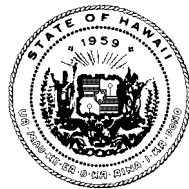


DAVID Y. IGE
GOVERNOR



CATHY BETTS
DIRECTOR

JOSEPH CAMPOS II
DEPUTY DIRECTOR

DIR 21.024

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339
Honolulu, Hawaii 96809-0339

December 17, 2021

The Honorable Ronald D. Kouchi
Senate President
Thirty-First State Legislature
State Capitol, Room 409
Honolulu, Hawaii 96813

The Honorable Scott K. Saiki
Speaker of the House of Representatives
Thirty-First State Legislature
State Capitol, Room 431
Honolulu, Hawaii 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

Enclosed is the following report submitted in accordance with Act 8, Part I, Section 6, Session Laws of Hawaii 2020, regarding allocations and expenditures of appropriations from the Coronavirus Aid, Relief, and Economic Security Act, Public Law 116-136.

In accordance with section 93-16, HRS, the report is available to review electronically at the Department's website, at <https://humanservices.hawaii.gov/reports/legislative-reports/>.

Should you or your staff have any questions with this submittal, please call Linda Komatsu-Wong, Budget, Planning, and Management Officer at (808) 586-5120 or email lkomatsu-wong@dhs.hawaii.gov.

Sincerely,

A handwritten signature in black ink, appearing to read "Cathy Betts".

Cathy Betts
Director

Enclosure
c:
Governor's Office

President Kouchi, Speaker Saiki

December 17, 2021

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Lieutenant Governor's Office

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REPORT TO THE THIRTY-FIRST HAWAII STATE LEGISLATURE 2022

**IN ACCORDANCE WITH THE PROVISIONS OF
ACT 8, PART I, SECTION 6,
SESSION LAWS OF HAWAII (SLH) 2020, RELATED TO USE OF
CORONAVIRUS AID, RELIEF, AND ECONOMIC SECURITY ACT FUNDS**

**DEPARTMENT OF HUMAN SERVICES
Benefit, Employment, and Support Services Division
December 2021**

Through Act 8, Part I, Section 6, Session Laws of Hawaii 2020 (Act 8), the Legislature appropriated the sum of \$2,000,000 of Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Public Law No. 116-136, funds to the Department of Human Services (DHS) to be used for information technology and other systems pursuant to the CARES Act and associated guidance issued by appropriate federal agencies. This report is submitted in accordance with Act 8 regarding allocations and expenditures of those funds.

DHS used these funds to secure IT consultation services to implement the following three (3) COVID-19 response projects:

1. Pandemic Electronic Benefits Transfer (P-EBT)

Purpose:

The Families First Coronavirus Response Act (FFCRA) of 2020 authorized states to provide P-EBT benefits to Supplemental Nutrition Assistance Program (SNAP) and non-SNAP households with children who had temporarily lost access to free or reduced-price school meals due to pandemic-related public and charter school closures.

Households were eligible for P-EBT because they:

- Included an eligible child or children, who if not for the closure of their school during a public health emergency designation and due to concerns about a COVID-19 outbreak, would receive free or reduced-price school meals under the Richard B. Russell National School Lunch Act, as amended, and
- The child's school or district had been closed for at least 5 consecutive days during a public health emergency designation and due to concerns about a COVID-19 outbreak.

The FFCRA required that the P-EBT benefits (SNAP-like benefits) be issued through the State's existing Electronic Benefits Transfer (EBT) processing system. Additionally, FFCRA also required the State to use data matching with the Department of Education (DOE) who administers the free or reduced-price meal program. The functionality of doing such data matching, issuing SNAP-like benefits other than regular SNAP, and for the issuances to be done as expeditiously as possible to respond to the crisis created by COVID-19, required technical IT skills that were not readily available within DHS as the P-EBT program required functionality that did not exist in our existing eligibility and EBT system.

Cost Breakdown:

IT Consultation Services: \$650,000

Additional Software: \$200,000

Additional cost for EBT vendor system changes and card issuances: \$350,000

Postage cost for letters to P-EBT households: \$100,000

Outcomes:

The following were accomplished between the months of June-July 2020:

- Established an integrated data base between the DOE’s student information and DHS’s eligibility system for the purposes of issuing P-EBT benefits to existing SNAP households.
- The same database contained DOE’s student information of children residing in non-SNAP households that would be eligible for P-EBT benefits. Both sets of data use a common unique identifier for P-EBT payment tracking purposes.
- Acquired the functionality to calculate P-EBT benefit amounts, created the file information to generate an EBT account, and to issue payment.
- Acquired the functionality to generate notices to the P-EBT households and reports.
- Built a web portal for P-EBT families to verify their information and check on their P-EBT processing status.

SNAP households that received P-EBT benefits:

- Number of families received P-EBT benefits: 31,406
- Number of children received P-EBT benefits: 51,608
- Total amount of P-EBT benefits issued: \$30,454,938

Non-SNAP households/children that received P- EBT benefits:

- Number of families received P-EBT benefits: 33,465
- Number of children received P-EBT benefits: 46,380
- Total amount of P-EBT benefits issued: \$30,733,550

2. Child Care Development Block Grant Payments for Personal Protective Equipment (PPE) to Providers

Purpose:

The CARES Act authorized an additional \$11.9 million to the State’s Child Care Development Block Grant (CCDBG) in response to the COVID-19 pandemic.

The additional funding allowed the State to support the continued access and operations of child care services during the pandemic. DHS decided to make the funding available to child care facilities so that they could continue their operations while ensuring compliance with cleaning and sanitation recommendations per the Centers for Disease Control (CDC) to mitigate the spread of COVID-19 through the use of Personal Protective Equipment (PPE) and changes in service delivery and protocols.

For DHS to issue this funding expeditiously to approximately 1,070 child care facilities (family child care, group child care centers, etc.) that may apply and qualify for the funds, DHS developed an automated IT solution able to process provider payments instead of a manual process. The new automated IT solution replaced the manual process available at the time which required hard copy documents to be routed to various offices for approval and processing, and a manual process to create a vendor code for each provider that may potentially receive a payment.

The automated solution was developed to leverage our existing HANA system, though required additional functionality to be built.

Cost Breakdown:

IT Consultation Services: \$200,000

Outcomes:

The following were accomplished during the period between June-July 2020:

- Automated batch processing function built to authorize multiple payment claims for multiple providers in one transaction.
- Payment issuance process to leverage existing Directed Provider Payment functionality so payments were deposited to the bank account designated by the Provider.
- Functionality to produce the reports and error checks to prevent duplicate payments.

Number of services paid: 171

Amount of CCDBG PPE payments issued: \$2,000,000

3. SNAP & Financial Assistance On-line Application

Purpose:

Prior to the COVID-19 pandemic, applying for SNAP and or financial assistance required a person to submit a hard copy application, either through the mail, depositing in a drop-box, or delivering a completed application in-person to a processing center. In most cases people delivered the application in-person. The processing center staff would then scan the application, advise the applicant if the application was complete, and inform the applicant of the kind of verification that they would need to provide at the time of the required face-to-face interview.

With the COVID-19 pandemic, social distancing made the in-person drop off and face-to-face business model impossible to maintain the health and safety of applicants, recipients, and staff. Significant changes were quickly implemented - most notably the paper application was converted into an on-line fillable application and an email process to a designated mailbox as a quick fix to limit the need for an applicant to physically drop off an application. Though the on-line process did make the submittal simpler for the applicant, for many individuals the new process was not intuitive as there were information size limits on the e-form's fields. From the operational perspective, the first on-line application process required significant time and effort by the Benefit, Employment & Support Services Division (BESSD) staff to weed through the submitted applications as applications were sent in a variety of ways and formats.

BESSD needed a better on-line solution that standardized how information was submitted by the applicant and received by the processing center, and more automation to record and track

the application to increase BESSD's capacity to accept, dispose, and respond to the significant increase in requests for services.

Cost Breakdown:

IT Consultation Services: \$300,000

Additional Software: \$200,000

Outcomes:

The following were implemented during the period of June through August 2020:

- Allowed for the public to be able to apply for SNAP and/or cash assistance on-line rather than through submittal of a hardcopy application form.
- Streamlined the on-line experience by making it more interactive to elicit more pertinent information needed for eligibility determination.
- Allowed for more efficient use of staff time by automating the workflow of the on-line application to be logged and queued into the Department's workload manager solution for further worker assignment.
- Allowed for more useful tools to the end-user such as auto saving the application anywhere in the process, allowed for progress updates with the application processing after submittal, and uploading of verification documents. These tools reduce the need for both applicant and staff to have to interact in-person promoting social distancing.

Average number of applications (on-line and hard copy) received daily: 336

Percentage of daily applications received on-line: 44%