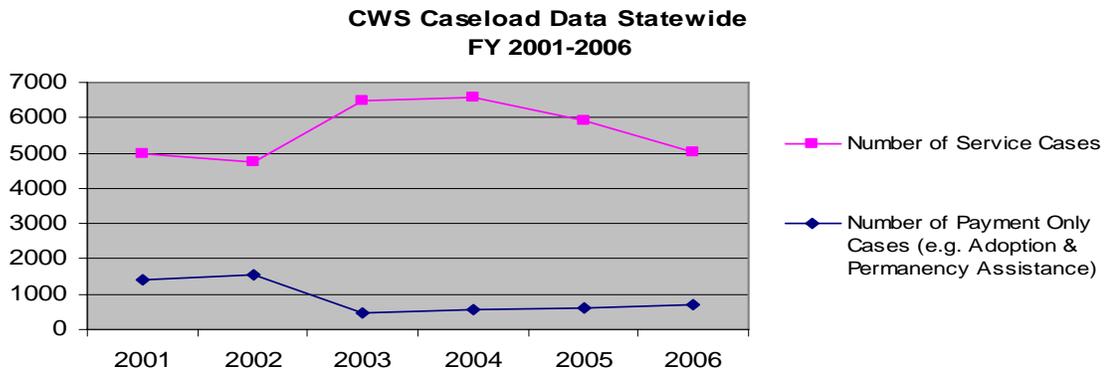
To ensure successful outcomes when CWS interventions are necessary, CWS interventions are:

- 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.

Strategies for CWS focus on:

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

Caseload

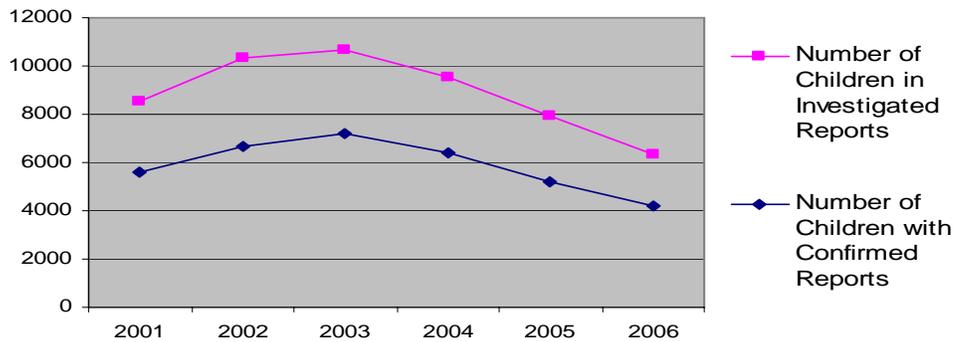


At the end of State Fiscal Year (SFY) 2006, there were 5,686 active CWS cases, compared to 6,538 active CWS cases at the end of SFY 2005. Over the last two years, cases have decreased by nearly 13% due to the implementation of the Department's Differential Response System, an increased availability of family support and case management services and an increased participation in voluntary services by families with children at risk of abuse or neglect.

Numerous factors contribute to child maltreatment, such as parental substance abuse, family violence, and mental illness. Therefore, effective CWS intervention involves strong collaboration 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 that 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 2001-2006**



Child abuse and neglect reports made to CWS are assessed using intake assessment protocol developed by the Department in collaboration with the National Resource Center on Child Protection to determine the least intensive, most effective intervention that will ensure the safety of the child. Over the past six years, the number of children in reports assigned for investigation decreased by nearly 33%, from 5,575 in SFY 2001 to 4,193 in SFY 2006, and the number of children with confirmed reports decreased by 39%, from 2,971 in SFY 2001 to 2,134 in SFY 2006.

In 2005, CWSB completed a phase-in plan to centralize reports on Oahu, beginning with West Hawaii in October 2003, Maui in March 2004, Kaua'i in November 2004 and East Hawaii by December 2004. The toll-free reporting number is 1-800-494-3991.

Types of Child Maltreatment Reports Confirmed Statewide

Type of Maltreatment	FY 2001	FY 2002	FY 2003	FY 2004	FY 2005	FY 2006
Threatened Harm	67%	68%	69%	63%	63%	65%
Neglect/Deprivation	13%	13%	14%	16%	15%	16%
Physical Abuse	10%	10%	9%	11%	12%	12%
Sexual Abuse	6%	5%	5%	6%	6%	5%
Psychological Abuse	3%	2%	2%	2%	1%	1%
Medical Neglect	1%	2%	1%	2%	2%	1%
Number of Children	2,971	3,642	3,501	3,174	2,702	2,134

In SFY 2006, there were 2,327 reports assigned for CWS investigation, compared to 2,798 reports assigned for CWS investigation in SFY 2005. The reports included a total of 4,193 children of which 2,134 were confirmed as victims of child maltreatment. In the majority of cases, children with confirmed reports were threatened with harm to their safety.

Foster Care

A total of 4,385 children were in foster care during SFY 2006, compared to 4,860 children during SFY 2005. Children aged five and younger constituted nearly 38% of all children. Of the 2,034 children that exited foster care in SFY 2006, 58% or 1,174 children were reunified with their families, 22% or 438 children were adopted, 10% or 201 children left care to a legal guardianship, and 10% or 221 children left to permanent arrangement, such as emancipation.

Ages of Children in Foster Care

Age Years	FY 2003		FY 2004		FY 2005		FY 2006	
	Number	%	Number	%	Number	%	Number	%
0 to 5	1,927	38%	2,123	41%	1,895	39%	1,535	35%
6 to 11	1,474	29%	1,502	29%	1,361	28%	1,184	27%
12 to 18	1,670	33%	1,553	30%	1,604	33%	1,666	38%
Total	5,071		5,178		4,860		4,385	

Licensed Foster Homes Statewide

Type of Foster Home	FY 2003	FY 2004	FY 2005	FY 2006
General Licensed Homes	661	753	731	734
Child-Specific Licensed Homes	1,177	1,173	1,160	955
Total	1,838	1,926	1,891	1,689

At the end of SFY 2006, there were 1,689 foster homes. CWSB had a statewide contract with Hawaii Behavioral Health to recruit, train and complete home studies of perspective 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 in 2005, training of child-specific licensed foster parents was provided by the Hawai'i Foster Parent Association. To expand our recruitment, training and support efforts, a Request for Proposals was issued in the spring of 2006: Statewide, All Inclusive, Integrated and Collaborative Initiative for the Identification, Recruitment, Screening, Training, Ongoing Support and Retention of Resource Families for Children and Families in the Department's Care. The intent of this contract is to integrate the recruitment, training, home studies and support services for resource families. The contract has been awarded in SFY 07 to Hui Ho'omalua -- a partnership of Partners In Development Foundation, Catholic Charities of Hawaii, Foster Families Program, and Kokua O'hana. Individuals interested in becoming foster parents may call (800) 879-8970 for more information.

In August 2004, a federal 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. As a result of the partnership and aggressive efforts to recruit, train and license Native Hawaiian homes for Native Hawaiian children, the percentage of Native Hawaiian children placed in Native Hawaiian foster homes increased from 51.7% in 2005 to 53.5% in 2006

Child Fatalities

There was one death in SFY 2006 in active CWS cases or cases closed within 90 days, compared to seven in SFY 2005. 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 Welfare Outcomes

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 onsite CFSR conducted by the federal Department of Health and Human Services (DHHS) in July 2003, found that Hawaii, did not meet the federal CFSR standards in six out of

the seven child welfare outcome areas and five out of the seven systemic factors. A Program Improvement Plan (PIP) was developed and approved by the U.S. Department of Health and Human Services on July 1, 2004 to address areas that needed improvement within two years.

At the beginning of the PIP, Hawaii had 19 of 23 practice items and 3 of 6 outcomes data indicators needing improvement. At PIP close-out, Hawaii was released from federal sanction on all practice items monitored and on 1 of the 3 outcomes data indicators monitored. For the remaining 2 data indicators, Hawaii has until September 30, 2007 to achieve the negotiated data goals.

The efforts of many helped Hawaii to achieve all of its negotiated PIP Year 2 goals except for the foster care re-entry and placement stability data goals. As a result, Hawaii has avoided and scaled down an estimated \$1.9 million penalty to \$170,978.

Key areas that were determined needing improvement as a result of the CFSR review were:

- Providing a timely response to child abuse/neglect reports.
- Taking action to ensure children from the risk of harm on active cases.
- Involving the family and child in case planning.
- Ensuring less re-entry into foster care and more stability in foster placements.
- Ensuring face-to-face contacts with children, parents and foster parents.
- Implement quality assurance monitoring and continuous system improvement.

As a result of the CFSR review and in collaboration with the federal Administration for Children and Families, the Department adopted the following priorities, which we believe are having a significant impact on the CFSR outcomes and our efforts to comply with the federal mandate to aggressively reform the CWS program to enhance outcomes for children and families:

- CWS will ensure child safety by a timely response to all reports of child abuse and neglect accepted for investigation by CWS.
- CWS workers will conduct ongoing safety, risk and needs assessments on all children and families in cases active with CWS.
- CWS will ensure that every family and every child, as appropriate, are actively involved in developing their case plan.
- CWS will ensure that every child in our care, every family and every foster family are visited at least once a month by the assigned caseworker and afforded the opportunity of a face-to-face interview in cases active with CWS.

Strategies for Improvement

- Ensure availability of Family Strengthening Services and Voluntary Case Management Services and other services for children at-risk to strengthen families.
- Substantial decrease of CWS workload.
- Ensure that primary case managers visit the child, parents and foster parents at least once a month.
- Increase the service array so as to provide services to threatened harm cases.
- Provide ongoing comprehensive assessments.
- Involve the family in decision-making.
- Preserve family connections through regular visits with parents and siblings.
- Increase recruitment and retention of foster and adoptive parents.
- Ensure ongoing quality assurance.

Key Areas Identified for Improvement

- Timely response to child abuse/neglect reports.
- Action to reduce the risk of harm to children in 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.

Child Welfare Services Statewide Achievements for FY 2006

Safety Outcomes

- Fully implemented a Differential Response System (DRS) that prioritizes intake referrals and utilizes community-based service providers to meet the need for family strengthening services (FSS) or voluntary case management (VCM) services as alternatives to CWS intervention.
- Improved assessment and decision-making through application of updated intake screening, safety, risk and needs assessment tools.
- Expanded and opened up community-based services, including FSS, provision of VCM services, home-based individual and family counseling, enhanced funding for transportation, outreach and visitation services, substance abuse treatment, parenting and other life skills training, enhanced Healthy Start early intervention home visitors with child development and substance abuse components, services for incarcerated women with children transitioning back to the community, and intensive mentoring of at-risk youth and their families.

Permanency Outcomes

- Partnered with Hawaiian and faith-based communities to seek out relatives, preserve cultural connections, to recruit, retain and support foster and adoptive families.
- Increased funding for and expanded use of `Ohana Conferencing (OC) to involve families and youth in case planning. Added on provision of VCM services for Leeward Oahu and East Hawai`i for a model with a built-in link between 'Ohana Conferencing and VCM. [It should be noted that 'Ohana Conferencing was cited by the federal Administration for Children and Families as a “*promising practice*” for other states to consider and replicate.]
- A request for proposal was issued and a contractor selected to provide a “seamless” service that provides recruitment, home studies, training (for licensing and ongoing), support/retention for general and child-specific foster families.

Well Being Outcomes

- Continued to encourage and increase contacts between CWS workers and children, parents and foster parents.
- Revised Service Plan and Safe Family Home Report (SFHR) to document family involvement, including children of appropriate age, in case planning. Piloted use of Family Journal tool for family involvement in case planning and review. [It should be noted that we plan to move forward on statewide implementation in SFY 2007.]
- Implemented a communication plan to keep staff and community partners informed of the changes through Policy Announcements, community meetings, extensive training, and utilization of website postings and newsletter discussions, e.g., Hawai`i Foster Parent Association newsletter and website. During the PIP, the Department provided over 175

community meetings and trainings sessions that, for the most part, were open to stakeholders as well as CWS staff.

- Strengthened the role of Section Administrators and Supervisors to move/oversee cases through the system, direct critical decisions and ensure quality of work and compliance with policy, procedures and achievement of outcomes. This is accomplished by providing guidance, consultation and technical assistance in performance management from the successful Maui management team, through the use of supervisory and administrative reviews, and participation in the continuous quality improvement (CQI) process.
- Implemented monitoring of practice and opportunities for clarification through supervisory and case reviews, in partnership with Maui Community College.
- Completed statewide training regarding new intake, safety and risk assessment tools and instructions for Family Strengthening Services and Voluntary Case Management (VCM) providers and DHS staff. Also conducted case record reviews in collaboration with the National Resource Center for Child Protection to monitor implementation of the DRS system.
- Brought VCM services online statewide.
- Increased funding, expanded and opened up access to community-based services to including the following:
 - Family Strengthening Services;
 - Voluntary Case Management Services;
 - Blueprint for Change Neighborhood Places (family centers) and Women In Need (family support program for incarcerated women with children transitioning back to the community);
 - Enhanced Healthy Start (early intervention, home visiting program with child development and substance abuse component);
 - Home-based individual and family counseling, transportation, outreach and visitation services, parenting and other life skills training;
 - Substance abuse treatment; and
 - Hawai'i Advocacy Program (intensive mentoring of at-risk youth and their families).
- Communicated and made clear expectations on family involvement in assessment and case planning, monthly visits with parents, children and foster parents, kin placement, visitations and preserving connections through Policy Announcements (PA). Provided training and guidance on PA to DHS staff and community partners.
- Reinforced and followed through on initial PA training with additional training to articulate the “best practice standards” and provide procedural guidance/clarification for PA implementation.
- Revised service plan and Safe Family Home Report (SFHR) to document family involvement, including children of appropriate age, in case planning that will be finalized and implemented statewide in SFY 2007.
 - DHS and the Court Improvement Program (CIP) jointly received technical assistance from the National Resource Center on Children and the Law on revisions to the SFHR and kinship care policy.
 - Piloted use of the Family Journal tool for involving families, including children of appropriate age, in case planning and review.
- Partnered with the Hawaiian and faith-based communities to increase recruitment and retention of Hawaiian foster and adoptive families, building on the targeted recruitment plan in West Hawai'i, with on-site consultation from AdoptUSKids, the National Resource Center on Adoption, and Harvest Family Life Ministry on faith-based recruitment.
- Decreased the number of children in foster care. At the end of the first year of the PIP, as of June 30, 2005, there were 2,813 (127 less than a year earlier) children in out-of-home placement under DHS placement responsibility; 42% were placed with relatives. This

was up from 40% a year earlier. Preliminary data for PIP Year 2 (SFY 2006) show the trend continuing. As of September 30, 2005 (SFY 2006 first quarter), the number of children in out-of-home placement continued to drop by 59 to 2,754 and the rate of placement with relatives was around 41%.

- Established a collaboration by the Social Services Division, the Med Quest Division (MQD) and the Benefit, Employment and Support Services Division to identify issues to be addressed to improve foster children's access to medical services.
- Collaborated with MQD to promote improved foster children's access to medical services.
- Increased coordination efforts with MQD to address issues with access to Early Periodic Screening Diagnosis and Treatment (EPSDT) services and other medical and mental health and developmental testing services for CWS children. (Developed and disseminated EPSDT Request Form to CWS staff to give to foster parents.)
- Coordinated with health plans' EPSDT coordinators to contact health plan physicians who are not familiar with EPSDT.
- Collaborated with Hawai'i Foster Parents Association to include an article on EPSDT in the Hawai'i Foster Parent Association's February 2006 newsletter.
- Disseminated brochures on EPSDT to foster parents and other attendees at the annual fall 2005 Foster Parents Conference.
- Promoted meeting children's dental needs through informing CWS staff on how to access dental care for CWS children. (Over 800 brochures on accessing dental care have been distributed to CWS sections statewide. CWS sections have been informed about the availability of in-service trainings by a MQD contracted company that facilitates obtaining dental care for QUEST and Medicaid covered children.)
- Promoted documenting updated medical and dental information of children with open cases and sharing information with foster parents through issuance of an Internal Communications Form (ICF) and reinforcing the policy in training.
- Funded and implemented the Kapi'olani Medical Center CARE (Child at Risk Evaluation) program.
- Strengthened interagency coordination with Department of Health-Children and Adolescents Mental Health Division (DOH-CAMHD) by:
 - DOH-CAMHD developing a data capturing methodology on Support for Emotional and Behavioral Development (SEBD) referrals for CWS involved children.
 - Expedited SEBD determinations through DOH-CAMHD and DHS-CWS collaboration to provide training to CWS staff who were certified to administer the Child and Adolescent Functioning Assessment Scale (CAFAS) which is required for SEBD determinations.
 - Collaboration between CWS Section Administrators and Department of Health (DOH) Family Guidance Center Branch Chiefs on a quarterly or as needed basis to discuss children for whom there are difficulties in completing the SEBD determination or providing services determination and services helped expedite the determinations for CWS children.
 - Collaborated with DOH-CAMHD in developing a Memorandum of Agreement to provide DHS-CWS moneys to obtain psychological evaluations for children being referred for SEBD. DOH-CAMHD now accepts CWS children for emergency placement into therapeutic foster homes, pending SEBD determination.
 - Began participating with Statewide Interagency Quality Assurance Committee in March 2005. The DOH, the Department of Education (DOE), and DHS representatives are on this committee. The purpose of this committee is to identify and address systemic problems affecting the children serviced by these departments. Representatives from the Department of Health's Alcohol and Drug

Addiction Division (ADAD) and the Family Court joined the committee in SFY 2006.

- Collaborated with DOH-CAMHD to provide improved access to mental health services and Medicaid to provide services to families who adopt the “waiting children.”
- Continued collaboration (intra- and interdepartmental) to increase other possibilities, such as working with DOH-Developmental Disabilities Division (DDD) to help with recruitment and retention for children with mental retardation and autism.
- Collaborated with the DOH to implement the Enhanced Healthy Start program, which was implemented initially on the island of Hawai`i in November 2004 and statewide in November 2005.
- Collaborated with the DOH to make referrals to either public health nurses, Enhanced Healthy Start or DOH Early Intervention for developmental testing on young children once deemed to be needed by physicians under EPSDT.

Quality Assurance

- Maintained the supervisory case review process statewide.
- Maintained comprehensive quality case review process utilizing the Federal Child and Family Services Review (CFSR) Instrument, training curriculum, random sampling, community/agency team reviewers in eight selected sites to represent the State.
- Conducted case reviews for Differential Response System jointly with the National Resource Center for Child Protective Services.
- Conducted data analysis training.
- Instituted the Statewide Continuous Quality Improvement Council consisting of community stakeholders, line staff, birth parents, foster parents and partner agencies to meet quarterly and review CQI data and recommend improvements.
- Identified additional data sources including serious harm, re-harm and child death cases, administrative hearings, administrative review panel findings and permanent custody child listings to be incorporated into the CQI system.

Training

- Developed and implemented an updated training plan for new hire staff.
- Developed, revised and trained supervisors and section administrators on the Training Practice Integration Plan (TPIP): Transfer of Learning components-1) review of training week between supervisor and new employee; 2) quarterly feedback between supervisor/section and Staff Development.
- Expanded new hire training to include a statewide On the Job Training (OJT) schedule, Part II Skill building component and 5 computer based modules.
- Established a policy work group for training.
- Signed a Memorandum of Agreement with the University of Hawai`i, School of Social Work to expand the training academy to develop training curricula, assist with agency training, coordinate field instruction and evaluate trainings.
- Established training sub-committee through the training policy committee and began to review training curricula (e.g., core and in-service for supervisors and managers, in-service for foster parents and adoptive parents and in-service for line staff) to recommend to DHS for core and in-service training.
- Hired for a Director of Training, Director of Evaluation, Field Instructor, Evaluator, and Training Coordinator under the DHS Agreement with the University of Hawai`i, School of Social Work.

- Signed a Memorandum of Agreement with the University of Hawai'i, School of Law to assist with training, evaluation/curriculum projects, and future multi-disciplinary projects. (First cohort of students began in summer 2005.)
- Provided substance abuse training through community providers. Contracted statewide expansion of child-specific trainings in collaboration with the Hawai'i Foster Parent Association in 2005.
- Expanded community and state training through partnering with National Resource Centers (NRCs), e.g., The National Child Welfare Resource Center for Adoption; National Resource Center for Family-Centered Practice and Permanency Planning; National Resource Center for Child Protection; AdoptUSKids; Maui Community College, community and mainland experts: Hawai'i Foster Parent Association, Hawai'i Foster Youth Coalition, Hale Kipa, Hawai'i Behavioral Health, Kapi'olani Child Protection Center, Dr. Pablo Stewart, Ms. Emi Uyehara and Substance Abuse Free Environment (SAFE), Bishop Blake and Michael Redden, Harvest Family Life , training and consultation regarding recruitment and retention of foster and adoptive parents through faith-based partnerships.
- Expanded funding for Foster Parent Training Committee training requests for Fiscal Years 2005-2007.
- Issued RFP and selected contractor for Trainings for licensure and for ongoing foster parent trainings.
- Developed and pilot tested supervisory curricula through the expanded Training Academy. Began scheduling of supervisory cohorts for implementation of the training statewide in State Fiscal Year 2007.
- Developed draft training evaluation plan as part of the expanded Training Academy. Incorporated finalization of evaluation plan into the Child and Family Services Plan (CFSP).
- Incorporated plans to develop and implement ongoing curricula and training for managers, workers and paraprofessionals in the CFSP.
- Developed training addressing research and practice implications of kinship care through Child Welfare League of America and provided statewide training to staff and community partners at 13 sites.
- Participated with Judiciary and Court Improvement Program (CIP) team on the National Judicial Leadership Summit on the Protection of Children.
- Developed a planning agreement with university partners to implement a BSW distance education program to support entry-level staff in child welfare.
- Provided initial training supporting kinship care for Section Administrators, Supervisors, Child Welfare Services Branch, Court personnel, and vendors.
- Expanded field placements for MSW students to other islands through the University of Hawai'i, School of Social Work (UHSSW) agreement.

Service Array

- Increased Family Strengthening Services from 3-6 weeks to 6 months of services.
- Incorporated Voluntary Case Management Services into the current comprehensive counseling contracts.
- Provided additional funding for expanded intensive home-based, individual and family counseling, group treatment, outreach and visitation services, including transportation services for children and adults to facilitate their participation in services.
- Maintained the Hawai'i Youth Advocacy Program, to provide intensive community-based prevention services to youth at-risk and their families.
- Replaced Legislative grant-in-aid funding for Neighborhood Places to enhance diversion services.
- Provided funding to maintain Family Centers in Kalihi and Kaneohe.

- Maintained funding in West Hawai`i to encourage and support Hawaiian and faith-based recruitment of foster homes.
- Increased availability of substance abuse assessment and treatment services for our TANF eligible clients through collaboration with our BESSD Division.
- Continued funding for Enhanced Healthy Start pilot projects in East and West Hawai`i.
- Reinforced/clarified licensing standards with licensing sections and reinforced teamwork efforts between licensing staff and other units to minimize disruptions of child-specific placements through teleconferences, meetings with Section Administrators, emails and ongoing communication to clarify issues, working with the Information and Technology offices, etc.
- Participated in AdoptUSKids Roundtables about state and national adoption recruitment and continued collaborative work (e.g. National AD Council Campaign and Faith-Based Recruitment of Foster/Adoptive Homes).
- Worked with purchase of service vendor for recruitment and home studies, Hawai`i Behavioral Health (HBH), to develop a Comprehensive/Collaborative Recruitment Plan. (HBH is the Recruitment Response Team for the AD Council Campaign, partners with Kokua Ohana and other agencies in Hawaiian and Faith-Based recruitment efforts, etc.)
- Accessed federal funding for increased recruitment of Hawaiian foster and adoptive families (Administration for Native Americans awarded grant to Partners in Development Foundation -Kokua `Ohana Project.) Began targeted recruitment plan in West Hawai`i with on-site consultation with AdoptUsKids, The National Child Welfare Resource Center on Adoption and Harvest Family Life Ministry on faith-based recruitment.
- Centralized targeted recruitment on O`ahu through the Kokua `Ohana project. Their retention efforts supported all foster families, not just their targeted population. Hawai`i Behavioral Health collaborated with Kokua `Ohana and other agencies on the recruitment efforts.
- Implemented other recruitment/retention initiatives, e.g., Heart Gallery Hawai`i and HOPE, Inc. that focused on teens, children with significant challenges and other hard to place children in finding permanency (“waiting children”).
- Provided improved access to mental health services through partnering with DOH-CAMHD and Medicaid.
- Ongoing integration (intra- and interdepartmental) continues to increase other possibilities, such as working with DOH-DD to help with recruitment and retention for children with mental retardation and autism.
- Issued RFP for an integrated system and contractor selected to address recruitment, home studies, training (for licensing and ongoing), support/retention for general and child-specific foster families.

Looking Ahead

- Maintain the progress we have made as a result of the PIP to prepare for the 2009 CFSR.
- Ensure a stable workforce.
- Secure sufficient funding to ensure compliance with federal mandates and requirements.
- Maintain our ability to access and utilize federal funding.
- Strengthen our collaboration and partnerships between State and community stakeholders.
- Sustain our ability to respond to emerging needs.
- Evaluate and adjust our current service array to fully utilize our funding and ensure that our customers are receiving appropriate, effective and quality services.

Note: Data presented in this chapter was extracted from the Child Protective Services System (CPSS) on 10/12/06.

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 02 Actual	FY 03 Actual	FY 04 Actual	FY 05 Actual	FY 06 Actual
Reports investigated	509	607	671	598	514
Confirmed abuse or neglect	217	201	168	135	120
% confirmed	43%	33%	25%	23%	23%
Re-abuse within 12 month period	3.1%	2.9%	1.6%	5.1%	5.8%

Adult Protective Services Outcomes

- Adult protective reports were received and investigated on 514 dependent adults: 74% of the reports involved individuals age 60 and older; 120, or about 23% of the reports investigated were confirmed for abuse, neglect, or financial exploitation. Subsequent re-abuse within a 12-month period occurred for 5.8 % of the confirmed reports.

Adult Protective Services Achievements

- The ACCSB is continuing its 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. 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 on March 1, 2002 and has been extended through February 2007. Funding is provided through the Edward Byrne Memorial Justice Assistance Grant (JAG) Program (Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice). The total number of new clients served during fiscal year 2006 is 53.

- 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 service 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, 2007. Funding is provided through the Victims of Crime Act (VOCA). The total number of new clients served during fiscal year 2006 is 61.

Looking Ahead

- It is anticipated that the APS program will have more clients to serve if coverage of the APS law is broadened to include vulnerable adults rather than dependent adults. ACCSB will need to find ways to meet its commitment to providing adult protective services (APS) to the community and to meet expected program growth with the change in coverage.

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 \$985,199,277 million (\$583,812,885 million in federal funds) in FY 2006 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 Medicaid QUEST recipients who have other health insurance coverage exhaust these benefits before Medicaid FFS or Medicaid 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 processed 83,973 applications statewide in FY 2006 in addition to maintaining an active caseload of over 69,575 cases statewide. The EB also provided assistance to the Benefit and Support Services Division (BESSD) for their medical cases. Altogether, the MQD oversees the provision of health care to more than 200,000 eligible residents. EB staff continues to actively work with the community agencies and groups to ensure easy access to health insurance and swift problem resolutions. The EB continues to work with a group of public, private and government agencies to modify the application and renewal forms, as well as procedures to meet the needs of our residents. The collaborated effort between the Department and our partners in the community has enabled the State to close the gap on the number of Hawaii residents who did not have medical insurance. In FY 2006, there were 1,771 more residents receiving medical assistance than in FY 2005.

RECIPIENT GROWTH IN FY 2006				
Enrollment	Jun-05	Jun-06	Growth	% Increase
Oahu	134,945	136,024	1,079	0.80%
Kauai	9,909	9,869	-40	-0.40%
Hawaii	38,066	38,402	336	0.88%
Maui	15,766	16,168	402	2.55%
Molokai	2,201	2,204	3	0.14%
Lanai	332	313	-9	-2.80%
Statewide	201,209	202,980	1,771	0.88%

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 increased from 156,160 in FY 2005 to 162,650 at the end of FY 2006.

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.

2) MEDICAID FEE-FOR-SERVICE (FFS)

The FFS program covers eligible residents who are age 65 and older, blind, or disabled. At the end of FY 2006, there were 40,695 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 2003	FY 2004	FY 2005
Total individuals eligible	114,494	121,477	125,902
Total screens performed	81,652	81,758	90,273

4) QUEST-NET

The QUEST-Net program offers beneficiaries limited health care benefits, although children in QUEST-Net receive the same complete 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 in FY 2006 from 1,993 recipients in June 2005 to 2,010 recipients in June 2006.

Maternity benefits are not covered under the QUEST-Net program, but once an adult 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. At the end of FY 2006 the TMA enrollment was 5,143.

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 Section 1931 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 in three of the past six months, (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. To be eligible for the second six-month extension, the family must include a child under 19 and report income and child care information. 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. At the start of FY 2006, federal funds cover 71.17% of the program costs, and the State's Tobacco Settlement Funds cover the remaining 28.83%. Enrollment in S-CHIP increased from 14,277 in FY 2005 to 15,396 in FY 2006.

To qualify for free health coverage, children must be uninsured, under age 19, and have family income less than 200% of the FPL. In 2006, this is a monthly income of \$3,182 for a three-person household and a monthly income of \$3,834 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 the QUEST managed care program. 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. At the end of FY 2006, there were 3,238 children enrolled in this program, an increase of 216 from the end of FY 2005.

9) MEDICAL ASSISTANCE FOR PREGNANT LEGAL IMMIGRANT WOMEN PROGRAM

This fully State-funded program was implemented on July 1, 2004 after the successful passage of a bill proposed by the Lingle-Aiona Administration on recommendations of the Hawaii Primary Care Association. 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 Medicaid coverage. In August 2004, the first month of the program, there were 26 pregnant legal alien participants. There were 136 participants enrolled at the end of FY 2005 and 164 participants for FY 2006, a 17% increase from FY 2005.

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 2004	July 2005	July 2006
Federal Breast Cancer	23	30	30
Federal Cervical Cancer	3	4	3
State Breast Cancer	4	3	2
State Cervical Cancer	0	0	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 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 contractor (ACS) recovers medical expenses in the agency's behalf 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.

The Attorney General's State Claims Unit 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 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 help to contain medical expenses by identifying and reporting their members' other health insurance coverage, cost avoiding medical expenses and recovering accident claims.

13) MEDICARE MODERNIZATION ACT - MEDICARE PART D

The federal Medicare Modernization Act of 2003 (MMA) that provides new prescription drug coverage to Medicare beneficiaries was implemented. Effective January 1, 2006, Medicare, instead of Medicaid, will provide prescription drug coverage for more than 26,600 Medicaid recipients who also have Medicare insurance. Drug coverage will be provided through Medicare Part D Prescription Drug Plans (PDPs). The PDP's are now responsible for the prescription drugs for the Medicare eligible population much like health plans are responsible for medical services of an enrolled membership. Medicaid will still provide prescription drug coverage for those drugs that are excluded for coverage by the MMA.

The Part D program affected approximately two-thirds of the Aged, Blind, and Disabled recipients in the Medicaid Fee-For-Service (FFS) program as they are dual-eligibles, having both Medicare and Medicaid eligibility. Under the Part D program, the dual eligible individuals were auto-assigned by the federal Centers for Medicare and Medicaid Services (CMS) into Prescription Drug Plans (PDP). The Medicaid FFS program continues to provide coverage for medically necessary "excluded" classes, which Medicaid has covered in the past. So dual eligibles continue to have coverage for their medically necessary drugs with a combination of Part D and Medicaid coverage.

14) STATE PHARMACY ASSISTANCE PROGRAM (SPAP)

The 2005 Legislature authorized the establishment of the new State Pharmacy Assistance Program (SPAP) through a bill by submitted by the Lingle-Aiona Administration to pay for Medicare Part D prescription drug co-payments. The SPAP will assist in the transition of prescription drug coverage from Medicaid to Medicare for elderly or disabled Medicaid recipients who have Medicare insurance and whose income does not exceed 100% of the FPL, (earning no more than \$11,280 per year for one person and \$15,180 per year for a two-person family).

Many elderly and disabled people take multiple prescription drugs each month and the addition of co-payments required by Medicare Part-D can be expensive. The SPAP will provide benefits to complement the new Medicare drug benefits. Specifically, the SPAP will cover the cost of co-payments required under the various Medicare plans, \$1 per script for generic drugs and \$3 per script for branded drugs.

15) HAWAII RX PLUS PROGRAM

The implementation of the Hawaii Rx Plus program in July 2004 enabled the State to offer a prescription drug assistance program to all Hawaii residents with incomes equal to or less than 350% of the FPL and 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: 1) are you a resident of the State, 2) are all available drugs covered by your drug insurance all of the time, and 3) what is your income for the last 12 months. After signing and submitting their application, eligibility is determined and two membership cards are issued, one to the eligible applicant and one to their household within 72 hours of application. This program was designed to reduce the cost of prescription drugs to qualified participants through a simple application process. In FY 2006, 111,977 residents were enrolled in the Hawaii Rx Plus program with a total drug savings to our residents of \$479,339.95.

Retail Savings Price Comparison					
Category	# of Rx	Ingredient Cost + Dispense Fee	Retail Pricing Comparison	Cost Savings	Percentage/ Savings
Brand Drugs	11,368	\$899,266.77	\$1,038,717.47	\$139,450.70	13.4%
Generic Drugs	32,188	\$703,168.25	\$1,043,057.50	\$339,889.25	32.6%
Customer Total	43,556	\$1,602,435.02	\$2,081,774.97	\$479,339.95	23.0%

MQD Achievements

In FY 2006, the Department improved access and participation for Hawaii low-income adults and children to the various medical assistance programs administered by the MQD. The MQD continues to improve services to the current Medicaid client population by partnering with various community stake holders and health care service providers. Also in FY 2006, the MQD developed, modified or improved operational procedures and processes to meet various federal mandates such as MMA Medicare Part D, HIPAA security standards, and the Deficit Reduction Act.

- **Planning for the implementation of QUEST Expanded Access (QExA):** The planning for the integration of the Medicaid Fee-For-Service population into managed care plans continued in FY 2006. The MQD participated in numerous statewide meetings with a coalition of government and community agencies for input into the design of the new program. The goal of QUEST Expanded Access (QExA) is to amend the current Section 1115 demonstration project, Hawaii QUEST, to eventually include all aged (individual 65 years and older), blind, and disabled individuals, and to expand the services to include long-term care services, both institutional and home and community-based waiver services.
- **Pre-Populated Eligibility Annual Renewal Forms:** In FY 2006, the MQD continued the use of the pre-printed Eligibility Renewal Form implemented statewide for annual eligibility renewals conducted by the MQD. This simplified pre-printed computer generated form requires the recipients to only re-confirm and/or report changes of information for their annual eligibility renewal. Previously, recipients had to fill out the entire Eligibility Re-determination 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 Renewal 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.

For FY 06, there were 35,664 families who were eligible for passive renewal processing. Of that amount, 27,962 families (78.4%) utilized the passive renewal process.

- **Pregnant Women and Children’s Application:** The MQD continued to expedite the application process for pregnant women and children, through the use of the Medical Assistance Application For Children and Pregnant Women Only form (DHS 1108). Use of this simplified form (called the "Pinkie") 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 2006, the EB processed within 5 working days, 5,147 applications out of 5,294 applications received, an achievement rate of 97%.

In FY 06, the number of pregnant women receiving medical assistance decreased by 33% from 7,524 individuals in FY 2005 to 5,007. There have been decreases on all islands.

- **The Federally Qualified Health Centers (FQHCs):** DHS has funded outreach staff that assist families with children in the completion of applications and submission to the Med-QUEST Division for medical assistance eligibility determination. During FY 2006, the Department received 7,247 medical applications from FQHCs throughout the State.

Applications from FQHCs in FY 2006						
Date	East-HI	West-HI	Kauai	Maui	Oahu	Monthly
Jul-05	72	62	13	130	265	542
Aug-05	57	60	18	137	301	573
Sep-05	48	30	17	125	323	543
Oct-05	67	61	11	103	389	631
Nov-05	68	59	27	108	460	722
Dec-05	71	60	25	133	355	644
Jan-06	54	67	46	118	287	572
Feb-06	65	51	50	129	318	613
Mar-06	49	49	43	131	334	557
Apr-06	63	39	58	137	314	601
May-06	51	55	44	124	327	606
Jun-06	39	57	46	117	335	594
Total	694	650	398	1497	4,008	7,247

- **Eligibility Branch:** The Eligibility Branch (EB) has maintained timely application processing and processed a minimum of 6,188 applications per month. This includes the applications from the outreach staff at the FQHCs. 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.

- **Health Insurance Portability and Accountability Act (HIPAA):** The MQD continually monitors federal HIPAA Privacy, Security and Transaction and Code Set compliance throughout the Division. The development of Security Policies and Procedures, on-going reviews of existing practices, periodic audits of division compliance efforts, and training of staff continued in FY 2006. The MQD, in collaboration with other Hawaii health care organizations, has also been active in the continuous education of State health care providers with on-going implementation of HIPAA provisions.

The MQD developed a Security Training Program for current and new employees, implemented technical and administrative controls, and continued with technical remediation activities to meet the HIPAA Standards in FY 06.

The DHS, through the MQD, has contracted with a consulting firm to develop a department wide security policy, a security training program and information technology business contingency planning templates. In addition, the contract included a comprehensive business and information technology audit of DHS compliance with the HIPAA Privacy and Security Rules with projected completion sometime in 2007.

The MQD has begun implementation of the HIPAA National Provider Identifiers (NPI) standard, which requires a standard unique health identifier for health care providers. All health care providers who are covered entities must obtain and use NPIs. All health care payors, such as the 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.

- **Federal Deficit Reduction Act (DRA) of 2005, Public Law 109-171:** The new provisions under Section 6036 of the DRA of 2005 discontinued the practice of self-attestation of citizenship and identity. The DRA requires State Medicaid agencies to verify through documentation, the citizenship status of all U.S. citizens applying for or receiving Medicaid in order to receive Federal financial participation (FFP). Effective July 1, 2006, all applicants are required to comply upon application and current recipients are required on the month of their annual re-determination of benefits. Federal interim rules also established a hierarchy of acceptable documentation options.

Beginning in April 2006, the Department partnered with the Hawaii Covering Kids (HCK), to establish the Process Simplification Task Force, to develop and implement a statewide action plan to educate current recipients, applicants, community advocates, health care providers and “gatekeepers” on the requirements of the DRA. The coalition met bi-monthly to share information, problem-solve new issues and coordinate efforts.

- **MMA Medicare Part D:** Beginning January 1, 2006, the Medicare Prescription Drug program also known as the Medicare Part D program was implemented. The start of this program represented a significant change in the way prescription drugs are provided to Medicare eligible individuals. The MQD has actively participated in a coalition of other government agencies, private non-profit agencies, and various public groups to help transition the drug coverage from Medicaid to Medicare for the affected recipients.

The Department developed and successfully implemented a safety net for Medicaid recipients impacted by MMA, called the State Contingency program, to ensure that Medicaid recipients had continued access to their needed medicines during the transition period for recipients to choose a prescription drug plan (PDP). The Contingency program included public outreach and assistance to inquiries from Medicare and Medicaid dual-eligible recipients during the PDP choice period.

In addition, the MQD:

- Implemented the initial amendment of relevant Hawaii Administrative Rules.
- Identified and established electronic interfaces with other government agencies and departments to secure existing collected citizenship and identification documentation.
- Developed a data base system to send, receive and store citizenship and identity information to clients and external data sources.
- Established a centralized document receipt site for recipients.
- Developed letters to recipients when electronic data interfaces were unsuccessful, implemented a process to solicit the required documentation specific to each individual in the case to ensure compliance.
- Conducted public informational events with various community and professional groups to inform and engage their assistance.
- The MQD continues to provide electronic and on-line support to both recipients and providers to assist 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.

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.

Looking Ahead

- **Annual Plan Change:** The MQD will be challenged to complete enrollment for no less than 95% of the QUEST population eligible to participate in the 2006-2007 Annual Plan Change (APC). Approximately 170,000 QUEST recipients will be required to make a health plan selection within a 60-day period. Positive enrollment will occur January 2, 2007 through February 28, 2007. Informational notices will be mailed to clients in July and October to make them cognizant of the new enrollment dates, health plan availability, and enhanced benefits. Choice notices will begin mailing in later December 2006. To ensure customer satisfaction, the MQD will impose a 90-day grace period where recipient may change health plans. Benefits provided through the new QUEST health plans will begin April 1, 2007.

Due to an anticipated increase of calls, a contract will be issued to a vendor to provide overflow telephone coverage. The vendor will answer questions relating to the APC and perform enrollments based on health plan selections from callers. The vendor will perform enrollments using a MQD web-enrollment application, while CSB performs direct updates to the Hawaii Pre-Paid Medical Management Information System (HPMMIS).

To ensure a high response, the MQD will commit to several community awareness efforts. Meetings are held monthly that include outreach workers from various health facilities, homeless projects, health plans, community advocates, and legislative representatives. Attendees are encouraged to disseminate information throughout the community. Radio, television, advertisement in buses and ethnic newspapers, and provider notifications are planned.

- **Federal Deficit Reduction Act (DRA) of 2005, Public Law 109-171:** Continuing in FY 2007, the MQD will be challenged to develop new processes, documentation and reports, and improve efficiency of operations in order to comply with the DRA requirements. All

applicants and current recipients with re-determinations due in July 2006 were subjected to the new requirements. An initial analysis confirmed the success of the Department's established process and also identified additional actions MQD must undertake to strengthen operations. These actions include but are not limited to, a re-design of MQD Application Forms to further the effectiveness of electronic interfaces, approval of medical assistance for new applicants who meet all Medicaid requirements except for citizenship and identity by allowing for additional time to secure the documents, creative document alternatives and additional system modifications to simplify work functions for the Department's Eligibility Staff. The Department is challenged to maintain eligibility of current recipients to ensure continuation of medical coverage while complying with the new Federal citizenship requirements and the Hawaii Administrative Rules (HAR) and the Hawaii Medicaid State Plan will need to be amended to comply with the provisions of the DRA.

The Department is also working on plans to implement the provisions of Sections 6011 to 6016 of the DRA. The provisions in these sections address Medicaid payments for long-term care services. Medicaid regulations and the Hawaii Revised Statutes have provisions that penalize individuals who transfer assets for less than fair market value in order to qualify for Medicaid payments of long term care services. Medicaid will not pay for long term care services during the term of the penalty period. The DRA provisions address practices employed by individuals who transfer assets for less than fair market value without incurring a penalty period. These provisions will diminish the role of Medicaid in planning and paying for long term care services, and encourage planning for private payment for these services with the individual's assets.

- **Lowering the Number of Hawaii Residents Who Do Not Have Medical Coverage:** The MQD will continue to strive to lower the rate of Hawaii residents who do not have medical coverage through new and continuing initiatives. In FY 2006, the MQD was able to provide medical coverage to an additional 1,771 recipients than in FY 2005. A recent survey by the United Health Foundation, the American Public Health Association and the Partnership for Prevention, indicated that Hawaii's uninsured rate is 9.6% as compared to the national average of 15.7%. MQD will continue to:
 - Expedite the processing of medical assistance applications for low-income pregnant women to ensure the provision of vital pre-natal care. The United Health report shows Hawaii's infant mortality rate decreased from 9.1 per 1,000 in 1990 to 6.4 in the latest count.
 - Provide out-stationed staff in Federally Qualified Health Centers to provide initial medical application intake and processing to help the uninsured access Medicaid coverage.
 - Partner with community advocates to improve outreach and communication of the Medicaid program services.

- **State Children's Health Insurance Program (S-CHIP) Expansion:** CMS also approved Hawaii's request to eliminate the prerequisite that children participate in QUEST or Medicaid Fee-For-Service prior to becoming eligible for QUEST-Net and implement a graduated premium-share schedule (\$15, \$30, and \$60) for children. The graduated schedule will apply when countable family income exceeds 250%, 265%, and 280% of the FPL. S-CHIP statutes prohibits the use of enhanced funds for children who are eligible for state or county health benefits on the basis of a family member's employment with the state or county government, thus, these children are identified as such to ensure that Medicaid only funds are claimed.

- **QUEST Expanded Access:** The MQD will continue to work on the planning for the integration of the Medicaid Fee-For-Service population into QUEST managed care plans effective January 1, 2008. The goal of QUEST Expanded Access is to amend the current Section 1115 managed care demonstration project, Hawaii QUEST, to include all aged (individuals 65 years and older), blind, and disabled individuals, and also expand services to include long-term care, both institutional and home and community based waiver services. The MQD continues to collaborate with a coalition of government and community agencies for the design of the new program that will convert the aged, blind, and disabled population from fee-for-service into a managed care delivery system that will improve client access to quality health care as well as provide program stability and sustainability.

- **Amend Hawaii QUEST in FY 06 to reduce the number of uninsured in Hawaii by :**
 - Utilizing all of the recurring federal funding through Title XXI State Children Health Insurance Program (SCHIP), which provides a higher federal match than Title XIX, for children between 200% and 300% of the federal poverty level (FPL) through our 1115 waiver extension. To achieve this, we will first increase the SCHIP income eligibility from 200% to 250% of the FPL for children and eliminate the premium requirement for children between 200% and 250% FPL. We will also reduce the monthly premium that the families up to 300% of the FPL must now pay to enroll their children in QUEST-Net up and eliminate the previous requirement of having to be enrolled in QUEST in order to be eligible to enroll in QUEST-Net to improve children's access to quality health care.

 - Providing a medical benefit package for QUEST eligible adults who have not been allowed to enroll in QUEST due to the QUEST enrollment cap since 1996. Beginning January 1, 2007, the MQD will implement the Adult Coverage Expansion (ACE) program. The Eligibility Branch (EB) will review applications previously denied, up to 6 months prior, and new applications starting January 2, 2007 and begin enrollment February 1, 2007. The QUEST Adult Coverage Expansion (ACE) is targeting the enrollment of 20,000 additional low-income, uninsured adults at or below 100% of the FPL. The package duplicates QUEST-Net, excluding premium-share. Upon exhausting medical benefits, clients must wait until the new benefit year to regain coverage.

- **HIPAA IT Security Remediation:** The MQD will be challenged to address, update, and implement technologies to provide for new business processes, meet federal mandates, and protect against possible threats to the DHS information and computer networks. New business processes will require resources to implement new mobile technologies such as Wi-Fi and PDAs. Federal mandates will require that information is protected from inappropriate access and disclosure, and recovery during a man-made or natural disaster. Possible threats to the Department's information infrastructure requires resources to develop mitigation technologies to prevent damage.

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. The Senior Companion Programs provides low income older adults with volunteer opportunities through which they are able to assist frail homebound elderly and provide respite to their caregivers. The Respite Companion Program is an employment program that provides low income older adults the opportunity to learn job readiness skills at designated adult day care and day health facilities, with the goal of preparing them for employment opportunities.

Foster Grandparent Program enables low-income seniors to assist children with special and exceptional needs in schools, Head Start sites, and non-profit organizations.

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 2006

- Institutionalization was prevented or delayed for 6,441 frail elders, and disabled adults and children in the State: 1,605 through the chore services program, 63 through the adult day care program, 64 through adult foster care services, and 4,709 individuals through the Medicaid waiver programs.
- The Senior Companion/ Respite Companion programs together provided 169 companions and delivered 133,446 hours of service to 264 clients.
- The Foster Grandparent program recruited 160 foster grandparents who worked with 810 children with special needs, with 124,179 hours of service (an average of 776 hours annually per foster grandparent).
- The RACC program served 1,233 clients.
- The NHWW program served 950 individuals.
- The DD/MR HCBS program served 2,318 individuals.
- The MFCC program served 58 individuals.
- The HCC program served 64 individuals.
- The PACE program served 86 individuals.

HOME AND COMMUNITY-BASED SERVICES CLIENTS

PROGRAM	FY 03 Actual		FY 04 Actual		FY 05 Actual		FY 06 Actual	
Chore	1,204		1,377		1,011		1,605	
Adult Day Care	83		68		85		63	
Adult Foster Care	176		167		62		64	
Senior Companion ¹	147	602	151	161	488	557	113	264
Respite Companion ²	59	234	63	62	170	215	56	N/A*
Foster Grandparent ³	165	730	165	165	800	800	160	810
<i>Medicaid Waiver Programs:</i>								
<i>NHWW</i>	845		912		929		950	
<i>RACCP</i>	684		1,165		1,144		1,233	
<i>DD/MR HCBS</i>	1,773		1,945		2,006		2,318	
<i>HCCP</i>	92		83		61		64	
<i>MFCC⁴</i>	45		48		62		58	
<i>PACE</i>	105		104		90		86	
<i>Medicaid Waiver Program Total:</i>	3,544		4,257		4,292		4,709	

¹ Senior Companions served / Clients served

² Respite Companions served / * Work is now in group settings, e.g., day care and health care facilities, and no longer with individual clients.

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

- The Foster Grandparent Program received a \$9,000 grant from the Breztlaff Endowment Foundation. The funds were used to support two foster grandparent positions with the Sultan Schools Easter Seal Afternoon Reading Program. The foster grandparents assisted with literacy activities for special needs children from various Department of Education schools.

Looking Ahead

- Act 236 (SLH 2006) makes permanent the Department's responsibility for the licensure of Home and Community-Based Case Management Agencies (HCCMA) and Community Care Foster Family Homes (CCFFH). Previously, the Department's regulatory activities were performed as part of a demonstration project. HCCMA and CCFFH are long-term care, community-based services for individuals with nursing home level needs. Both services are utilized by non-Medicaid, private clients and Medicaid clients in the Department's Medicaid waiver Residential Alternatives Community Care (RACC) Program. CCFFH offers a less expensive, non-institutional alternative to placement in a nursing facility.
- Act 220 (SLH 2006) establishes requirements for criminal history record checks to ensure the reputable and responsible character of individuals serving ACCSB clients. ACCSB will be developing administrative rules to implement the requirements of the law.
- The Pre-PACE program on Oahu has transitioned to become a pre-paid in-patient health Plan (PIHP) effective July 1, 2006.
- The ACCSB will be working with Hale Makua and Kaiser to develop a Rural Program for All-Inclusive Care for the Elderly (PACE) program for the island of Maui. Hale Makua is the recipient of a \$500,000 planning grant for the new Maui PACE project.
- The ACCSB will be looking for opportunities to further expand cost effective programs, such as the Residential Alternatives Community Care (RACC) Medicaid waiver program, which help to prevent premature institutionalization.

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), led by Susan Wong, provides administrative due process hearings in contested cases for the Department. The AAO has contracts with fifteen (15) attorneys in private practice to conduct hearings through appointment by the Director of Human Services under Hawaii Revised Statutes §346-12. The AAO receives approximately 1,500 administrative hearing requests and referrals annually and it issues about 700 administrative 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. Establishing appropriate mediation process for program divisions is a future challenge for the AAO.

The Fiscal Management Office (FMO), led 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), led by James Lum, 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 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.

The Personnel Office (PERS), led 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 2006 INVO received 1,905 complaints and referrals from fraud hotlines and DHS eligibility workers. Five hundred twenty-two (522) Administrative Disqualification Hearing waivers were obtained from individuals who fraudulently obtained financial and food stamp benefits. In addition, the INVO referred 121 individuals to the prosecutors' offices after investigations. The total fraud amount involved in these cases was \$2,537,984.00.

FY 2006	OAHU	MAUI	KAUAI	HILO	KONA	TOTAL
COMPLAINTS	1,240	158	67	295	145	1,905
REFER TO AG	70	21	5	14	11	121
INDICTED/PVC	56	14	5	16	12	103
CONVICTED	71	6	5	5	9	96
REFER ADH	210	2	0	5	2	219
ADH GUILTY	91	1	0	2	1	95
ADH WAIVERS	248	135	13	73	53	522
REFER TO AG						
FINANCIAL	\$ 985,310	\$ 45,132	\$ 15,140	\$ 86,734	\$ 70,670	\$1,202,986
FOOD STAMPS	\$ 575,152	\$ 60,284	\$ 21,579	\$ 70,068	\$ 19,842	\$ 746,925
MEDICAL	\$ 206,652	\$ 57,749	\$ 19,907	\$ 24,986	\$ 11,214	\$ 320,508
CHILD CARE	\$ 209,888	\$ 21,956	-	-	-	\$ 231,844
OTHER	\$ 660	\$ 35,062	-	-	-	\$ 35,722
TOTAL	\$1,977,662	\$ 220,183	\$ 56,626	\$ 181,788	\$ 101,726	\$2,537,984
INDICTED						
FINANCIAL	\$1,142,709	\$ 37,104	\$ 5,230	\$ 73,223	\$ 77,709	\$1,335,975
FOOD STAMPS	\$ 416,102	\$ 38,122	\$ 4,623	\$ 49,541	\$ 66,174	\$ 574,562
MEDICAL	\$ 176,864	\$ 29,221	\$ 2,255	\$ 20,113	\$ 6,019	\$ 234,473
CHILD CARE	\$ 65,847	\$ 6,186	\$ 2,525	-	\$ 12,656	\$ 117,214
OTHER	\$ 80,163	\$ 35,062	-	-	\$ 4,238	\$ 119,463
TOTAL	\$1,911,685	\$ 145,695	\$ 14,633	\$ 142,877	\$ 166,796	\$2,381,686
CONVICTED						
FINANCIAL	\$1,319,947	\$ 20,680	\$ 24,081	\$ 5,966	\$ 165,977	\$1,536,651
FOOD STAMPS	\$ 572,182	\$ 9,982	\$ 39,476	\$ 14,647	\$ 85,527	\$ 721,814
MEDICAL	\$ 150,647	\$ 9,310	\$ 21,198	\$ 12,432	\$ 100,548	\$ 294,136
CHILD CARE	\$ 223,432	-	-	-	\$ 3,114	\$ 226,546
OTHER	\$ 201,984	-	-	-	\$ 54,623	\$ 256,608
TOTAL	\$2,468,192	\$ 39,972	\$ 84,755	\$ 33,045	\$ 409,789	\$3,035,754
REFER ADH						
FINANCIAL	\$ 95,035	-	-	\$ 996	-	\$ 96,031
FOOD STAMPS	\$ 71,923	\$ 1,274	-	\$ 3,769	\$ 1,149	\$ 78,115
TOTAL	\$ 166,958	\$ 1,274	-	\$ 4,765	\$ 1,149	\$ 174,146

ADH & WAIVERS						
FINANCIAL	\$ 164,123	\$ 40,112	\$ 38,934	\$ 26,565	\$ 46,175	\$ 315,909
FOOD STAMPS	\$ 154,384	\$ 70,178	\$ 34,657	\$ 29,117	\$ 47,598	\$ 335,934
MEDICAL	-	\$ 6,427	\$ 7,910	\$ 7,419	-	\$ 21,757
CHILD CARE	\$ 2,000	-	-	-	-	\$ 2,000
TOTAL	\$ 320,507	\$ 116,717	\$ 81,501	\$ 63,101	\$ 93,773	\$ 675,600

INVO continues 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 2006, 129 new fleeing felons with warrants out for their arrest from across the nation were identified and disqualified from our programs for a savings of \$874,728. Fleeing felons are ineligible for benefits until they settle the conditions of their warrants with the issuing law enforcement agencies. Over the past three years, the number of fleeing felons applying for benefits has remained constant.

CHAPTER SEVEN ATTACHED AGENCIES

Two agencies, the Office of Youth Services (OYS) and the Housing and Community Development Corporation of Hawaii (HCDCH) and two commissions, the Hawaii State Commission on the Status of Women and the Commission on Fatherhood 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 2006.

1) YOUTH SERVICE CENTERS (YSC)

The OYS partially funds several YSCs across the State to provide services that enable youth at risk to develop positive personal attributes. The YSCs 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 YSCs 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 YSCs 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 youth gang behavior and related issues through a comprehensive and coordinated effort. The YGRS builds and maintains partnerships between public and private sector organizations to provide meaningful and positive opportunities for youth engaging in emerging or more serious gang behavior.

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 collaborative effort, youth, schools, and communities benefit from a range of YGRS services that include school-based gang/violence prevention programs, community-based mobilization projects, gang awareness presentations and campaigns, truancy intervention services, community-based gang/delinquency intervention programs, anti-gang law enforcement sweeps, gang prevention/intervention training, gang-related informational forums, and on-going research on youth gang and delinquency trends. The YGRS is confident that, when working together, these programs are better able to plan and implement strategic approaches that empower youth to make healthy and responsible choices.

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.

Ke Kama Pono Safe House, in Honokaa, on the Big Island is one of several strategies to increasing the availability of community-based alternatives to placement at HYCF. These community-based homes prevent non-violent youth in need of services from being sent out-of-state or to HYCF for lack of an appropriate, caring and rehabilitative environment to genuinely address their problems. The existing Safe House, serves eight girls from the Big Island who can be visited by their families. The program can work with the girls and their families together to pave the way for their return home.

The *Ke Kama Pono* Safe House is less expensive than youth incarceration at HYCF (\$171 per diem vs. \$318 per diem), and while most girls continue on to genuinely criminal lifestyle after incarceration at HYCF, matriculates of the Safe House have thus far been successfully reintegrated into productive roles in society. Each of the 13 girls that housed at the Safe House in the first year was on the path to HYCF, but none of them moved on to HYCF. All of these girls arrived without a safe and appropriate shelter, some pregnant, and most under-performing in school, with social skills that have gotten them into trouble. Several completed their secondary education which they had abandoned before coming to the Safe House. The individual attention and on-site education at the Safe House in Honokaa has helped these girls to rapidly make up educational deficiencies and the many support activities have taught these girls appropriate social skills and responsibility and educated them on the dangers of substance abuse and the advantages of abstinence. As a result of the services provided at the Safe House, these girls are experiencing demonstrated improvements in physical and mental health, education, social skills and social and civic responsibility.

As a result of the rehabilitation they received, these girls are more employable and less likely to be unemployed, less likely to have more children out of wedlock, less likely to become re-involved in the criminal justice system, less likely to require public assistance and related services. These girls are, therefore, less likely to contribute to public health costs, including costs to persons and property injured by crimes and these girls are more likely to be productive responsible citizens. The local community has remained in strong support of the Safe House because they recognize the need for this facility for the youth of the Big Island and particularly youth of the Hamakua Coast.

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.

HYCF improvements currently being implemented:

- Improved parole/aftercare programs to reduce recidivism with greater focus on re-entry programs, employment, life skills and character-building activities;
- Improved youth policy and grievance system to meet national juvenile corrections standards; and
- Improved due process system for parole revocation.

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. 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 provide policy recommendations to the Governor, the Legislature, and the OYS. The 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 provided incentives for states that were in compliance with the core requirements of the JJDP Act. These incentives were 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. This grant program is no longer in effect with the reauthorization of the Act in 2002, so the grant award will end September 30, 2006.

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.

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 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

The OYS has made significant progress in enhancing the way children in our care and contract programs receive services. Here are some of the OYS benchmarks of progress:

- In 2006, the OYS moved to a community-based approach, recapturing some of the original vision for OYS.
- OYS program staff has been focusing on geographic districts to increase their understanding of community mobilization efforts for the next biennium.
- Program staff has been working with the UH Department of Urban Planning and HCBED to study community organization systems and to begin decentralization teams in four Oahu districts.
- Decentralization prepares the foundation to increase funding to strengthen community options for youth in more comprehensive ways using regional input.
- Our focus is on providing a continuum of care for at-risk youth “with priority given to providing “alternatives to incarceration” in regional communities.”
- HYCF's focus is on “rehabilitation” and high-risk youth.
- OYS is leveraging dollars for kids based on community need and available resources.
- A new OYS “community-based” strategic plan is in process and is expected to be released in spring 2007.
- With the assistance of the DHS, the OYS opened the State's first “Safe House”, Ke Kama Pono, in the Honoka'a district in 2005. We continue to seek ways to replicate this highly successful program in other regions.

- OYS provided federal funds to support a Girls Court Pilot Project in the first circuit. This is yet another successful program which will be seeking permanent funding in the future.
- The Juvenile Justice State Advisory Committee made up of regional representatives are taking an active role in looking at national model programs for youth and making funding decisions to support our decentralization efforts. They see themselves as part of the community strengthening process.

OYS Focus in FY 2006

- Outcomes and accountability for youth programs that match the needs of children and communities.
- Knowing local youth issues and leveraging resources.
- Increasing community input on programs and mobilization.
- Improved management of HYCF.
- Lowering recidivism rates.
- Measuring performance and dollars.

Provider Focus in FY 2006

- Improve reporting systems and reduce paperwork for contractor and monitors.
- Improve contracting procedures to extend length of contracts.
- Provide training on simple, case management expectations.
- Increase continuity in programs and services for youth and their families.
- Increase funding resources through additional grants for community services.

Looking Ahead

- To move OYS to a broader arena of youth services through decentralization, community mobilization and cross-system collaboration.
- OYS staff will seek to increase outreach and services to local communities by regional districts to provide oversight and monitoring of case management to youth committed to our care who are placed in residential services (contracted-care beds).
- The HYCF will continue to move forward to achieve full compliance of the Memorandum of Agreement between the United States (Department of Justice) and the State.

B. HAWAII PUBLIC HOUSING AUTHORITY (HPHA)

The Hawai'i Public Housing Authority (HPHA) administers and/or manages Federal and State low-rent public housing projects and subsidy programs, as well as facilities to assist the homeless. Previously known as the Housing and Community Development Corporation of Hawai'i (HCDCH), the agency separated on July 1, 2006, with HPHA transferred to DHS and the Hawai'i Housing Finance Development Corporation (HHFDC) transferred to the Department of Business, Economic Development and Tourism (DBEDT).

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, childcare, substance abuse treatment, mental health services and life skills instruction. The different needs of the homeless are coordinated with and among various state, Federal, county agencies, as well as private nonprofit groups.

Further along the continuum is permanent housing for rental or homeownership. Federal and State low rent public housing and rental subsidy programs provide individuals and families with very low and low incomes with access to safe, decent and affordable housing.

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

C. COMMISSION ON THE STATUS OF WOMEN (HSCSW): Program Overview

The Hawaii State Commission on the Status of Women (HSCSW) was established on May 15, 1964, by executive order of the Governor and made permanent by Act 190, Session Laws of Hawaii 1970. The HSCSW was established to aid in the implementation of recommendations, to develop long range goals and to coordinate research planning, programming and action on the opportunities, needs, problems and contributions of women in Hawaii. In its 42 years, the Commission has worked to ensure women and girls full and equal coverage under the law by informing governmental and non-governmental agencies and the public of women's rights, opportunities, contributions, and responsibilities; advocating for the enactment or revision of laws and/or policies that eliminate gender discrimination; identifying and supporting programs and projects that address women's concerns and needs; and establishing and maintaining an active presence in the community by facilitating information dissemination, acting as a liaison, clearinghouse, and coordinating body for issues relating to women. The HSCSW is the statewide link between the Honolulu, Maui, Kauai and Hawaii County Committees on the Status of Women, and the University of Hawaii President's Commission on the Status of Women.

In the recent past, the HSCSW has functioned in a diminished capacity due to budgetary and consequently staffing restriction. In 2005 we began the process of revitalizing the HSCSW. A new Executive Director, Sharon Ferguson-Quick, has been hired to head the office, along with an administrative services assistant. Six of the seven Commissioner positions were filled, including the three representing the neighbor islands of Hawaii, Kauai and Maui.

The work of the HSCSW is largely based upon effective public/private partnerships and its networking among a variety of diverse boards, coalitions, professional and community groups and organizations. Its efforts address a wide range of issues impacting women and girls, including education and employment; the social, political and legal arenas; and in economics and healthcare. In 2005 the first focus of the HSCSW has been to re-connect with the women of the state and to actively represent them during the 2006 Legislative Session. The HSCSW once again took up its role of supporting women's organizations in the community by Co-Chairing the Hawaii Women's Coalition.

Our goal now is to revitalize the programs of the Hawaii State Commission on the Status of Women, strengthen the statewide link between the HSCSW and the Committees on the Status of Women, and begin working to impact the lives of women and girls in the State of Hawaii.

Future Plans

- ***Women's Health Month***

September is Women's Health Month in Hawaii. Women's Health Month was initiated in 1994 by the HSCSW with the purpose of maximizing public awareness of women's health issues, empower women to be their own health advocates, reduce health care disparities, and promote the physical and emotional well-being of women in Hawaii. For

the 12th year the Hawaii State Commission on the Status of Women has organized Women's Health Month. The goal of Women's Health Month is to widely communicate that women's health is more than the absence of disease, it encompasses physical, mental, emotional and social well-being. The month of events include educational workshops, health fairs, lectures, fitness activities and other special events. The HSCSW will continue to grow this signature event.

- ***Hawaii Women's Oral History Collection***

The HSCSW will begin collecting interviews to establish the Hawaii Women's Oral History Collection. The official opening of the collection, making it available to the public, will be Women's History Month 2007. The goal of the collection is to record the women's stories in their own voices, to have them tell their own stories to enable them to speak to Hawaii's future, sharing their wisdom and knowledge. We hope the women's community will embrace the Hawaii Women's Oral History Collection and work with us to ensure their stories and those of the women who have touched their lives are told.

- ***Ready to Run™***

Ready to Run™ is a bi-partisan effort to recruit and train women to run for all levels of public office. Its mission is to promote greater knowledge and understanding about women's participation in politics and government and to enhance women's influence and leadership in public life. This one-day training presents a unique opportunity for potential women candidates and campaign managers to hear directly from prominent elected and appointed leaders, campaign consultants, and party officials about how to get ready to run. *Ready to Run™* is for women considering seeking public office, running for higher office, or working on a campaign and will build a strong foundation for the HSCSW's mandate of *educating women on women on their political rights and responsibilities*.

- ***Wage Club***

The WAGE (Women are Getting Even) Project has launched a collaborative grassroots program designed to help close the wage gap between women and men at work. Across the country, women are coming together to talk about the wage gap and what they can do to get even. Wage Club Model of forming collaborations with organizations in our local community to examine, educate and tackle this issue will be a core area for the HSCSW in the future.

Looking Ahead

One of the major challenges for the Hawaii State Commission on the Status of Women will be reconnecting with the women of the community and those organizations focused on supporting them. We have begun to re-evaluate the needs of women in the State and design programs to address them.

D. HAWAII COMMISSION ON FATHERHOOD

The Commission on Fatherhood serves in an advisory capacity to State agencies to promote healthy family relationships between parents and children and promotes involved, nurturing, and responsible fatherhood. The presence of fathers has a positive impact on the lives of their children, as reflected in better school performance, fewer high-risk behaviors, higher self-esteem, and less substance abuse. The Commission makes recommendations on programs, services, and contracts relating to children and families.

**APPENDIX I
THE BUDGET FOR FISCAL YEAR 2006**

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	\$61,365,886
BESSD	202	Payments to Assist the Aged, Blind and Disabled	0.00	\$6,850,560
BESSD	203	Temporary Assistance to Other Needy Families	0.00	\$31,164,660
BESSD	204	General Assistance Payments	0.00	\$18,764,891
BESSD	206	Federal Assistance Payments	0.00	\$2,035,806
BESSD	236	Eligibility Determination & Employment-Related Services	584.00	\$28,429,570
BESSD	237	Employment and Training	0.00	\$1,688,755
BESSD	302	Child Care Services	24.00	\$6,770,873
BESSD	305	Child Care Payments	0.00	\$61,943,778
BESSD	903	General Support for Benefit, Employment & Support Services	110.00	\$37,473,389
MQD	230	Health Care Payments	0.00	\$619,410,781
MQD	245	QUEST Health Care Payments	0.00	\$365,788,496
MQD	902	General Support for Health Care Payments	207.00	\$25,602,331
SSD	301	Child Welfare Services	451.50	\$48,197,459
SSD	303	Child Placement Board and Related Client Payments	0.00	\$57,894,523
SSD	601	Adult Community Care Services Branch	117.50	\$14,917,171
SSD	603	Home and Community-Based Care Services	0.00	\$116,900,513
SSD	605	Community-Based Residential Support	0.00	\$14,394,149
SSD	901	General Support for Social Services	47.00	\$3,248,807
VRSBD	238	Disability Determination	45.00	\$5,218,275
VRSBD	802	Vocational Rehabilitation	119.00	\$17,568,927
HCDCH	220	Rental Housing Services	221.00	\$47,856,066
HCDCH	222	Rental Assistance Services	17.00	\$26,814,181
HCDCH	223	Broadened Homesite Ownership	0.00	\$211,473
HCDCH	224	Homeless Services	4.00	\$7,935,778
HCDCH	225	Private Housing Development and Ownership	18.00	\$8,557,219
HCDCH	227	Housing Finance	11.00	\$4,484,511
HCDCH	229	HCDCH Administration	49.00	\$13,601,259
HCDCH	231	Rental Housing Trust Fund	0.00	\$19,008,563
HCDCH	807	Teacher Housing	0.00	\$360,917
OYS	501	Youth Services Administration	21.00	\$5,658,070
OYS	502	Youth Services Program	0.00	\$4,941,650
OYS	503	Youth Residential Programs	89.00	\$7,758,431
CSW	888	Commission on the Status of Women	1.00	\$97,492
ADMIN	904	General Administration of the DHS	<u>189.00</u>	<u>\$9,671,806</u>
DHS TOTAL:			2,325.00	\$1,702,587,016

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, 2005)											
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	1193	918	229	6	3224	2480	1090	11	5258	4044	1894
2	1599	1230	421	7	3631	2793	1205	12	5665	4357	2066
3	2006	1543	602	8	4037	3105	1378	13	6072	4670	2238
4	2412	1855	765	9	4444	3418	1550	14	6479	4983	2410
5	2818	2168	909	10	4851	3731	1722	15	6886	5296	2582
								15+	+407	+313	+172

- 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	\$201
Gross earned income deduction:	From household's gross earned income	20%
Shelter Deduction:	Non-elderly or disabled household:	Up to a maximum of \$523
	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, 2005) AABD-SSI Updated Summary of State Supplemental Payment Plan for SSI Recipients (2.7% 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)	
	1/04-12/04	1/05-12/05	1/04-12/04	1/05-12/05	1/04-12/04	1/05-12/05	1/04-12/04	1/05-12/05	1/04-12/04	1/05-12/05	1/04-12/04	1/05-12/05
Federal	564.00	579.00	846.00	869.00	376.00	386.00	564.00	579.00	564.00	579.00	564.00	579.00
State	0	0	0	0	0	0	0	0	521.90	521.00	629.90	629.90
Total	564.00	564.00	846.00	869.00	376.00	386.00	564.00	564.00	1085.90	1100.90	1193.90	1193.90
*Inc.	+12.00	+15.00	+17.00	+23.00	+8.00	+10.00	+11.33	+23.00	+12.00	+15.00	+12.00	+15.00
Individuals in Medical Institution: Federal \$30.00												

*Figures show net increase in SSI benefits effective January 2005. Pass along of the COLA increase meets the requirements of Section 1618 of the Social Security Act.