

DEPARTMENT OF HUMAN SERVICES

REPORT ON FISCAL YEAR 2002



State of Hawaii

From the Desk of Susan M. Chandler



November 29, 2002

Aloha,

It is my pleasure to convey the FY 2002 annual report for the Department of Human Services (DHS). This is the eighth and final report for this administration. Through the hard work of its staff, the DHS continues to meet the goals for which it was established – to provide high-quality services to help people in need.

The DHS' responsibilities include welfare and job training programs, vocational rehabilitation services, medical insurance, foster and child care licensing, child protection and child welfare services, adult protective services, and home-based and community-based support for low-income seniors and persons with disabilities.

I am pleased to say that the DHS staff continues to provide innovative programs to meet the community's needs. This annual report details the DHS' accomplishments during FY 2002 and provides a description of the services that the DHS staff provides on a daily basis.

It has been a privilege to be the director of the DHS for the past eight years. In closing, I would like to thank all DHS employees who contribute to our successes for their hard work and contribution in assisting those in need. I have great respect for the hard working public servants in this Department and in our sister agencies. I also have great respect for the recipients of our services who persevere through many challenges and obstacles that have been put before them.

I would also like to express my appreciation to those DHS employees who worked in putting this annual report together. I hope it will be helpful to those who read it. For those who would like more information, please visit our website at www.state.hi.us/dhs or call us at (808) 586-4997. Our mailing address is P.O. Box 339, Honolulu, Hawaii 96809.

Sincerely,

Susan M. Chandler
Director

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ORGANIZATIONAL CHART

Department of Human Services

**Office of Youth
Services**

(Attached for Administrative Purposes)

**Administrative
Appeals Office**

**Fiscal Management
Office**

**Office of Information
Technology**

**Management
Services Office**

**Benefit,
Employment &
Support Services
Division**

**Med-QUEST
Division**

**Social Services
Division**

**Voca
Rehabi
& Servic
Blind I**

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). The DHS' mission is to direct its resources toward protecting and helping those least able to care for themselves and to provide services designed toward achieving self-sufficiency for clients as quickly as possible.

With almost 2,000 permanent positions and a budget that exceeds \$1 billion annually, DHS employees strive to help clients meet their basic needs for food, shelter, medical care, and other essentials of daily living. The DHS is divided into four divisions that provide different kinds of assistance. The Benefit, Employment and Support Services Division (BESSD) provides financial assistance and employment supports, the Med-QUEST Division (MQD) provides medical assistance, the Social Services Division (SSD) provides protective services for abused adults and children and community-based services for aged and disabled persons, and the Vocational Rehabilitation and Services for the Blind Division (VRSBD) provides vocational rehabilitation services to the disabled and the blind. Additionally, the Office of Youth Services (OYS), which provides a wide range of services to Hawaii's youth, is administratively attached to the DHS. The four divisions and the OYS are supported by the staff offices, providing fair hearings for clients, fiscal management, information technology systems support, management services, research, personnel and other services.

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



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

This year, the DHS achieved many notable accomplishments in each of its divisions. For instance, costs for two benefits programs, the TANF and TAONF programs which are detailed on page 6, decreased as more benefit recipients found employment. For the third year in a row, there was also a significant decrease in caseloads during FY 2002.

The Department's goal, however, is not to merely decrease caseloads but to move people into jobs by providing opportunities and incentives for people to obtain and maintain employment and to work with government in creating a stronger economy. For the third year in a row, the State received a federal bonus (\$4.95 million for both 2000 and 2001) for the success of its welfare reform program in getting people into employment. Hawaii was among the nation's best in helping welfare recipients move towards employment in 1999, 2000, and 2001. The bonus is awarded to the top 10 performing states in each of four work measures: job entry rate, job success (combination of a job retention rate and an earnings gain rate), improvement in job entry rate, and improvement in job success.

The 2002 Legislature passed two bills establishing programs to address the high cost of prescription drugs. One is a Medicaid waiver program, called the Medicaid prescription drug expansion program, to provide drug coverage assistance to lower income individuals. The other, called the Hawaii Rx program, will provide rebates for prescription drug purchases for all state residents.

The number of child welfare cases continued to rise in FY 2002, thereby taxing the limited resources of the Child Welfare Services program. However, DHS employees continued to address the challenges by increasing the number of foster and adoptive parents and providing them with additional support. There were increased partnerships to collaboratively address the problem and the continued expansion of Ohana Conferences.

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

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

CHAPTER TWO BENEFIT, EMPLOYMENT AND SUPPORT SERVICES DIVISION (BESSD)

The Benefit, Employment and Support Services Division (BESSD) is the largest division in the DHS. The 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. Patricia Murakami is the BESSD Division Administrator.

A. 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. Each month thereafter, an average of 150 families have terminated due to time limits. In response, the Department expanded its outreach activities to ensure that families who were approaching the five-year limit were prepared and had a self-sufficiency plan. Job preparation services, job search skills, training and education are available. Our intent is to assist families towards self-sufficiency as expeditiously as possible.

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

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

Program Goal

Families will achieve financial self-sufficiency.

Objective	Measurements
The total economic well-being of the client will improve.	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. The year 2002 is the third consecutive year in which we have seen a significant decrease in recipients. We believe that these changes are the direct result of our program decisions and the hard work of our participants.

- ? The cost of assistance per TANF household has decreased from \$584 in fiscal year 1997 to \$512 in fiscal year 2002. The cost of assistance per TAONF household has decreased from \$636 per household in 1997 to \$513 in 2002. The average length of time on assistance has decreased from 30 months in 1997 to 13 months in 2002. Although the number of individuals working decreased this year, this decrease is a direct result of the decrease in households receiving assistance. Since the implementation of our welfare reform waiver in December 1996, the number of families receiving assistance has decreased by 7,357 cases or 32%. In 2002, 5,682 individuals were employed, earning a gross income of \$3.8 million and representing a monthly cost savings of \$1.4 million.

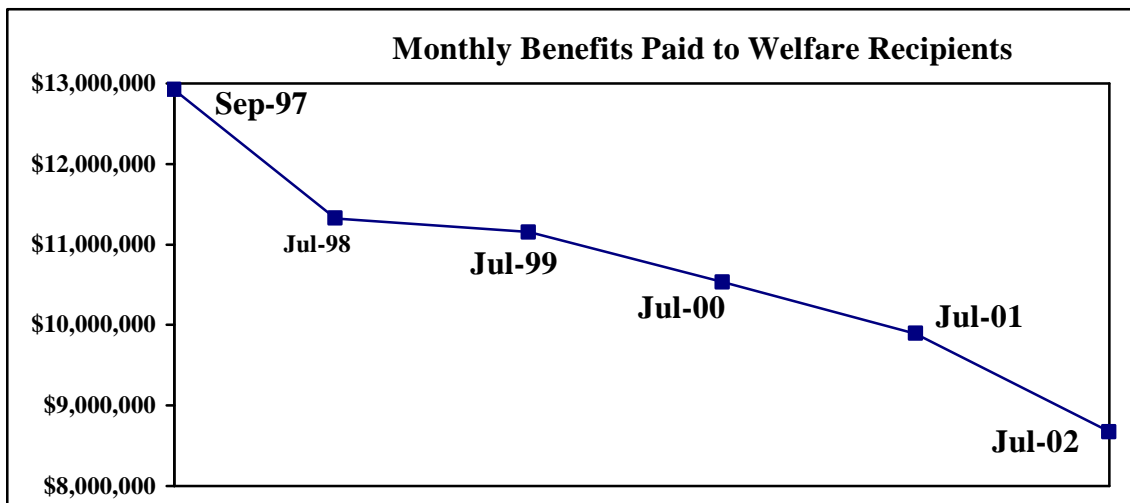
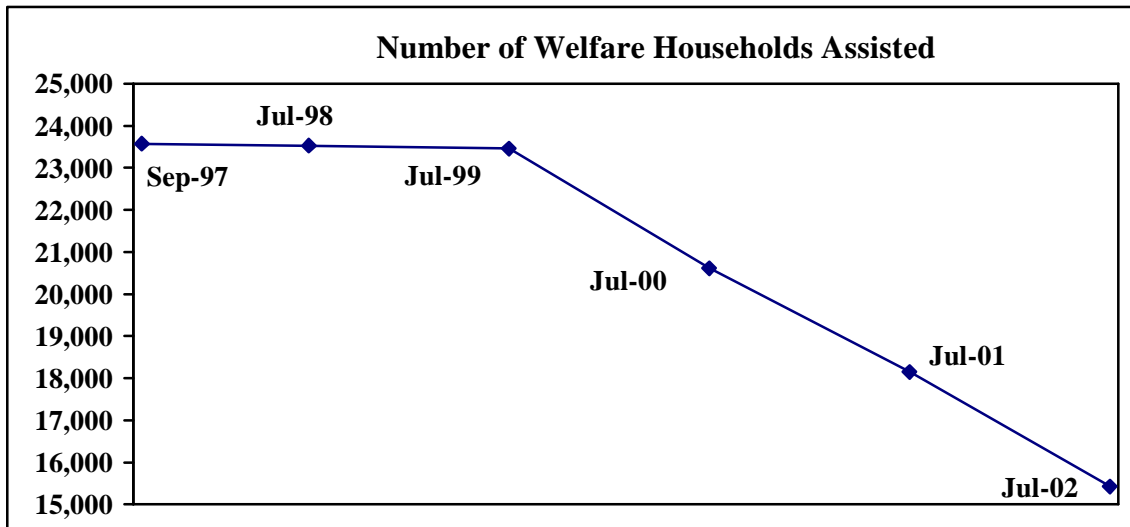
TANF/TAONF Caseload

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

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

**Welfare Costs
(By Selected Months)**

	Sept 1997	July 1998	July 2000	July 2002
Number of Households Assisted	23,573	23,528	20,612	15,428
Monthly Benefits Paid to Recipients	\$12,920,843	\$11,324,230	\$10,533,156	\$8,676,280
Households Reporting Earnings	6,548	7,131	8,275	5,025
Gross Earned Income Reported	\$3,717,973	\$5,113,881	\$5,816,167	\$3,814,206
Monthly Savings to DHS as a Result of Earnings	\$1,443,317	\$1,953,247	\$2,121,823	\$1,391,459



- ? We have maintained a working relationship with the Office of Community Services of the Department of Labor and Industrial Relations to do job counseling and job development for our non-English-speaking clients. These services are provided in the clients' native language. We have increased our contracts with community agencies to provide statewide employment support for two-parent households.
- ? This year we focused on developing training and skill building programs for our clients who are not work-ready because of some kind of disability. We have contracted for services for victims of domestic violence, substance abusers, and individuals with physical or mental disabilities.
- ? The Domestic Violence Exemption program has been amended to limit the exemption to six months with a possible extension of six months (it was previously twelve plus twelve). Additionally, we now focus on helping victims achieve self-sufficiency through the contracting of case management services for recovery activities, employment, and skill development. Case management services have been developed for individuals with substance abuse problems along with skill building and training services for our disabled clients. Focus is on improving the self-sufficiency skills of all our families in anticipation of changes to the welfare laws and loss of our waivers. All adults are now required to participate in some activity, whether it be training, counseling or work, to maintain eligibility.
- ? The Grant + program was expanded to include for-profit employers as well as the nonprofit agencies. This program pays an employer \$650 a month to employ a welfare recipient by turning that subsidy into a wage.
- ? To assist underemployed families that lost eligibility due to the five-year time limit, the Department continues the Employment Subsidy program. This program allows individuals who have used their 60 months of eligibility, are employed at least 20 hours a week, and are still unable to meet their needs, to receive a \$200 monthly supplement for up to twenty-four (24) months.
- ? The Department also implemented the Self-Sufficiency program. This diversion program is designed to support employment and eliminate the need for people to enter into the welfare system. A lump sum benefit is issued in exchange for a period of ineligibility.
- ? Educational support has been expanded to include the Bridge to Hop 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 TANF federal 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.

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 is 3.2 people.

Composition of TANF/TAONF Households

Household Composition	Percentage
No Eligible Adult and 1 Child	9%
No Eligible Adult and 2 Children	3%
No Eligible Adult and 3 or More Children	3%
1 Adult and 0 Children	1%
1 Adult and 1 Child	27%
1 Adult and 2 Children	17%
1 Adult and 3 Children	9%
1 Adult and 4 or More Children	7%
2 Adults and 1 Child	7%
2 Adults and 2 Children	7%
2 Adults and 3 Children	5%
2 Adults and 4 or More Children	5%

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

Heads of Households of TANF/TAONF Families

Heads of Households	Percentage
Female	74%
Male	26%
Under 35 Years Old	62%
Never Married	42%
Married	26%
Common Law	8%
Separated or Divorced	24%
Head of Household Disabled	32%
Head of Household with Grade 12 or Higher Education	62%

Ethnicity of Individuals Served by TANF/TAONF Programs

Ethnicity	Percentage
Other Pacific Islander	7%
Hawaiian/Part-Hawaiian	32%
Caucasian	15%
Filipino	9%
Samoaan	8%
Asian	6%
Other	23%

B. GENERAL ASSISTANCE (GA)

Program Description

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

The GA program is funded by a block-grant appropriated by the Legislature each year. This means that to stay within the block-grant appropriation, adjustments to the monthly benefit amount must be made throughout the year based on the number of individuals who are participating in the program. Currently, the monthly benefit is \$418 a month for an individual and may not exceed this amount. Assets may not exceed \$2000 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.

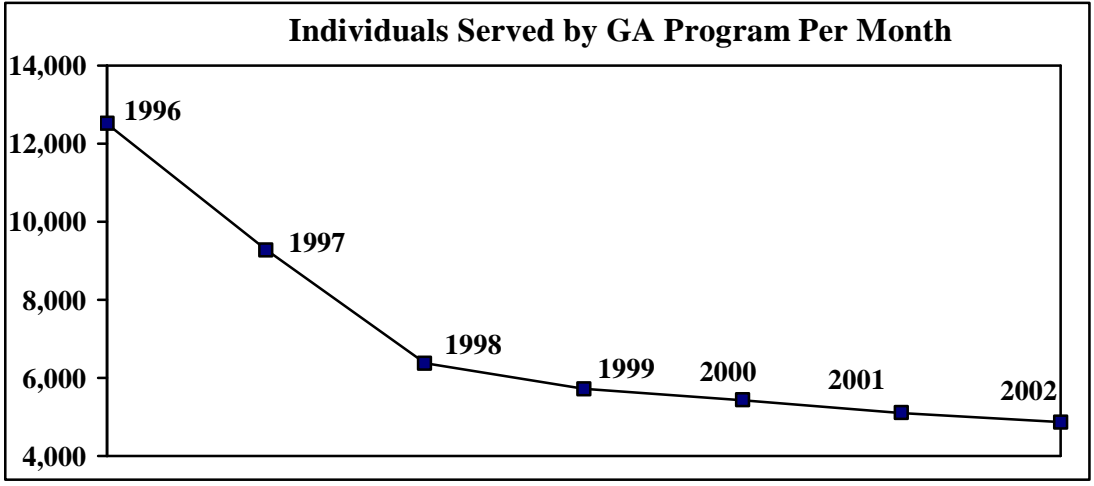
Objective	Measurements
Eligibility based on disability will be standardized.	All applicants will be referred to a medical provider contracted by the Department and 100% of disability statements will be reviewed by a Departmental board.
Supplemental Security Income (SSI) referrals and approvals will increase.	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. Effective this year, this service was made available to "state-funded" families as well as single people. As a result of this contract, 246 individuals were converted from State assistance to federal Social Security.

These two changes have been instrumental in decreasing the average length of time on 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 longterm disabilities to the federally-funded Social Security program.



GA Caseload

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

Typical Characteristics of Individuals Served by GA Program

Characteristics of Individuals	Percentage
<i>Age of Head of Household</i>	
29 Years or Younger	20.7%
Between 30 and 39 Years	25.5%
Between 40 and 49 Years	32.0%
Between 50 and 59 Years	18.3%
60 Years and Older	3.5%
<i>Marital Status of Head of Household</i>	
Single	56.5%
<i>Gender of Head of Household</i>	
Male	60.3%
Female	39.7%

Ethnicity of Individuals Served by GA Program

Ethnicity	Percentage
Caucasian	39.1%
Hawaiian/Part-Hawaiian	29.2%
Chinese	1.5%
Filipino	8.3%
Japanese	5.8%
Black	3.6%
Other Asian	2.0%
Hispanic	0.2%
Samoan	1.9%
Korean	1.3%
Other Pacific Islanders	3.2%
Others	3.9%

Citizenship of Individuals Served by GA Program

United States Citizens	95%
Noncitizens	5%

C. AID TO THE AGED, BLIND, AND DISABLED (AABD)

Program Description

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

Program Goal

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

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

AABD Program Achievements

The Department is current in its reimbursements of SSA warrants and is meeting the federally imposed time frame. 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. Last year, our focus was on decreasing the \$8.10 per case processing fee for issuance of the State supplemental benefits through the SSA. To achieve this, the Department will no longer issue State supplements to those individuals in independent living arrangements effective January 2003. This will eliminate the current \$8.59 processing fee to issue a \$4.90 supplement. The Department will continue to issue the State supplement to individuals in domiciliary care since for these cases the supplement is between \$450 and \$550 per month. This change will represent a cost reduction of over one million dollars in processing fees.

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

Fiscal Year	Reimbursement from the SSA	Cost of Contract with LASH for Reimbursement Activities	Reimbursement to State (Net)
1998	\$1,439,208	\$159,813	\$1,279,395
1999	\$2,405,526	\$356,469	\$2,049,057
2000	\$2,030,878	\$150,760	\$1,880,118
2001	\$1,636,071	\$171,050	\$1,465,021
2002	\$1,743,904	\$217,950	\$1,525,954

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

AABD Caseload

Year	Individuals per Month
1996	2,840
1997	3,060
1998	3,213
1999	3,227
2000	3,198
2001	2,982
2002	2,803

Household Characteristics of Individuals Served by AABD Program

Characteristics of Individuals	Percentage
<i>Age of Head of Household</i>	
Age 65 and Older	58%
Younger than Age 65	42%
<i>Marital Status of Head of Household</i>	
Married	31%
Widowed	28%
Single	22.4%
Separated	9.6%
Divorced	8.8%
Common Law	0.1%
<i>Gender of Head of Household</i>	
Female	61.3%
Male	38.7%

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

Ethnicity of Individuals Served by AABD Program

Ethnicity	Percentage
Filipino	30.2%
Chinese	13.9%
Other Asian and Pacific Islanders	13.6%
Caucasian	10.6%
Hawaiian/Part-Hawaiian	9.3%
Korean	8.4%
Japanese	4.8%
Samoan	2.0%
Black	0.7%
Hispanic	0.3%
Others	6.2%

Citizenship of Individuals Served by AABD Program

United States Citizens	49.8%
Noncitizens	50.2%

Other Data Pertaining to AABD Program

Length Of Time On Assistance	26 months
One-Member Households	82%
Two-Member Households	18%

D. FOOD STAMP PROGRAM (FS)

Program Description

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

To qualify, a household must have income below 130% of the current Federal Poverty Level which is \$1,824 for a family of three in 2002. Households may not have resources in excess of \$2,000 unless one of the members is over age 60. The resource maximum for these households is \$3,000. Benefit amounts are based on income and family size. The current maximum benefit amount for a family of three is \$536.

Program Goal

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

Program Objective

To meet federal compliance standards.

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

Program	AFDC	AFDC-UP	NA	GA	SSI	ABD	NPA	Total
Number of Persons Participating	32,856	18,812	811	3,634	15,357	826	34,450	106,747
Number of Households Participating	10,533	4,901	219	3,509	12,419	750	18,634	50,965
Benefits Issued (million \$)	\$3.86	\$2.1	\$92.7	\$0.56	\$1.77	\$0.12	\$4.06	\$12.6

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

Food Stamp Program Achievements

In seven of the last ten years, Hawaii has been first or second in the nation for Food Stamp payment accuracy and has received over \$6.7 million in federal bonus funds. The federal welfare reform law passed by Congress in 1996 required conversion to EBT for the Food Stamp program by October 1, 2002. 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. Hawaii was five years ahead of schedule for the food stamp program and as of May 2002, financial assistance, food stamp benefits, and child care assistance payments have been converted to EBT.



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.

E. EMPLOYMENT AND TRAINING (E&T)

Program Description

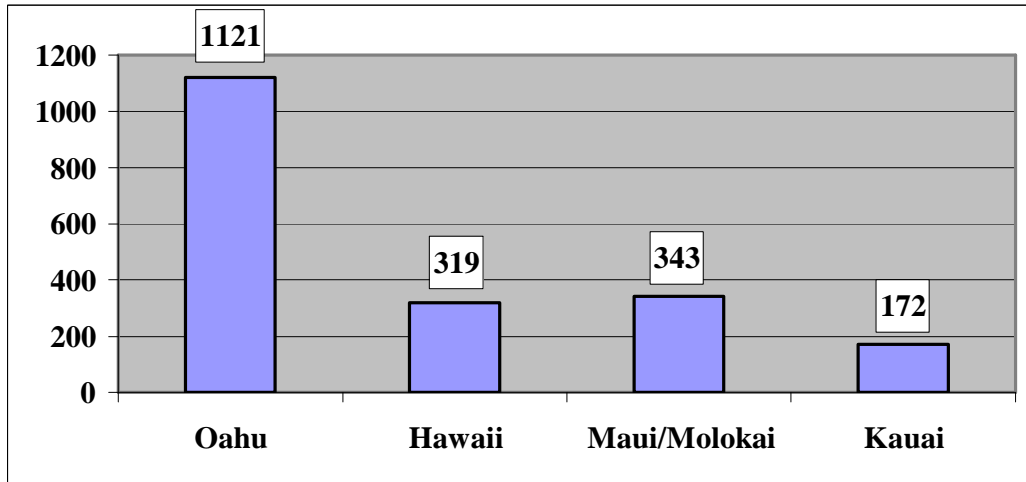
The Employment and Training (E&T) program is a state-wide work program designed to assist able-bodied adults to become attached to the workforce. E&T serves Food Stamp recipients and puts emphasis on: employment, work experience, training, on-the-job training, and limited job search activities. E&T also 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

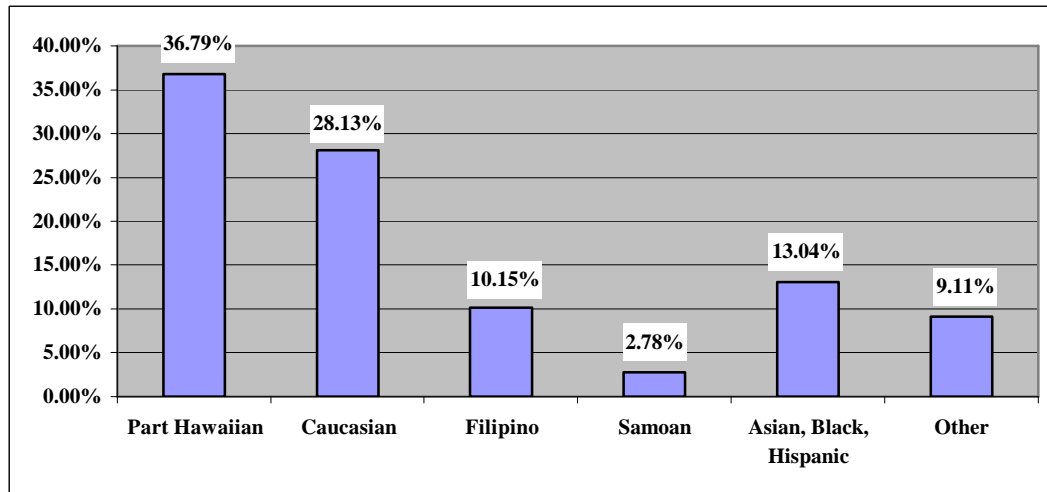
Employment and Training Clients Served By Island: FY 2002



Age Distribution of Employment and Training Clients: FY 2002

Age	Number of Clients	Percent of Total
<16	0	0.00%
16 to 24	443	22.82%
25 to 34	392	20.20%
35 to 44	568	29.26%
45 to 55	461	23.75%
55+	77	3.97%
Total	1941	100.00%

Ethnic Distribution of Employment and Training Clients FY 2002



Highlights Employment and Training Program

- ? 1,215 intakes into the E&T Program.
- ? 1,444 clients were served.
- ? 626 clients were employed.
- ? 1,073 clients were in job readiness components.
- ? 47 clients were in an Adult Education component.
- ? 45 clients were in a vocational training component.
- ? 155 clients were involved in work experience.
- ? There were a total of 116 exits due to employment.
- ? The average wage at exit was \$7.84 per hour and the median wage was \$6.50 per hour.

Future Performance Targets

- ? To have 600 E&T clients employed by June 30, 2003.
- ? To have 150 E&T clients exit due to employment by June 30, 2003.
- ? To have 200 E&T clients involved in work experience programs by June 30, 2003.

F. FIRST-TO-WORK (FTW)

Program Description

The First-to-Work (FTW) program was implemented during FY 1997. This work program is 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 nonprofit agencies. The participating household's grant is given directly to the nonprofit 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 97	FY 98	FY 99	FY 00	FY 01	FY 02
Oahu	5,248	5,878	6,096	6,251	7,046	6,009
Hawaii	1,100	1,477	1,878	1,924	2,144	1,768
Maui/Molokai	354	386	544	796	538	468
Kauai	166	175	337	412	221	205
Total	6,868	7,916	8,855	9,383	9,949	8,450

Age Distribution of FTW Clients FY 2002

Age	Count	Percent of Total
Missing	19	0.22%
<16	4	0.05%
16 to 24	2,511	29.72%
25 to 34	3,098	36.66%
35 to 44	2,211	26.17%
45 to 55	577	6.83%
55+	30	0.36%
Total	8,450	100.00%

Ethnic Distribution of FTW Clients FY 2002

Ethnicity	Number	Percentage
Missing Data	19	0.22%
Part Hawaiian	3,774	44.66%
Caucasian	1,242	14.70%
Filipino	1,128	13.35%
Samoaan	651	7.70%
Asian, Black, Hispanic	903	10.69%
Other	752	8.90%
Total	8,450	100.00%

Highlights of the First-to-Work Program

- ? There were 2,903 intakes into the First-to-Work Program in FY 2002.
- ? During FY 2002, the average number of participants working while in the program averaged 2,585 per month or 31,017 for the year.
- ? By the end of June 2002, there were a total of 2,803 TANF clients and 2,837 TAONF clients working. Together there were 5,640 clients working as of June 2002.
- ? An average of 139 participants per month was enrolled in Job Readiness or 1,672 participants for the year.
- ? A total of 35,119 child care slots were provided during the year to FTW participants. This amounted to an average of 2,927 children in care per month.
- ? During FY 2002 the Work + program had an average of 441 placements per month or 5,289 placements for FY 2002.
- ? During FY 2002 the Transitional Opportunity Program (TOP) had an average of 11 placements per month.

FTW Program Achievements

- ? A total of 713 FTW participants exited the TANF program due to employment during FY 2002. The dollar value savings due to the 713 exits due to employment was \$4,380,672.
- ? There were another 256 exits from the FTW program where clients met the FTW requirements by working an average of 20 hours per week for 90 consecutive days. These clients still needed TANF assistance but at a reduced level. This is a total of 969 exits from FTW due to employment.
- ? Both average and median wages decreased during FY 2002 because of the economic downturn caused by the 9-11 incident. The average wage for clients exiting employment in FY 2002 was \$7.40 per hour compared to \$8.00 per hour in 2001. However, the average wage in FY 2002 remained higher than the \$6.87 per hour in FY 2000. The median wage

for FY 2002 was \$6.50 per hour compared to \$7.05 per hour in 2001. The median wage in FY 2002 remained higher than the \$6.05 per hour in FY 2000.

Progress on achieving the 45% federal work performance target for FFY 2001

The reduction in Hawaii's TANF caseload resulted in a net 16.07% decrease from the FFY 2001 45% federal work performance requirement. This meant the revised performance target for Hawaii was 28.93%. We achieved a 34% final participation rate for FFY 2001.

Future Performance Targets

- ? To have 55% of the TANF mandatory population meeting the 20 hour participation requirement by September 30, 2003. This target compares to the Federal expectation that 50% of the population be in compliance with this requirement by that time.
- ? To have 5,000 TANF adults working for pay by September 30, 2003.
- ? To have 500 TANF participants in Work Plus by September 30, 2003.
- ? To have 20 TANF participants in TOP by September 30, 2003.

G. CHILD CARE CONNECTION HAWAII (CCCH)

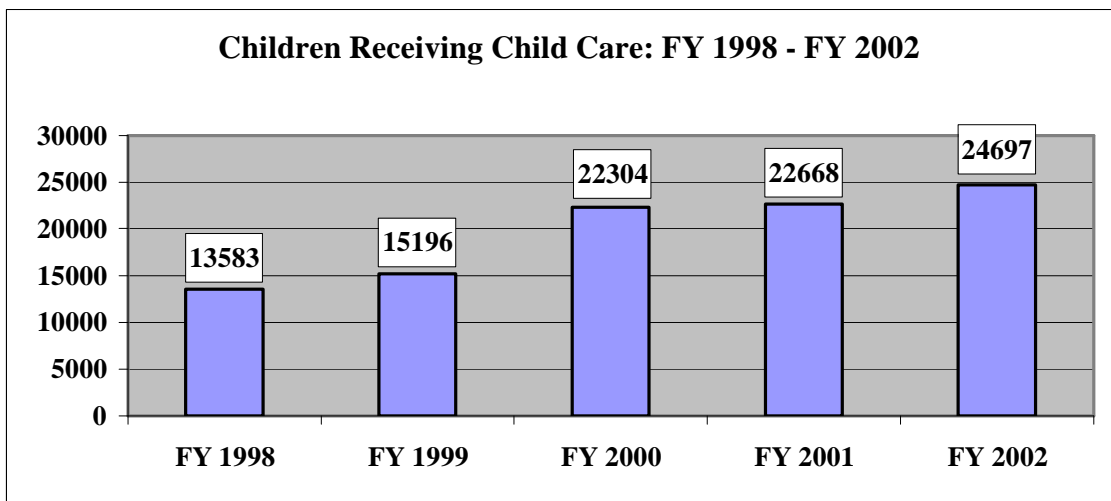
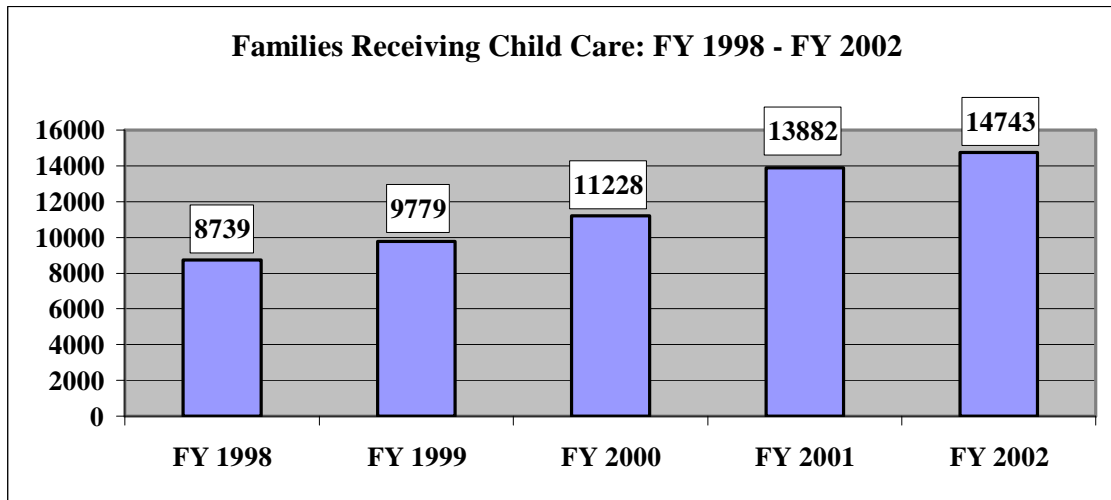
Program Description

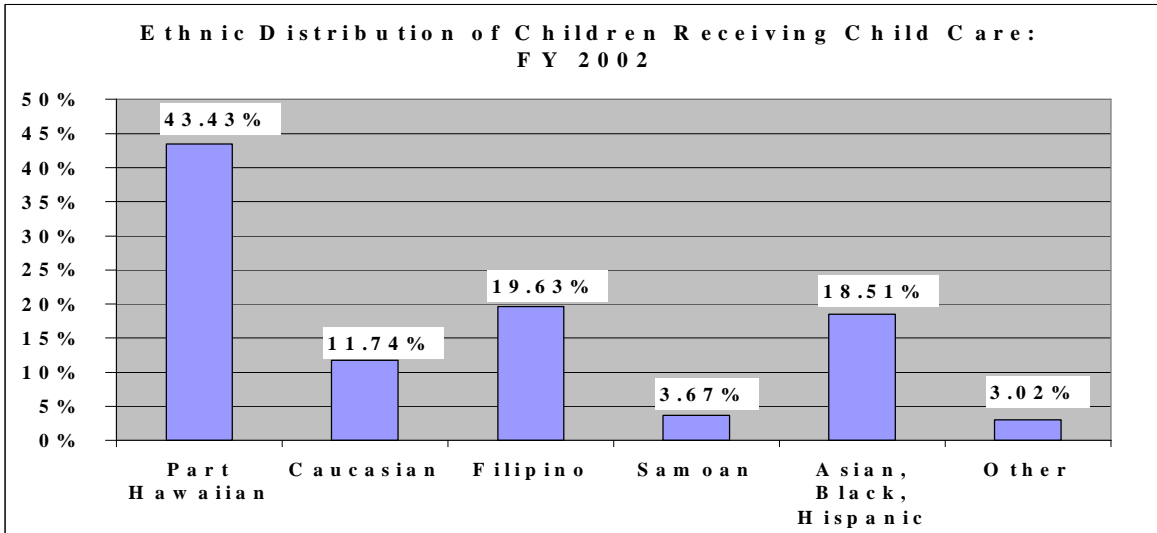
The Child Care Connection Hawaii program is a statewide service that offers the licensing of child care facilities and child care payment assistance to needy families. Under the licensing program, the primary intent is to ensure the safety, health, and well being of children cared for within licensed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

Program Goal

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

The People Served:





Child Care Program Accomplishments

- ? In FY 2002 there were 14,743 active families receiving child care payment assistance for 24,697 children. In addition, 7,866 children per month, on average, were served during the school year through the A Plus Program. In 1996, 2,183 families received child care payment assistance for 2,882 children.
- ? Child care assistance payments totaling \$38,648,240 were made to families.
- ? Number of Family Child Care Homes licensed: 416
- ? Number of Group Care Centers (includes Group Child Care Homes, Before and After School, and Infant Toddler Centers) licensed: 521
- ? 27,614+ licensed Child Care Slots were available in FY 2002 compared to 10,700 in FY 1997.

Future Performance Targets

Performance targets for the Child Care Connection Hawaii program for FY 2003 are:

- ? To have 430 Family Child Care Homes licensed by June 30, 2003.
- ? To have 535 Group Care Centers licensed by June 30, 2003.
- ? To have 28,000+ Child Care Slots available by June 30, 2003.
- ? To provide child care payments for 26,500 children by June 30, 2003.

H. HEAD START COLLABORATION PROJECT

Program Description

The Hawaii Head Start State Collaboration Project facilitates the coordination of Head Start services with an array of other services to include health care, welfare, child care, education, and community service activities, family literacy, services to homeless families, fatherhood, youth development, and activities relating to children with disabilities.

Program Goal

To create multi-agency and public/private partnerships at the State level to effect school readiness and quality of life for low-income children and their families enrolled in Head Start programs statewide.

Highlights of Collaboration Activities

- ? Promotion of timely access to oral health screenings and services by conducting a Head Start Statewide Oral Health Forum. Grant funds from a private foundation were secured to sponsor the forum.
- ? Expanded and enhanced professional development opportunities for Head Start teachers, advocates, and staff by partnering with the Hawaii Association for the Education of Young Children (HAEYC). This partnership resulted in offering a Head Start Training Track at the annual State HAEYC Conference. This included increasing the professional awareness and ability to include children with disabilities into inclusion classrooms by incorporating appropriate disability information and guidance in each HAEYC Head Start Track workshop.
- ? Continued to work on initiative to coordinate child outcomes and the collection of data between Head Start and other child care entities, statewide. The ultimate goal is to increase the accuracy of reporting and to enhance child development.
- ? Worked collaboratively with the Hawaii Pre-Plus Program to increase the access and availability of quality preschool programs.
- ? Continued to improve services to children with disabilities by partnering with Hawaii's Project STEPS which focuses on transition policies and assists in addressing gaps that hinder transition from Head Start/Early Head Start to the Department of Education's Pre-K Inclusion and Kindergarten programs.
- ? Partnered in the career development and professional standards initiatives for Early Childhood educators through active involvement in the State personnel registry, career lattice, training approval system, TEACH, and the Director credential project.
- ? Worked to enhance the early literacy of children to improve their prereading and numerical skills for improved school readiness by partnering with federal and State literacy initiatives.

- ? Updated and published the *Hawaii Head Start Partnering to Shape Head Start for the 21st Century fact sheet* to be used with the Hawaii Legislature, policy-makers, and Head Start collaborative partners.
- ? Participated in the Head Start Association of Hawaii strategic planning initiative.
- ? Continued exploration and development of new partnerships to assist in increased quality of services to meet Head Start Program Performance Standards and to achieve additional positive child outcomes.

I. 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, moreys due the DHS as a result of overpayments. The INVO also conducts investigations of malfeasance within the Department.

In FY 2002, the INVO received 2,806 complaints and referrals from fraud hotlines and DHS eligibility workers. Six hundred sixty six (666) individuals were disqualified for fraudulently obtaining benefits. In addition, the INVO referred 154 cases to the prosecutors' offices after investigations. The total fraud amount involved in these cases was \$2,640,622.

	OAHU	MAUI	KAUAI	HILO	KONA	TOTAL
COMPLAINTS	1876	244	170	358	158	2806
REFER TO AG	89	31	16	8	10	154
INDICTED	73	30	15	8	9	135
CONVICTED	62	29	9	10		112
REFER ADH	235	17	0	17	11	280
ADH GUILTY	101	9	1	16	13	140
ADH WAIVERS	316	100	87	136	27	666
REFER TO ATG						
FINANCIAL	\$1,008,378	\$278,364	\$ 78,997	\$11,577	\$14,193	\$1,391,509
FOOD STAMPS	492,217	130,185	54,588	9,455	12,246	698,691
MEDICAL	313,436	63,920	29,811	4,819	1,267	413,254
CHILD CARE	92,961	33,540	-	-	-	126,501
OTHER	10,668	-	-	-	-	10,668
TOTAL	\$1,917,661	\$506,009	\$163,396	\$25,851	\$27,706	\$2,640,622
INDICTED						
FINANCIAL	\$ 794,977	\$181,103	\$141,944	\$19,676	\$16,604	\$1,154,304
FOOD STAMPS	396,298	113,977	75,126	9,201	8,009	602,611
MEDICAL	265,323	51,573	47,075	4,819	-	368,789
CHILD CARE	76,479	31,377	-	-	-	107,855
OTHER	-	-	-	-	-	-
TOTAL	\$1,533,077	\$378,029	\$264,145	\$33,696	\$24,613	\$2,233,560
CONVICTED						
FINANCIAL	\$ 865,738	\$143,554	\$32,036	\$16,012	\$6,702	\$1,064,042
FOOD STAMPS	457,640	113,494	42,801	12,904	4,957	631,796
MEDICAL	310,887	50,468	16,470	-	6,496	384,320
CHILD CARE	110,835	6,707	-	-	-	117,542
OTHER	13,116	-	-	-	-	13,116
TOTAL	\$1,758,216	\$314,223	\$91,307	\$28,916	\$18,155	\$2,210,816
REFER ADH						
FINANCIAL	\$ 94,775	\$14,486	\$-	\$2,790	\$5,115	\$117,166
FS	79,233	6,992	-	5,004	3,727	94,956
MEDICAL	-	-	-	-	-	-
CHILD CARE	-	-	-	-	-	-
OTHER	-	-	-	1,140	-	1,140
TOTAL	\$174,008	\$21,478	\$-	\$8,934	\$8,842	\$213,262

	OAHU	MAUI	KAUAI	HILO	KONA	TOTAL
ADH & WAIVERS						
FINANCIAL	\$240,052	\$ 98,345	\$18,501	\$ 75,395	\$43,291	\$475,584
FOOD STAMPS	\$195,883	54,057	34,127	61,583	35,274	380,924
MEDICAL	-	9,218	1,242	-	-	10,460
CHILD CARE	-	-	-	-	-	-
OTHER	-	-	-	1,140	-	1,140
TOTAL	\$435,935	\$161,620	\$53,870	\$138,118	\$78,565	\$868,108

J. DHS EMPLOYEE OF THE YEAR



left to right: Elizabeth Kent, Deputy Director; Lorie Young, DHS Employee of the Year; Susan Chandler, Director

Ms. Lorie Young, a program specialist in the Staff Development Staff of the Benefit, Employment, and Support Services Division (BESSD), was named DHS Employee of the Year for 2002. Lorie develops training curriculums and conducts program, system, and skills training for the BESSD staff. Lorie has revolutionized BESSD training by improving efficiency and enhancing training materials. On her own initiative, she developed and implemented a training method to integrate information from the financial assistance programs mainframe system (HAWI) used in systems training into a curriculum that can be accessed and updated from a desktop computer. This method of systems training saved hours in creating and maintaining thousands of transparencies needed for the training. This method has been adopted by other divisions in the Department for their training.

Lorie was the first trainer to develop and conduct skills training for the BESSD staff, including designing and conducting caseload management, fraud prevention, and interviewing skills. She also worked other agencies to expand cultural awareness and domestic awareness skills. Lorie was the first to conduct training via the Hawaii Interactive Television System that allowed trainees on the Neighbor Islands to be trained at the same time as the Oahu trainees.

CHAPTER THREE MED-QUEST DIVISION (MQD)

The mission of the Med-QUEST Division (MQD) is to develop and administer high-quality health care programs serving all eligible Hawaii residents while using State and federal moneys in the most efficient and cost-effective manner possible. The MQD has an annual budget of \$722.4 million (\$409.7 million in federal funds) for benefits and administration. Aileen Hiramatsu is the MQD Division Administrator.

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 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), Immigrant Children's Program, and Individuals with Breast and Cervical Cancer. Additionally, the MQD oversees the Funeral Payments Program for the State. All together, the MQD oversees the provision of health care to more than 170,000 eligible residents.

There is one application form for all medical assistance programs. Applicants are urged to apply, and the Department will place eligible persons in the appropriate program. There are basic qualifications as well as financial qualifications which differ dependent upon categorical eligibility.

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; and (3) not be residing in a public institution. Financial eligibility requires the applicant to be within income and asset limits. However, pregnant women and individuals under age 19 are not subject to an asset limit.

The MQD coordinates with other health insurers to ensure Medicaid FFS and QUEST recipients who have other health insurance coverage exhaust those benefits before Medicaid FFS or QUEST benefits are utilized. The MQD also recovers medical expenses when Medicaid FFS or QUEST recipients are injured in motor vehicle accidents and employment-related accidents, and when QUEST or FFS clients recover damages from malpractice suits, product liability suits, and other lawsuits. Under certain conditions, a claim may also be filed against the estate of a deceased Medicaid recipient for funeral, burial, or medical expenses.

A. HAWAII QUEST MANAGED CARE (QUEST)

In the QUEST program, participants may choose their health care service provider from various managed health plans throughout Hawaii. Members are able to choose from a selection of health plans, knowing that all plans offer the same benefits. Beneficiaries choose their own primary care doctor from among the provider network of their respective medical plans. The QUEST program serves eligible individuals who are under age 65 and not blind or disabled.

Benefits under QUEST include:

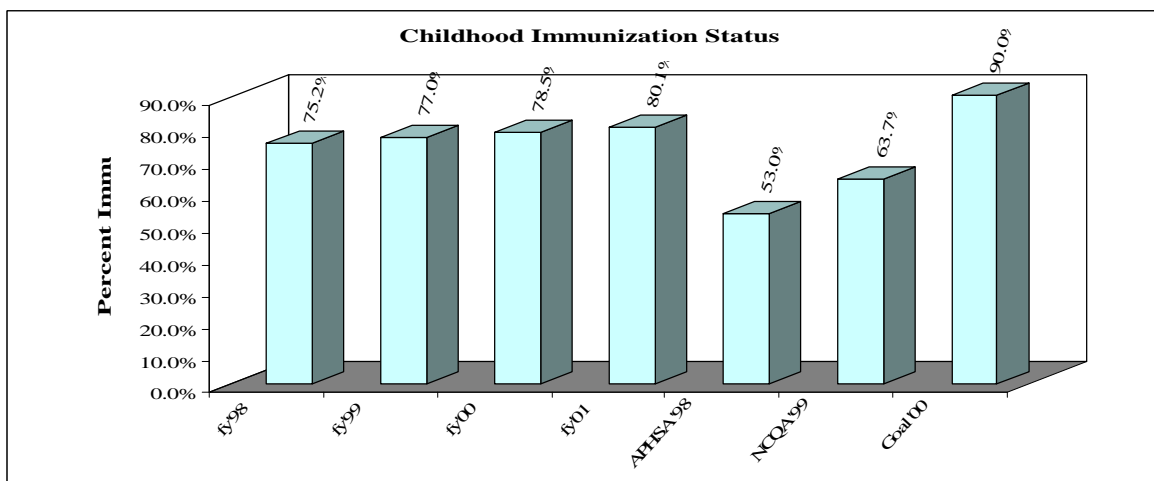
- ? Inpatient hospital care – medical, surgical, and rehabilitation care, inpatient psychiatric and detox, maternity and sub acute;
- ? Outpatient hospital care – emergency room, ambulatory surgical centers and outpatient psychiatric;
- ? Prescription drugs (generic unless unavailable), maintenance prescription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

QUEST Quality Measures

Childhood Immunization Status

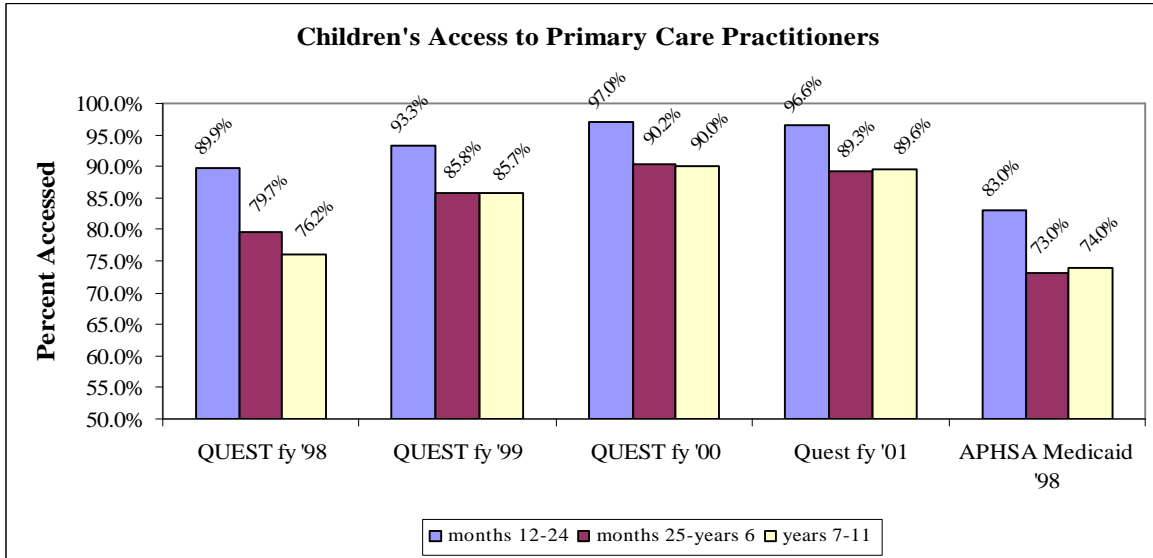
Immunization in the first two years of life is accepted as one of the most effective public health measures in preventing serious illness. Unfortunately, many studies have shown that low-income children are less likely to receive timely immunizations. Therefore, childhood immunization status is an important consideration in the QUEST program.

In the 2001 fiscal year, QUEST's performance in this measure continued to improve. Although QUEST's rate did not reach the national Healthy People 2000 goal of 90% immunized, it is much higher than the national Medicaid rate as reported by American Public Human Services Association (APHSA, 1998) and the National Committee on Quality Assurance (NCQA, 1999) rate.



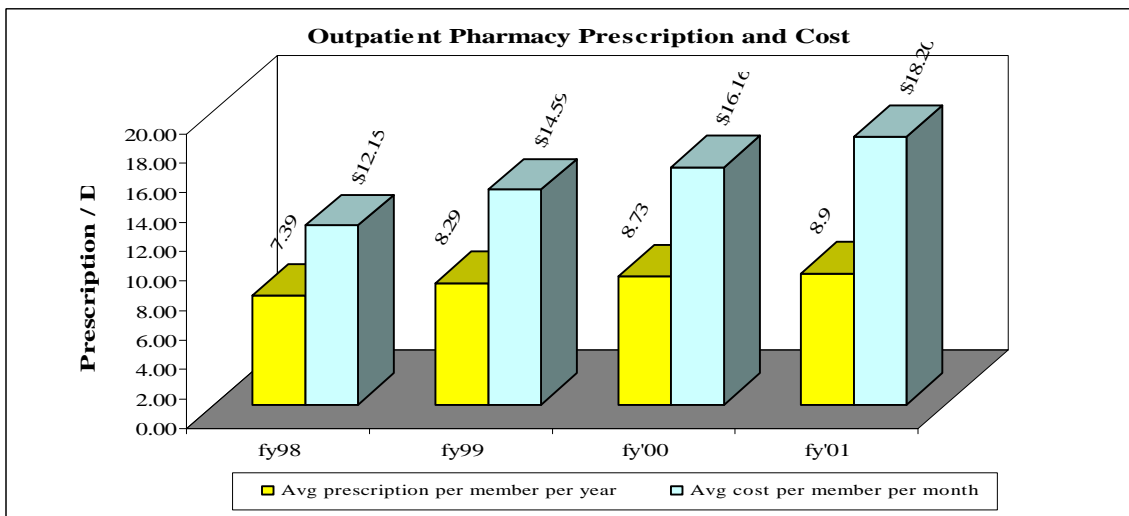
Children's Access to Primary Care Practitioners

Children's access to primary care practitioners (PCPs) in the QUEST program continues to improve. In the past four fiscal years, children's access to primary care increased from 89.9% to 96.6% in the one to two years old age group, increased from 79.7% to 89.3% in the two to six years old group, and increased from 76.2% to 89.6% in the seven to eleven year old group. These results exceeded the same measures reported by the APHSA (1998) in all three categories by over 10% points.



Outpatient Pharmacy Prescription and Cost

Outpatient pharmacy prescription cost continued to rise in the past four fiscal years. The average number of prescriptions increased from 7.39 to 8.90 per member per year, and the average cost increased from \$12.15 to \$18.20 per member per month. An increase in outpatient pharmacy utilization rate is associated with efforts to better manage disease and decrease the inpatient and emergency room use. However, the average cost per member per month increased about 50% in the past four years, and has become a problem in controlling the overall cost of patient care.



B. MEDICAID FEE-FOR-SERVICE (FFS)

The FFS program covers eligible residents who are age 65 and older, blind, or disabled. In the FFS program, recipients may see any participating Medicaid provider and the State pays for eligible medical services. The benefits under FFS are the same as those for QUEST.

C. 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. There is no co-payment requirement, and 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.

D. QUEST-NET

The QUEST-Net program offers beneficiaries limited health care benefits, although children in QUEST-Net receive the same benefits as the QUEST program. To be eligible for QUESTNet, 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.

Maternity benefits are not covered under the QUESTNet program, but once a female is determined pregnant she may apply for the QUEST program and when deemed eligible, receive full maternity benefits including prenatal vitamins. Also, the EPSDT program is available to clients under age 21.

E. 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 service.

F. 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. Under section 1931 provisions, a recipient who qualifies for medical assistance using the old AFDC standards is still eligible for free medical assistance.

Before the Welfare Reform Act of 1996 and de-linking, 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 the provisions of section 1925 of the Social Security Act. Under section 1931, when a recipient loses section 1931 eligibility, they are still eligible to receive free medical coverage for up to twelve months under the provisions of section 1925 of the Social Security Act. However, to be eligible for the section 1925 extension, a family must now (1) have been eligible under the section 1931 provisions, (2) have lost section 1931 eligibility due to increased earnings or loss of earned income exemptions of a family member, and (3) include a child under age 19. An extension is not automatic and specific qualifying reasons must be met.

G. 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. Effective October 2002, federal funds cover 71.14% of the program costs, and the State's Tobacco Settlement Funds cover the remaining 28.86%.

To qualify for free S-CHIP coverage, children must be uninsured, under age 19, and have family income less than 200% of the FPL. In 2002, this is an income of \$2,880 a month for a three-person household and \$3,470 a month for a four-person household.

H. IMMIGRANT CHILDREN'S PROGRAM

Hawaii provides immigrant children who are barred from participating in the Medicaid program with the same health coverage benefits as U.S. citizens through an S-CHIP look-alike program that is funded entirely with State funds. This immigrant's children 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.

I. 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, are without medical coverage, and have gross family income less than 250 % of the FPL. Assets are not considered in determining eligibility.

Hawaii also provides the same coverage to individuals who are barred from participating in the Medicaid program 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 in Act 278.

J. 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).

K. 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 cost avoidance process is coordinated with other health insurance providers such as Medicare, CHAMPUS, the Veterans' Administration, Workers' Compensation, HMSA, HDS, and Kaiser.

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

L. MQD ACCOMPLISHMENTS

- ? Hawaii's first in the nation, state-to-state partnership with Arizona's Medicaid agency (HAPA) provides a new and innovative way to increase effectiveness and cost savings for the Medicaid program. In December 2000, the Department began utilizing the Arizona Medicaid agency's information system to process Hawaii's managed care claims. Fee-for-service claims processing is scheduled to begin November 2002. Hawaii will then have a fully integrated Medicaid management information system.
- ? As part of the HAPA Claims Project, new plastic Medicaid ID cards will be issued to each eligible recipient beginning October 2002. These plastic cards will be permanent and will contain the recipient's name, date-of-birth, and their HAWI ID number. No specific information will be printed on the card itself. Providers will need to check eligibility every time a recipient presents this card. A number of ways have or will be implemented to assist providers in verifying eligibility. The Automated Voice Response System (AVRS) was recently implemented where the provider can, within seconds, receive the information on the recipient by simply entering key information by phone.

On-line eligibility verification on the MQD website will be available some time after November 1, 2002. The provider will enter key information and the system will search for status information.

Both the 1-800 AVRS number and the on-line verification are free services.

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

- ? In calendar year 2001, as a result of the Third Party Liability (TPL) program, the QUEST health plans saved \$3,115,136. The Medicaid Fee-For-Service program cost avoided \$108,852,002 of which \$82,079,484 was attributable to the Medicare program.

Also in calendar year 2001, in collaboration with the Office of the Attorney General, the Department recovered a total of \$2,578,523 from third party liens which includes accident claims, estate recoveries and home property liens.

Beginning July 2002, the DHS contracted with ACS (Affiliated Computer Systems) Healthcare Solutions to assist in the identification of other health insurance plans that medical assistance recipients may have and for the recovery of accident and estate claims.

- ? Access to dental services has improved in the Fee-For-Service program.
- ? Reviews conducted by the MQD and the State's EQRO (External Quality Review Organization), show the QUEST plans have been doing a good job with regard to EPSDT.
- ? The network of providers who provide home care services to medically fragile children has increased.
- ? The Eligibility Branch (EB) has maintained current, timely application processing. The EB works closely with the community to ensure efficient access to health insurance and swift problem resolution. Applicants' self-declaration of information continues and a new simplified application form will be utilized beginning in October 2002 to facilitate the application process.
- ? The Health Insurance Portability and Accountability Act of 1996 (HIPAA) compliance preparations are underway. Many forms have been modified so that they are compliant with HIPAA's strict rules and regulations. The MQD staff is working hard to be compliant by April 2003.
- The Third Special Session of the 2001 Legislature established two temporary programs to assist Hawaii residents who lost health care coverage due to the 9/11/01 terrorist attacks.

The 9-11Net program provides low-cost basic health care coverage for persons who lost employer sponsored health insurance due to the 9/11/01 events. The program is scheduled to sunset at the end of December 2002.

The COBRA Premium Reimbursement program provides reimbursement of COBRA premiums for persons who lost employer sponsored health care coverage due to unemployment or underemployment resulting from the 9/11/01 events. Reimbursement is limited to COBRA premiums paid for coverage for the period from 9/11/01 to 6/30/02. Benefits are limited to the lesser of \$125 per month for a single person or \$315 per month for a family or the actual monthly amount paid, and not to exceed a total of three months of such payment. Applications for COBRA premium reimbursements will not be accepted after 10/31/02.

- ? The MQD's website has gone on-line at www.medquest.us with information on the QUEST and Fee-For-Service programs, health care providers, and statistical data.

CHAPTER FOUR SOCIAL SERVICES DIVISION (SSD)

The Social Services Division's (SSD) focus is to provide protection and security for abused children and dependent adults. While ensuring safety, SSD employees endeavor to minimize disruption for clients and provide for safe living arrangements. The SSD's goal is to reduce the recurrence of abuse, neglect, and maltreatment.

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



left to right: Elizabeth Kent, Deputy Director; Dr. Patricia Snyder, DHS Manager of the Year; Dr. Susan Chandler, Director

Dr. Snyder was named DHS Manager of the Year at the annual State Department of Human Services incentive awards ceremony on August 9, 2002. Dr. Snyder has overseen and provided leadership for the development and implementation of many new programs and improvements in both child welfare and adult services. In child welfare services these include 'Ohana conferencing which has become a nationally recognized model of family decision-making used to develop and implement safety and permanency plans for children; Project Visitation, a sibling visitation project in partnership with the Family Court, the Na Keiki Law Center, and Friends of Foster Kids to help siblings separated in different foster care homes to get together regularly with the help of volunteers; and the Adoption Connection program that continues to aggressively recruit new foster and adoptive families and provide them with training and post-permanency services.

Hawaii's growing elderly and disabled population now have many more alternatives to costly nursing home care. Between 1997 and 2001, the Nursing Home Without Walls program doubled in size and the Residential Alternative Community Care program grew by 700%. The significant expansion of these and other home and community care Medicaid waiver programs increases

services to consumers and reduces costs to taxpayers for costly institutional longterm care services. The frail elderly can remain in their homes longer through chore services and the respite and senior companion programs.

Dr. Snyder has been able to maximize the use of federal funds for both the child and adult services programs to permit the Department to increase services without more State funds.

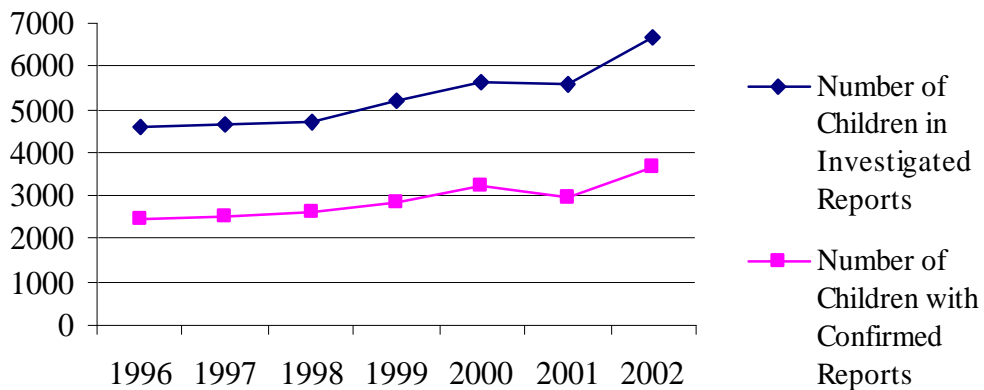
A. CHILD WELFARE SERVICES (CWS)

Program Description

The overall goal the Child Welfare Services (CWS) program is to ensure the safety and permanency of children in their own homes or, when necessary, in out-of-home placements. When a child cannot be safely returned to the family within a reasonable time frame, the CWS program proceeds to find each child a permanent placement through adoption, legal guardianship, or other long-term substitute care.

CWS programs include child protection, family support, foster care, adoption, independent living, and licensing of foster family boarding homes, group homes, and child placing organizations. The CWS Branch has 36 units/sub-units statewide. There were 6,317 active CWS cases, representing 13,367 children, at the end of State Fiscal Year (SFY) 2002. Over the last seven years, cases have increased by over 30%.

CHILDREN IN INVESTIGATED AND CONFIRMED REPORTS OF MALTREATMENT STATEWIDE FY 1996-2002



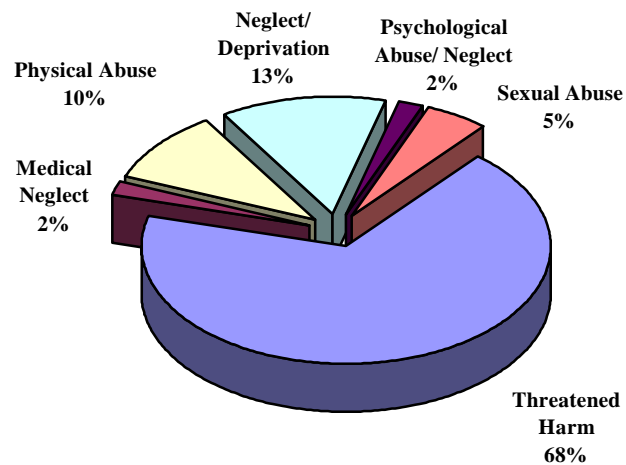
Numerous factors contribute to child maltreatment, such as parental substance abuse, family violence, and mental illness. Effective CWS program intervention requires strong partnerships with the police, the Family Court, the Departments of Health and Education, private agencies, and community groups, which play a crucial role in the safety and healthy development of children.

How a Case Progresses

Child abuse and neglect reports made to CWS are assessed, using a standardized Risk Assessment Matrix, to determine if intervention is necessary to ensure the safety of the child. Over the past six years, the number of children in reports assigned for investigation increased by 32% from 4,584 in FY 1996 to 6,689 in SFY 2002. During the same period, the number of children with confirmed reports increased by 32%.

Of the 6,689 children in reports assigned for CWS investigation in SFY 2002, 3,642 children or 54% were found to be victims of child maltreatment. In the majority of cases, children with confirmed reports were threatened with harm to their safety.

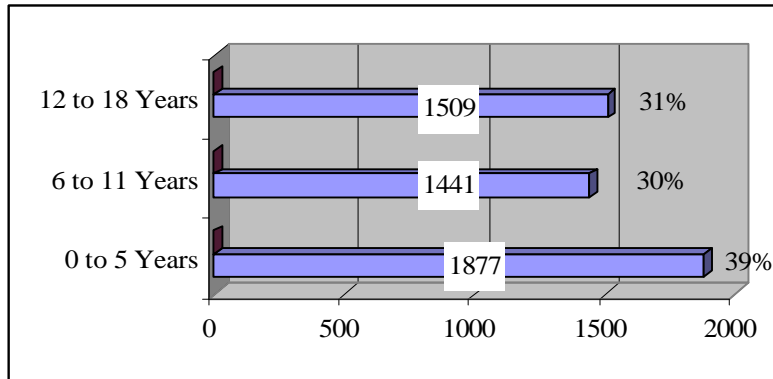
**TYPES OF CHILD MALTREATMENT REPORTS
CONFIRMED STATEWIDE FY 2002 (3,642 CHILDREN)**



Once a child is found to be a victim of maltreatment and depending on the severity of harm, the police may place a child in protective custody. The child is then released to the Department for temporary custody and placement into a foster home. If continued foster care placement is necessary to ensure the child's safety, the Department can either obtain a voluntary foster care agreement from the child's parents or file a petition with the Family Court. Whenever possible, the Department works with the child's family to identify relatives or family friends, who are able to meet licensing requirements and who could serve as foster parents to the child. Parents are provided with services to assist them in establishing and maintaining a safe home for the return of their child. If the parents are unable to establish and maintain a safe home for their child within 12 months, the Department will proceed with filing a court petition to terminate parental rights. In the majority of cases, the Department is able to maintain the child safely in the home with their parents and/or reunify the child with their parents.

A total of 4,827 children were in foster care during SFY 2002, representing a 10% increase in children requiring foster care from the previous year. Nearly 40% of these children were children aged five and younger. The DHS is continuing its efforts to recruit foster families for general licensing and to place children with extended family members in child-specific foster homes.

AGES OF CHILDREN IN FOSTER CARE STATEWIDE FY 2002



Of the 2,041 children that exited foster care in SFY 2002, 61% or 1,240 were reunified with their families, 18% or 362 were adopted, and 11% or 220 left care to a legal guardianship. 11% or 215 left to another type of permanent arrangement, such as emancipation.

Child Welfare Outcomes

The U.S. Department of Health and Human Services (DHHS) has adopted a federal set of outcomes and related measures and systemic factors to assess states' performances in achieving safety, permanency, and well-being for children and families within required time limits. This new evaluation process is known as the Child and Family Services Review (CFSR), and the reviews will be conducted by a team of federal and state reviewers through case reviews and interviews with clients and stakeholders. The purpose and mission of the CFSR is to focus on quality child welfare practice. States are reviewed in the following outcomes and systemic factors that directly impact the State's capacity to deliver services leading to improved outcomes:

CFSR Outcomes	
Safety	<ol style="list-style-type: none"> 1. Children are first and foremost, protected from abuse and neglect 2. Children are safely maintained in their homes whenever possible and appropriate
Permanency	<ol style="list-style-type: none"> 1. Children have permanency and stability in their living situations 2. The continuity of family relationships and connections is preserved for children
Children and Family Well-Being	<ol style="list-style-type: none"> 1. Families have enhanced capacity to provide for their children's needs 2. Children receive appropriate services to meet their educational needs 3. Children receive adequate services to meet their physical and mental health needs
Systemic Factors	<ol style="list-style-type: none"> 1. Statewide information systems 2. Case review system 3. Quality assurance system 4. Staff and provider training 5. Service array 6. Agency responsiveness to the community 7. Foster and adoptive parent licensing, recruitment and retention

Outcomes are evaluated by using specific performance indicators and two outcomes are evaluated using data indicators as well. The review and assessment of each of systemic factor is based on the extent to which the State is in conformity with those State Plan requirements. States will have two years to implement a Performance Improvement Plan (PIP) in the areas found to be in non-conformity. Continual non-conformity will lead to financial sanctions. Seventeen states have completed the CFSRs, and all required a PIP to address areas needing improvement. Hawaii will be reviewed in 2003.

CWS has begun its preliminary preparation by looking at our data and has adopted the federal outcomes and related measures for reporting. The DHHS has developed national standards for the following outcomes and related measures:

CWS Outcome	Measure of Performance	National Standard	Hawaii
Reduce the recurrence of child abuse or neglect	Of all children who were victims of confirmed child maltreatment during the SFY 2001 reporting period, what percentage had another confirmed report within a 6 month period?	6.1% or less	6.4%
Reduce the incidence of child abuse and/or neglect in foster care	Of all children who were in foster care during the SFY 2001 reporting period, what percentage was the subject of confirmed maltreatment by a foster parent or facility staff?	.57% or less	1.2%
Reduce time in foster care to reunification without increasing re-entry.	Of all children who were reunified with their parents or caregivers at the time of discharge from foster care during SFY 2001, what percentage was reunified within twelve months from the latest removal from home?	76.2% or more	82.5%
Reduce foster care re-entries	Of all children who entered foster care in SFY 2001, what percentage re-entered care within 12 months of a prior foster care episode?	8.6% or less	11.5%*
Reduce time in foster care to adoption	Of all children who exited foster care to a finalized adoption during SFY 2001, what percentage exited care within 24 months from the time of the latest removal from home?	32.0% or more	50.0%
Increase placement stability	Of all children served by the Department who had been in foster care for the time periods listed below during SFY 2001, what percentage had no more than two placement settings during that time period?	86.7% or more	81.2%**

* With the shorter time frame required by the Adoption and Safe Families Act of 1997, the Department has been successful in reunifying children with their families more quickly in the majority of cases.

**The initial placement setting usually occurs on an emergency basis and in an emergency shelter home for no more than 30 days. With Ohana Conferencing and concurrently planning practice, the Department is making every effort to secure a second placement that is willing to commit to permanency if reunification is unsuccessful.

Quality Assurance

Ongoing quality assurance (QA) on CWS cases is provided by the Management and Information Compliance Unit. QA staff regularly review cases to ensure compliance to Title IVE requirements and the upcoming Child and Family Service Review for safety, permanency and well-being outcomes. In addition, the Child Protection MultiDisciplinary Team reviews cases of serious abuse, including re-abuse, hospitalization or death. Last year, the Team reviewed four cases classified as accidental death by the Medical Examiner's Office. Program Development staff also review these cases for possible programmatic changes.

Child Welfare Services Accomplishments

- ? Due in part to the constant challenges and difficulties that social workers in CWS address on a daily basis, the CWS Branch frequently has vacancies. Consequently, the DHS and the University of Hawaii, School of Social Work collaborated to implement an innovative work-study program for social workers interested in completing a Masters of Social Work degree (MSW). There are now 23 MSW graduates employed in the CWS Branch.
- ? 'Ohana Conferencing is a family decision-making practice that is used to develop and implement safety and permanency plans agreed upon by family members. First started as a pilot project in 1995, 'Ohana Conferencing has helped more than 1,900 families since 1998. In FY 2002, more than 545 'Ohana Conferences were conducted, including the facilitation of 41 legal guardianships and 17 adoptions.
- ? One of the CWS program's objectives is to increase the number of foster and adoptive parents and to provide them with more support. CWS expanded specialized services to foster parents on Oahu and targeted recruitment of foster families for children with special needs. Funding was increased for child foster board payments and 104 new foster/adoptive parents were recruited, trained, and approved in FY 2002. In collaboration with the Hawaii Foster Parent Association, a special curriculum was successfully implemented for child-specific foster parents on Oahu. An expanded array of post-permanency services, that include a mentoring program for adoptive parents, an adoption information website, support groups and tutoring for children who are adopted or living with permanent caretakers, was implemented through the Adoption Connection.
- ? The CWS program is a partner with the Hawaii Foster Youth Coalition's Community Partnership Board, which includes members from the Family Court, the Casey Family Programs, and the Friends of Foster Kids, to support advocacy activities and transition services for foster youth.
- ? The CWS program collaborated with the Family Court, Volunteer Legal Services of Hawaii, and Friends of Foster Kids to institute Project Visitation. This project recruits and trains volunteers to provide transportation and facilitate visits with siblings living in different foster homes. The Project is a recipient of the 2002 Hawaii Foster Parent Association's Starfish Award for making a significant difference in the lives of children and the foster care system.
- ? Comprehensive medical assessment and health evaluation services by the Project HOPE (Hawaii Outreach Pre-Placement Evaluation)/CARE (The Child-At-Risk-Evaluation) program for foster children were expanded through a Robert Wood Johnson Grant

awarded to the Kapiolani Medical Center. HOPE/CARE is collaboration with the CWS Branch, Kapiolani Medical Center, the University of Hawaii School of Medicine's Hawaii Dyson Initiative, the City Prosecutor's Office, and the Honolulu Police Department.

- ? The Family Drug Court, a partnership with the CWS Branch, the Family Court, and the Department of Health's Alcohol and Drug Abuse and Public Health Nursing Divisions, to serve child welfare families with substance abuse problems, is fully operational. The Drug Court has been awarded a three-year federal grant by the U.S. Department of Health and Human Services, Substance Abuse and Mental Health Services Administration to expand services.

B. ADULT AND COMMUNITY CARE SERVICES (ACCS)

Program Description

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.

The administration of eleven innovative programs, described below, 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.

These home and community-based services include:

Chore Services provides essential housekeeping services to enable eligible disabled clients to remain in the community.

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.

Adult Foster Care provides placement and case management services to eligible clients in licensed adult residential care homes.

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 to caregivers.

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

The Medicaid waiver programs include:

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

Residential Alternatives Community Care Program (RACCP), established in 1983 to provide residential placements in foster homes, Expanded ARCHs (Adult Residential Care Homes), and assisted living facilities as alternatives to institutional care for Medicaid-eligible adults who require nursing facility level 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 the 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 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 managed care program that provides services for elders certified as requiring nursing facility care through a fixed per person per month rate.

Program Goals

Safety – Protection Of Vulnerable Dependent Adults

- ? Respond to reports of abuse/neglect of dependent adults.
- ? Maintain the number of dependent adults who are reabused within a 12-month period below 5%.

Prevention of Premature Institutionalization

- ? Provide a continuum of comprehensive home and communitybased 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 communitybased service alternatives.

ACCS Program Achievements

- ? Adult protective reports were received and investigated on 509 dependent adults 75% of the reports involved individuals age 60 and older 217, or 43% of the reports investigated were confirmed for abuse, neglect, or financial exploitation. Subsequent reabuse within a 12-month period occurred for 3.1 % of the confirmed reports.
- ? Institutionalization was prevented or delayed for 5,142 individuals or 6.09% or 295 more individuals in FY 2002 than in FY 2001, when 4,847 individuals were served. The services provided to 5,142 frail elders, and disabled adults and children in the State in FY 2002 include: 1,359 through the chore services program, 87 through the adult day care program, 249 through adult foster care services, and 3,447 individuals through the Medicaid waiver programs.
- ? The Senior Companion and Respite Companion programs provided 205 companions and delivered 146,724 hours of service to 848 clients (45 or 5% fewer clients than in FY 2001). The reduction in the number of clients served is a reflection of difficulties encountered in recruiting qualified individuals to be companions.
- ? Through the Foster Grandparent program, 165 foster grandparents volunteered their time to work with 730 children with special needs in FY 2002. The 730 children represent a slight increase (10 or 1.39%) over the total of 720 for FY2001.

- ? The RACC program served 814 clients, an increase of 24.6% or 161 more individuals in FY 2002 than in FY 2001, when 653 clients were served. The number of qualified care providers continues to increase, enabling the program to expand and serve more eligible individuals. In FY 2002, approximately 639 clients were served in foster homes, and another 175 clients were served in Expanded ARCHs.
- ? The NHWW program served 854 individuals, an increase of 6% or 49 more individuals in FY 2002 than in FY 2001, when 805 individuals were served. The program met its goal for the number of unduplicated clients served.
- ? The DD/MR HCBS program served 1,560 individuals, an increase of 16.8%, or 225 more individuals in FY 2002 than in FY 2001, when 1,335 individuals were served.
- ? The MFCC program served 23 individuals in FY 2002. This was an increase of 35.2% or 6 more individuals in FY 2002 than in FY 2001, when 17 individuals were served.
- ? The HCC program served 92 individuals, an increase of 6.9%, or 6 more individuals in FY 2002 than in FY 2001, when 86 individuals were served.
- ? The PACE program served 104 individuals, or a decrease of 2.8% or 3 less individuals in FY 2002 than in FY 2001, when 107 individuals were served.

CLIENTS SERVED BY ADULT AND COMMUNITY CARE SERVICES BRANCH

PROGRAM	FY 99 Actual		FY 00 Actual		FY 01 Actual		FY 02 Actual	
ADULT PROTECTIVE SERVICES								
Reports investigated	453		407		480		509	
Confirmed abuse or neglect	196		203		203		217	
HOME AND COMMUNITY-BASED SERVICES								
Chore	1414		1471		1423		1359	
Adult Day Care	81		87		92		87	
Adult Foster Care	468		363		328		249	
Senior Companion ¹	140	300	147	469	156	587	152	607
Respite Companion ²	77	120	73	281	60	306	53	241
Foster Grandparent ³	150	650	160	700	162	720	165	730
<i>Medicaid Waiver Programs:</i>								
<i>NHWW</i>	639		729		805		854	
<i>RACCP</i>	284		442		653		814	
<i>DD/MR HCBS</i>	971		1089		1335		1560	
<i>HCCP</i>	66		73		86		92	
<i>MFCC</i> ⁴	0		3		17		23	
<i>PACE</i>	87		92		107		104	
<i>Medicaid Waiver Program Total:</i>	2047		3447		3003		3447	

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

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

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

⁴ The MFCC Program began operations in March 2000.

ACCS Program Accomplishments

- ? The Department of Human Services through the ACCSB entered into a 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. Funds from the project allowed the Department to hire a social worker, an investigator/auditor, and a social service assistant to augment the existing adult protective services (APS) staff on Oahu. The project team will focus on financial exploitation investigations and will provide consultation on financial exploitation cases occurring on the neighbor islands.

The contract period for this project is March 1, 2002 to February 28, 2003. Funding is provided through the Edward Byrne Memorial State and Local Law Enforcement Assistance Program (Bureau of Justice Assistance, Office of Justice Programs, U.S. Department of Justice). Total project cost is \$157,576 (\$118,182 Federal and \$39,394 State).

- ? New Administrative Rules (chapter 17-1454) were established to implement the provisions of Act 273, SLH 2002. The new law provides for a two-year demonstration project to establish for the general public, a community-based resource for individuals with nursing facility level of care needs. Through chapter 17-1454, the Department licenses and monitors community-based case management agencies and these agencies will certify and monitor community-based foster family homes that are used by individuals with nursing facility level of care needs. The project period will end June 30, 2003, unless the Legislature extends the law. Use of the community foster homes by qualified individuals will enable them to live in the community while receiving needed services, thereby avoiding or delaying their need for institutional care. The Residential Alternative Community Care (RACC) Program clients are major users of the certified homes.
- ? Two temporary registered professional nurse positions were established on Oahu and one in Hilo for the Medicaid waiver, Nursing Home Without Walls program. The addition of these staff will allow the program to address the needs of a growing client population in a timely and effective manner.
- ? The MFCC program received approval from the federal government to expand eligibility for MFCC waiver services, to include the admission of children living in the community. Previously, eligibility was restricted to children in institutions and those transferred from an existing Medicaid waiver program.
- ? The Foster Grandparent and Senior Companion programs each received grants from the federal Corporation for National Services, which allowed the programs to increase the number of clients served.

Planning for the Future

- ? The ACCSB will be applying for an additional year of funding for:
 - o The Financial Exploitation Project from the Edward Byrne Memorial State and Local Law Enforcement Assistance Program to allow the Department to continue to improve upon the Department's response to financial exploitation cases on Oahu.

- The Federal Victims of Crime Act (Office for Victims of Crime, Office of Justice Programs, U.S. Department of Justice) to provide case management and financial management services for approximately 110 victims of elder abuse. If approved, the ACCSB will enter into a contract with the Department of the Attorney General for the contract period from October 1, 2002 to September 30, 2003.
- ? Statutory and subsequent Administrative Rule changes will be sought to establish criminal history record checks as a requirement for individuals who have direct contacts with clients in providing services, and to obtain an adult day care license. The purpose for the checks is to provide a degree of protection for clients and other vulnerable service recipients.
- ? Statutory changes will also be sought for the permanent enactment of the provisions of Act 273, SLH 2002, to establish statutory authority for the licensing of community-based case management agencies and certification of community-based foster family homes.
- ? The Medicaid waiver programs will initiate and utilize a new computer payment system in coordination with the Department's Med-QUEST Division. This electronic system will facilitate and speed up the processing of invoices from and the issuance of payments to providers of client services.
- ? A request will be submitted to the federal government to add Specialized Medical Equipment and Supplies (SMES) as a new service under the HCCP and NHWW Medicaid waiver programs. This service will help to maintain eligible waiver clients in community-based care and out of institutions.
- ? Applications will be submitted to the federal government to continue the MFCC, NHWW and HCC Medicaid waiver programs for another five-year period.

CHAPTER FIVE
VOCATIONAL REHABILITATION AND SERVICES FOR THE BLIND DIVISION
(VRSBD)



“It is through employment that we empower individuals with disabilities toward economic self-sufficiency, independence, and inclusion and integration into society.”

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. With approximately 160 employees, the underlying philosophy of the VRSBD is that through employment, individuals with disabilities are empowered toward economic self-sufficiency, independence, and inclusion and integration into society. Neil Shim is the VRSBD Division Administrator.

A. VOCATIONAL REHABILITATION PROGRAM (VR)

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



Vocational Rehabilitant of the Year 2002- Oahu Branch

Karen Nishizawa Kaho'opi'i, was employed for nearly 30 years with the Vocational Rehabilitation and Services for the Blind Division as an Administrative Secretary, having been promoted through the various levels of the division during her years of service. An aneurysm in 1998 contributed to difficulties in continuing in her position despite job coaching services and a trial return to her employment site. She was unable to perform the essential functions of the position and retired from State service in a disability status.

Karen wanted to work and continued to receive VR services from Oahu Branch, West Section and assistance from Mrs. Eleanor Macdonald, personal friend and supervisor of the Deaf Services Section of Oahu Branch. Mrs. Kaho'opi'i was placed in a position with the U.S. Secret Service, Asia-Pacific Region, where a receptionist position was redescribed to a telephone operator position. She began employment in June 2001.

A thorough security check was completed to obtain security clearance. The next barrier was to figure out how to give her access to the building without assistance. The electric doors to the main entrance of the Prince Kuhio Federal Building and the women's restroom facilities were not operative. A formal request to repair the doors was prepared by the Executive Administrative

Assistant, Elaine Chun. Several calls to follow-up the request got the wheels of change moving. Once inside the building, the next area to access for her electric wheelchair was her workstation. Mr. Albert Joaquin, Special Agent in Charge, U.S. Secret Service, Asia-Pacific Region, moved her workstation from the small space in the front of the suite of offices to the middle section placing her in a strategic location to know which agents were in and out of the premises.

“Job carving” responsibilities were also required. Due to Mrs. Kaho‘opi‘i’s visual impairment and compromised motor skills, the responsibility of also examining counterfeit bills while providing telephone coverage was transferred to another employee. To facilitate telephone coverage, a voice mail system was installed. To maintain a personal touch for customer service, Mrs. Kaho‘opi‘i still greeted all telephone callers and when appropriate, referred the caller to the voice mail of the unavailable agent. This procedure allowed the Secret Service to determine the urgency of incoming calls and handle them accordingly.

Through the firm stewardship of Mr. Joaquin, and the assistance of the Executive Administrative Assistant, Ms. Elaine Chun, Karen Kaho‘opi‘i returned to a productive, exciting worklife with the Secret Service and feeling a part of the action. She is proud to announce she is 85% independent thanks to VR’s provision of assistive technology and support of her desire to work. She has completed one year of service in this new position.

We all celebrate her success and affirm her nomination as an Outstanding Rehabilitant of the Year 2002.

Vocational Rehabilitation Program Accomplishments

? 5,866 citizens with disabilities were served throughout the State.

? 2,053 new referrals were received.

The majority of participants were self referred males between the ages of 20 and 55, placed in service occupations and were high school graduates. The primary disabilities include learning disability, mental retardation, orthopedic problems, and psychiatric disabilities.

? 517 individuals achieved successful employment outcomes.

? 482 (93%) were placed in competitive jobs;

? 213 (41%) individuals had severe disabilities;

? 165 (32%) individuals received public assistance prior to their rehabilitation.

? A cost effective program, VR services increased the annual earning power of people with disabilities from an average of \$2,808 per person per year prior to receiving service to an average of \$13,936 after rehabilitation. Weekly earnings rose by an average of \$214 per person (from \$54 per week at application to \$268 per week at closure). The average case service cost was \$2,497.

? The percentage of persons with earned income of any kind increased from 15% at application to 93% at closure.

VR Program Accomplishments

<i>Indicators</i>	FY 2000	FY 2001	FY 2002
<i>Participants Served</i>	6,765	6,619	5,866
<i>Referrals Received</i>	2,047	1,912	2,053
<i>Placed into Jobs</i>	576	566	517
<i>Placed into Competitive Jobs</i>	495 (86%)	526 (92%)	482 (93%)
<i>Participants with Severe Disabilities</i>	205 (36%)	233 (41%)	213 (41%)
<i>Receiving Public Assistance</i>	203 (35%)	190 (33%)	165 (32%)
<i>Net Gain in Annual Earning Power</i>	527%	398%	496%

B. SERVICES FOR THE BLIND PROGRAM (HO'OPONO)

Ho'opono, the Services for the Blind program, enables 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 Accomplishments

- ? The Counseling Section provided rehabilitation services and placed 16 individuals with severe visual impairments into a wide variety of jobs.
- ? The Adjustment Section served 159 people and taught 79 persons with severe disabilities to adjust to their blindness to live more independently.
- ? The Low Vision Clinic served 378 people and prescribed optical aids for 205 persons to make maximum use of their remaining vision for reading and distance viewing.
- ? The Ho'opono Workshop served 27 people and generated \$650,415 from manufactured goods, subcontracted work, and sales to military commissaries and base exchanges.
- ? The Rehabilitation Teacher provided in-home services, which assisted 81 older blind persons to resume personal, leisure, and home management activities.
- ? The 35 vending facilities, operated by blind vendors and located in government buildings, generated \$16,763,753 in gross sales. Their average annual net earnings is over \$50,000.
- ? A wide range of volunteers provided 2,438 hours of support services to the agency branch. The estimated value of these services totaled approximately \$22,008.
- ? White Cane Safety Awareness Day was held on October 15, 2002 in the Capitol District.

C. DISABILITY DETERMINATION PROGRAM

The Disability Determination program adjudicates and processes disability claims of Hawaii residents for Social Security Disability Insurance (SSDI) authorized by Title II of the Social Security Act, and Social Security Income (SSI) authorized by Title XVI of the Act.

The SSDI program provides benefits to insured workers with disabilities and their families based on the worker’s employment and earnings history. The SSI program serves financially needy aged, blind and disabled individuals, including those with no recent employment experience. Claimants may also be eligible for benefits under both programs.

Disability Determination Program Accomplishments

- ? 10,180 disability determination claims were processed.
- ? 5,757 favorable determinations were made.
- ? A 94.4 % accuracy rate was achieved on all determinations processed.
- ? 291 individuals who applied for SSDI or SSI benefits were referred to the VR program for services.
- ? 346 children (under age 16) who were allowed SSI payments were referred to the Department of Health, Children with Special Needs Branch.
- ? 13,510 individuals, plus dependents currently receive SSDI benefits and 14,491 individuals receive SSI payments. The annual SSDI and SSI payments made to residents of Hawaii totaled approximately \$220,465,000.

DDB Program Accomplishments

Indicators	FY 2000	FY 2001	FY 2002
Claims Processed	9,940	10,654	10,180
Favorable Determinations	3,810	5,841	5,757
Accuracy Rate	96.9%	95%	94.4%
Referred to VR	261	278	291
Referred to CWSNB	238	378	346
Payments made to Hawaii’s residents	\$198,201,000	\$203,623,764	\$220,465,000

CHAPTER SIX OFFICE OF YOUTH SERVICES (OYS)

The Office of Youth Services (OYS) was established by the Legislature in 1989 and administratively placed within the DHS. The OYS 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. Governor Cayetano appointed Bert Matsuoka as the OYS Executive Director in 1994.

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 2002.

A. YOUTH SERVICE CENTERS (YSC)

The purpose of the Youth Service Centers (YSC) is to provide a safe environment where all youth, particularly those whose ethnic background are overrepresented in the juvenile justice system, may foster resiliency and achieve a successful transition to young adulthood. The YSC services and activities demonstrate a balance between the interests and the needs of youth who are at risk of entering the juvenile justice system, as well as the general youth population. The YSC services include community-based outreach, case management services, positive alternative activities, educational development activities, and mentoring.

These programs are intended to engage the youth from a holistic approach in developing their physical, intellectual, emotional, and social well-being. The YSC are envisioned to serve as a “one-stop shop” for youth services and create a welcoming environment for youth and their families. Collaboration and partnerships with public and private agencies are vital to each center’s success and sustainability. This network of services provides youth and their families access to more intensive services and increases an agency’s ability to make successful connections and referrals in the community.

B. YOUTH GANG RESPONSE SYSTEM (YGRS)

The Youth Gang Response System (YGRS) program was created to address the problem of youth gangs through an orderly and coordinated effort. The YGRS program provides the State with a vehicle to implement an effective gang response program that includes government agencies working with community-based organizations to provide social and economic opportunities for both youth at-risk for gang involvement and youth who are currently involved with gangs.

Members of the YGRS program work together to provide a combination of prevention, intervention, and suppression strategies to address the youth gang problem. The program includes the following components: (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.

In order to meet its purpose, the YGRS program funds government entities to develop and implement programs that work to address the key elements of this statewide network. County police departments train and maintain personnel to monitor youth gang activities, conduct gang prevention and intervention programs, and deliver public awareness presentations about youth gangs to community groups. The Department of Education conducts a truancy intervention program for middle and high school students on Oahu. The University of Hawaii Social Science Research Institute conducts research on juvenile crime and evaluates the YGRS program and its member agencies. The City and County of Honolulu Department of Parks and Recreation provides teen programs and the Department of the Attorney General coordinates and staffs the Statewide Law Enforcement Gang Task Force.

C. 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 Office of Youth Services 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 nonviolent law violators who have been arrested and who would otherwise be securely confined in police lockups, with 24-hour access to immediate crisis intervention services, assessment services, referral services, and short-term case management services. As necessary, the program also provides one-to-one supervision (attendant care) for youth who are waiting for their parents to pick them up and access to emergency shelter services. Services are aimed at reuniting youth with their families and, in cases where that is not feasible, to provide the least restrictive care. Ho’okala does not include residential services, but the program has access to 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.

D. 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.

E. COMMUNITY-BASED RESIDENTIAL SERVICES

Research has demonstrated that community-based services are more effective than institutional care or incarceration for the majority of troubled, abused, and neglected youth. Youth who do not require secure confinement in an institution or correctional facility are better served in a less restrictive environment that can provide individual and intensive services that are conducive to their growth and development.

Community-based residential programs are generally more cost-effective than institutional care and have shown to be more effective at reducing offender recidivism than correctional institutions. The Office of Youth Services provides community-based residential services for youth through purchase of service contracts

F. HAWAII YOUTH CORRECTIONAL FACILITY (HYCF)

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

The HYCF now has a vocational education building that houses both offices and classrooms. The purpose of the vocational training program is to instill good work ethics and appropriate social skills necessary for the youth to gain and retain employment, and to introduce the youth to real work experience. The youth are taught basic job skills in aquaculture, hydroponics, automobile mechanics, food services, and building maintenance. The vocational training program is integrated into the daily operations of the facility.

G. FEDERAL GRANT PROGRAMS

In addition to the six 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. In FY 2002, the OYS administered approximately \$5.85 million of federal funds for youth programs and services. The following narratives provide a brief description of each of these federal grant programs.

U.S. DEPARTMENT OF JUSTICE, OFFICE OF JUVENILE JUSTICE AND DELINQUENCY PREVENTION (OJJDP)

In 1974, Congress enacted the federal Juvenile Justice and Delinquency Prevention (JJDP) Act to achieve directives aimed at improving the effectiveness of the juvenile justice system. The Hawaii Juvenile Justice State Advisory Council (JJSAC), appointed by the Governor, provides the Governor, the Legislature, and the OYS with policy recommendations and oversees the administration of the OJJDP programs. Following is a brief description of the OJJDP federal grant 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 four requirements of the JJDP Act are deinstitutionalization of status offenders, jail and lock-up removal of law violators, sight and sound separation of juveniles from adult offenders, and disproportionate confinement of youth who are of ethnic minority.

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

The Challenge Activities Grants Program provides incentives for states participating in the Formula Grants Program. These incentives are provided to improve the state's juvenile justice system by developing and improving policies and programs in one or more of ten specified State Challenge Activities areas.

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 identifying, planning, and implementing delinquency prevention programs. Title V is administered and structured similarly to a block grant program.

Enforcing Underage Drinking Laws Program

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

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 and to make them aware of and answerable for the loss, damage, or injury perpetuated upon victims.

U.S. DEPARTMENT OF EDUCATION - SAFE AND DRUG FREE SCHOOLS AND COMMUNITIES ACT (SDFSCA)

The purpose of SDFSCA is to support local initiatives to meet the National Education Goal which is for every school in the United States to be free of drugs, violence, and the unauthorized presence of firearms and alcohol. The OYS receives and administers the Governor's Program, which is 20% of the total State grant amount.

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

The purpose of the Title XX Grant Program is to provide services to youth in need of temporary placement in community-based residential programs. A primary goal of this grant is to assist youth increase their self-sufficiency and prevent their further institutionalization within the social welfare or juvenile justice system.

CHAPTER SEVEN 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 and operating divisions.

The Administrative Appeals Office (AAO), headed by Susan Wong, provides administrative proceedings for contested cases for the DHS' programs. It has contracts with fifteen (15) attorneys in private practice to conduct hearings for the Department. The AAO receives almost 2,000 fair hearing requests and referrals annually and it issues about 800 fair hearing decisions each year. The AAO also serves as the rules coordinator for the Department and reviews administrative proceedings for the adoption, modification, or repeal of departmental rules.

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

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

The Office of Information Technology (OIT) is responsible for the overall administration, planning, direction, management, development, implementation and maintenance of all Information Technology (IT) and Information Systems processing for the Department statewide. The OIT, with approximately 60 employees, provides project planning and management, business application systems development and maintenance, systems software and hardware management, telecommunications 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. James Lum is the Chief Information Officer.

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

APPENDIX I

**THE BUDGET FOR FISCAL YEAR 2002
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	\$73,869,095
BESSD	202	Payments to Assist the Aged, Blind and Disabled	0.00	\$22,426,631
BESSD	203	Temporary Assistance to Other Needy Families	0.00	\$37,283,204
BESSD	204	General Assistance Payments	0.00	\$24,761,632
BESSD	206	Federal Assistance Payments	0.00	\$1,491,331
BESSD	236	Eligibility Determination & Employment-Related Services	595.00	\$24,884,114
BESSD	237	Employment and Training	0.00	\$1,714,574
BESSD	302	Child Care Services	26.00	\$6,822,836
BESSD	305	Child Care Payments	0.00	\$42,184,561
BESSD	903	General Support for Benefit, Employment & Support Services	105.00	\$29,415,935
MQD	230	Health Care Payments	0.00	\$418,641,993
MQD	245	QUEST Health Care Payments	0.00	\$278,951,240
MQD	902	General Support for Health Care Payments	213.00	\$24,835,189
SSD	301	Child Welfare Services	440.50	\$45,416,116
SSD	303	Child Placement Board and Related Client Payments	0.00	\$36,845,854
SSD	601	Adult Community Care Services Branch	81.50	\$13,037,773
SSD	603	Home-Based and Community-Based Care Services	0.00	\$74,907,242
SSD	901	General Support for Social Services	29.00	\$5,657,457
VRSBD	238	Disability Determination	45.00	\$4,798,445
VRSBD	802	Vocational Rehabilitation	116.50	\$14,806,955
OYS	501	Youth Services Administration	22.00	\$5,756,251
OYS	502	Youth Services Program	0.00	\$4,392,916
OYS	503	Youth Residential Programs	77.00	\$7,107,810
ADMIN	904	General Administration of the DHS	<u>189.00</u>	<u>\$9,198,754</u>
DHS TOTAL:			1,939.50	\$1,209,207,908

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, 2002)											
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	1105	850	212	6	3023	2325	1008	11	4942	3800	1750
2	1489	1145	389	7	3406	2620	1114	12	5326	4095	1909
3	1872	1440	557	8	3790	2915	1273	13	5710	4390	2068
4	2256	1735	707	9	4174	3210	1432	14	6094	4685	2227
5	2639	2030	840	10	4558	3505	1591	15	6478	4980	2386
								15+	+384	+295	+159

? 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	\$193
Gross earned income deduction:	From household's gross earned income	20%
Shelter Deduction:	Non-elderly or disabled household:	Up to a maximum of \$495
	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, 2002)												
AABD-SSI Updated Summary of State Supplemental Payment Plan for SSI Recipients (2.6% 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)	
	1/01-12/01	1/02-12/02	1/01-12/01	1/02-12/02	1/01-12/01	1/02-12/02	1/01-12/01	1/02-12/02	1/01-12/01	1/02-12/02	1/01-12/01	1/02-12/02
Federal	531.00	545.00	796.00	817.00	354.00	363.34	530.67	544.67	531.00	545.00	531.00	545.00
State	4.90	4.90	8.80	8.80	0	0	0	0	521.90	521.90	629.90	629.90
Total	535.90	549.90	804.80	825.80	354.00	363.34	530.67	544.67	1052.90	1066.90	1160.90	1174.90
*Inc.	+19.00	+14.00	+27.00	+21.00	+13.00	+9.00	+18.00	+14.00	+19.00	+14.00	+19.00	+14.00
Individuals in Medical Institution: Federal \$30.00												

*Figures show net increase in SSI benefits effective January 2002. Pass along of the COLA increase meets the requirements of Section 1618 of the Social Security Act.

