



EXECUTIVE CHAMBERS  
HONOLULU

LINDA LINGLE  
GOVERNOR

July 7, 2003

Mr. Nikolao Pula  
Director, Office of Insular Affairs  
U.S. Department of the Interior  
Office of the Secretary  
Washington, D.C. 20240

Dear Mr. Pula:

I am sending you our annual report on the impact of the Compacts of Free Association with the Federated States of Micronesia, the Republic of the Marshall Islands, and the Republic of Palau, for your transmittal to Congress in accordance with section 103(e)(3) of P.L. 99-239, as amended by P.L. 106-504.

Hawai`i continues to feel a tremendous pressure on our resources as a result of the Compact. The issues addressed in our previous annual reports continue to be problematic, and the strain on our limited resources is growing as migration to Hawai`i from the Compact nations increases.

To put in perspective the impact of the Compact migrants on the State, it is important to remember that Hawai`i has one of the highest costs of living in the country. According to a recent study commissioned by the Hawai`i State Commission on the Status of Women, many families in Hawai`i cannot afford housing, food, childcare, or other basic needs.<sup>1</sup> As you know, a high percentage of the Compact migrant population are poorly educated and live in poverty,<sup>2</sup> and are thus part of the additional demand on the already strained social support systems of the State.

Please also keep in mind that the data included in this report is not comprehensive and can really only be considered a portion of the actual costs to the State. For instance, there is evidence of increased need for outreach services by the Honolulu Police Department to identify and respond to gang-related problems within the migrant communities, and hours expended by social workers to

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<sup>1</sup> Self-Sufficiency Standard Report, dated April 9, 2003, by Diana Pearce, Ph.D. with Jennifer Brooks; a project of the Wider Opportunities for Women program; available on-line at [www.sixstrategies.org](http://www.sixstrategies.org).

<sup>2</sup> General Accounting Office, Foreign Relations: Migration From Micronesian Nations Has Had Significant Impact on Guam, Hawai`i, and the Commonwealth of the Northern Marianas Islands, October 2001.

address concerns of child abuse and neglect and domestic violence among the migrant populations.<sup>3</sup> These costs are not included in the data because the nature of the problem is not easily quantified, or they are incidental to other costs not the result of direct financial aid to the Compact migrants. Despite the imprecise and anecdotal nature of the measure of these costs, they are nevertheless real costs to the State in terms of time and resources expended toward servicing the Compact migrant population.

For 2002, Hawai'i expended over \$32 million in assistance to Compact migrants. Since we began reporting in 1997, Hawai'i has identified over \$140 million of cumulative financial impact to the State. While I am glad to note that we received \$4 million in 2001 as a grant to the Department of Education, clearly that is nowhere near the support needed in order to continue providing the current level of services to the migrant population.<sup>4</sup>

Compact migrants continue to have an extraordinary impact on the education system in Hawai'i. The number of Compact migrants in 2002 increased 32% in the primary and secondary school systems. This resulted in a cost of over \$18 million for the academic year 2002-2003. (Exhibit A-1). That figure is based on an average cost to educate a child in the public schools, and does not include the additional costs for special services required for this population. For instance, a majority of the migrant students come to the classroom with inadequate preparation and poor English language skills; 1,721 of the 2,381 Compact migrant students identified in our public schools were enrolled in the English as a Second Language Program. (Exhibits A-1 to A-2).

The demands on our higher education system increased as well. For fiscal year 2002, there were 669 students from Compact nations enrolled in the University of Hawai'i system.<sup>5</sup> These students pay resident tuition rather than non-resident tuition and, as a result, the University of Hawai'i realized \$1,346,514 in foregone revenue for the academic year. (Exhibits B-1 to B-4). Paying non-resident tuition would be prohibitive for these students coming from such poor families. Requiring them to pay non-resident tuition would effectively bar them from attending college.

After education, the Department of Human Services ("DHS") shows the next highest impact, providing a broad range of social services to Compact migrants. The largest expenditures reported by DHS include Financial Assistance (\$4,521,240), and Medical Assistance (\$6,746,008). (Exhibit C-1). The number of Compact migrants DHS reports servicing for 2002 increased almost 20% from the previous year. (Exhibit C-2).

The costs to the Department of Health ("DOH") also continue to rise as DOH provides health care services to an increasing number of Compact migrants, many of whom have severe and

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<sup>3</sup> These and other "hidden" costs were discussed in meetings held on April 21, 2003 with various state and private agencies, coordinated by the Department of the Attorney General and staff members for the Congressional delegates from Hawai'i.

<sup>4</sup> The Department of Education alone has reported an accumulated total of more than \$96 million based on data compiled since 1988. (See, Exhibit A-1).

<sup>5</sup> The University of Hawai'i system includes UH-Manoa, UH-Hilo, UH-West Oahu, and the community colleges.

specialized health care needs. DOH reports major expenditures for the Communicable Disease Branch (\$490,576), Community Health Services (\$298,244), and contracts to provide medical care to the uninsured (\$240,000). (Exhibit D-1).

The Department of Labor and Industrial Relations (“DLIR”) also provides social services to a growing number of Compact migrants. DLIR provides services primarily through two of its state funded programs, the Employment Core Services for Immigrants (ECSI), and the Youth Services for Immigrants (YSI). ECSI provides specialized employment services that address the particular employment needs of immigrants, including language, acculturation, job preparation, and search assistance, and family support services to wage earners. The YSI program provides bi-lingual services for at-risk immigrant youth to assist low-income immigrant youth in: 1) overcoming cultural and language barriers in school, at home, and in their community, 2) improving their understanding and adaptation to American culture, and 3) preparing older youth for employment.

For fiscal year 2001, DLIR estimates it served 127 Compact migrants at a cost of over \$60,000.<sup>6</sup> For fiscal year 2002, the cost is estimated at over \$96,000, and includes services provided to 101 Compact migrants. (Exhibit E). Current observations from DLIR indicate that both the number of Compact migrants and the cost of servicing them are expected to increase for fiscal year 2003.

The increasing number of migrants continues to impact the State’s criminal justice system. According to figures provided by the Hawai’i Criminal Justice Data Center, 512 adult Compact migrants were arrested on a total of 759 charges. Those arrests resulted in 160 convictions on a total of 203 charges.<sup>7</sup> (Exhibit F).

The Department of Public Safety has estimated a cost of \$300,000 for the 64 incarcerated Compact migrant adults. The Office of Youth Services reports that three minors from Compact nations were incarcerated at the Hawai’i Youth Correctional Facility in 2002, at a cost of over \$59,000. (Exhibit C-5). Neither the adult nor juvenile data takes into account the specialized needs that Compact migrants may have for support services within the corrections systems. Additional unreported costs may include counseling, probation, drug treatment, and court ordered domestic violence education.

The increase in cases involving Compact migrants before the courts has increased the need for interpreters for those Compact migrants who tend to come with a background of poor education, and generally have limited English language skills. The State of Hawai’i Judiciary indicates that identifying qualified interpreters for Compact migrants is difficult due to the close-knit communities formed by the migrants, which results in a relatively small pool of neutral interpreters. Retention of the qualified interpreters is also a problem due to the transient nature of the migrant population. For

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<sup>6</sup> The reported figure is believed to be lower than what was actually expended, as some of the contracted service providers were not able to provide data.

<sup>7</sup> Specific arrest and conviction information is not available for Compact migrant juveniles in the Hawai’i court system.

Mr. Nikolao Pula  
July 7, 2003  
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2001, the Judiciary reported a cost of \$5,930 for interpreting services to Compact migrants. That figure jumped dramatically in 2002, to \$14,560. (Exhibit G).

I understand that the Department of the Interior is proposing an annual compensation package of \$15 million to address the currently nonexistent reimbursement to the State. I am also aware, however, that the amount proposed would be a small proportion of the total annual costs, and would not adequately remediate the previously reported expenditures. Additionally, I understand the \$15 million would be shared proportionally with Guam and the Commonwealth of the Northern Marianas Islands, based upon a census of the Compact migrants in each of our jurisdictions.

Naturally, I would support any measure of relief that the Federal government would consider. However, I request that the proposed appropriation be increased to take into consideration the actual cost to the State, realizing that in many instances they are most likely underreported due to inherent problems of record-keeping and the fact that many of the costs are not easily quantifiable or reportable. The proposal should also consider the increase in the number of migrants to Hawai'i as well as the increased cost to service more of the Compact migrants which we expect in future. Finally, the proposal should also include an appropriate amount to address the enormous past expenditures that have strained our State's limited resources.

In closing, I urge the Congress to honor the terms of the Compacts intended to alleviate adverse effects on the State, and to act "sympathetically and expeditiously" in adopting the proposal once it is made. I request that Congress assist Hawai'i by appropriating enough money to adequately compensate the State for the costs already incurred in meeting the needs of the Compact migrants, and for those costs expected to be incurred in the future, in order that we can continue to provide services to the Compact migrants, and to all of the people of Hawai'i.

Sincerely,

  
for LINDA LINGLE  
Governor of Hawai'i

JAMES R. AIONA JR.

ACTING GOVERNOR

Attachment

cc: Honorable Congressman Daniel Akaka  
Honorable Congressman Daniel Inouye  
Honorable Congressman Neil Abercrombie  
Honorable Congressman Ed Case

DEPARTMENT OF EDUCATION

**Cumulative Impact of Compact Immigration on the Department of Education**

	No. Of Students	Per Pupil Cost	Total Impact Cost	% Increase
1988	227	\$3,580.55	\$812,784.	
1989	294	\$3,826.41	\$1,124,964.	38.4%
1990	389	\$4,176.78	\$1,624,767.	44.4%
1991	467	\$4,943.65	\$2,308,684.	42.1%
1992	588	\$5,170.00	\$3,039,960.	31.7%
1993	656	\$5,445.81	\$3,572,451.	17.5%
1994	798	\$5,684.30	\$4,536,071.	27.0%
1995	967	\$5,763.72	\$5,573,517.	22.9%
1996	1,090	\$5,694.40	\$6,206,896.	11.4%
1997	1,283	\$5,763.72	\$7,394,852.	19.1%
1998	1,407	\$5,962.15	\$8,388,745.	13.4%
1999	1,521	\$6,031.34	\$9,173,668.	9.4%
2000	1,565	\$6,772.66	\$10,599,212.	15.5%
2001	2,000	\$6,856.36	\$13,712,720.	27.8%
2002	2,381	\$7,625.96	\$18,157,411.	32.4%

Students from CFAS in Hawaii Public Schools

ESLL Program

School Years	Federated States of Micronesia			Republic of the Marshall Islands	Republic of Palau	Total
	Chuuk	Kosrae	Pohnpei			
1997-98	182	18	25	762	14	1,002
1998-99	224	46	87	847	4	1,237
1999-2000	266	107	106	962	6	1,492
2000-01	436	61	243	1,064	5	1,813
2001-02	350	59	177	1,186	4	1,782
2002-03	399	65	152	1068	7	1,721

EXHIBIT A-2

UNIVERSITY OF HAWAII



**UNIVERSITY OF HAWAII**  
 Estimated Foregone Tuition Revenues when students from  
 The Federated States of Micronesia, The Republic of the Marshall Islands, and The Republic of Palau  
 pay Resident rather than Non-Resident Tuition  
 Fiscal Year 2001-02

	Estimated Foregone Tuition Revenues									
	TOTAL UH Amt	V%	UH MANOA Amt	V%	UH HILO Amt	V%	UH WEST O'AHU Amt	V%	UH COMMUNITY COLLEGES Amt	V%
<b>FISCAL YEAR 2001-02</b>										
Total	\$1,346,514	100.0	\$207,527	100.0	\$586,454	100.0	\$0	100.0	\$552,533	100.0
H %	100.0%		15.4%		43.6%		0.0%		41.0%	
Number of student registrations	669		90		251		0		328	
Federated States of Micronesia	\$896,592	66.6	\$97,790	47.1	\$387,628	66.1	\$0		\$411,174	74.4
Republic of the Marshall Islands	\$196,280	14.6	\$30,016	14.5	\$92,500	15.8	\$0		\$73,764	13.4
Republic of Palau	\$253,642	18.8	\$79,721	38.4	\$106,326	18.1	\$0		\$67,595	12.2
<b>Fall 2001 to Spring 2002</b>										
Total	\$1,342,681	100.0	\$207,351	100.0	\$586,090	100.0	\$0	100.0	\$549,240	100.0
Federated States of Micronesia	\$893,713	66.6	\$97,730	47.1	\$387,436	66.1	\$0		\$408,547	74.4
Republic of the Marshall Islands	\$195,739	14.6	\$29,920	14.4	\$92,388	15.8	\$0		\$73,431	13.4
Republic of Palau	\$253,229	18.9	\$79,701	38.4	\$106,266	18.1	\$0		\$67,262	12.2
<b>Summer 2001</b>										
Total	\$3,833	100.0	\$176	100.0	\$364	100.0	\$0	100.0	\$3,293	100.0
Federated States of Micronesia	\$2,879	75.1	\$60	34.1	\$192	52.7	\$0		\$2,627	79.8
Republic of the Marshall Islands	\$541	14.1	\$96	54.5	\$112	30.8	\$0		\$333	10.1
Republic of Palau	\$413	10.8	\$20	11.4	\$60	16.5	\$0		\$333	10.1

Note: The University of Hawaii-West O'ahu had no students from FSM, RMI, or ROP who were exempt from paying the non-resident tuition differential.

V% = vertical percent

H% = horizontal percent

Institutional Research Office, University of Hawaii, May 2003

**UNIVERSITY OF HAWAII AT MANOA**  
 Estimated Foregone Tuition Revenues when students from  
 The Federated States of Micronesia, The Republic of the Marshall Islands, and The Republic of Palau  
 pay Resident rather than Non-Resident Tuition  
 Fiscal Year 2001-02

Country and Tuition Category	Number of Students			Expected Tuition Revenues (estimated)			Estimated Foregone Tuition Revenues
	Total Num	Full-time Num	Part-time Sem Hrs	Non-Resident	Full-time rate	Part-time rate	
<b>FISCAL YEAR 2001-02</b>	90	54	36	179	\$321,152		\$207,527
<b>Fall 2001 to Spring 2002</b>							
Total	74	54	20	129	\$314,424		\$207,351
Federated States of Micronesia	33	28	5	29	\$146,984		\$97,730
Undergraduate	27	27			\$129,600	\$4.800	\$87,480
Graduate	6	1	5	29	\$17,384	\$5.088	\$10,250
Republic of the Marshall Islands	12	7	5	28	\$45,184		\$29,920
Undergraduate	9	7	2	12	\$38,400	\$4.800	\$25,920
Graduate	3		3	16	\$6,784	\$5.088	\$4,000
Republic of Palau	29	19	10	72	\$122,256		\$79,701
Undergraduate	22	17	5	30	\$93,600	\$4.800	\$63,180
Graduate	5	1	4	33	\$19,080	\$4.24	\$11,250
Coll Bus Admin MBA	2	1	1	9	\$9,576	\$5.472	\$5,271
<b>Summer I, Summer II 2001</b>							
Total	16	0	16	50	\$6,728		\$176
Federated States of Micronesia	8	0	8	21	\$2,958		\$60
Undergraduate	6		6	15	\$1,950	\$130	\$60
Graduate	2		2	6	\$1,008	\$168	\$0
Republic of the Marshall Islands	5	0	5	24	\$3,120		\$96
Undergraduate	5		5	24	\$3,120	\$130	\$96
Republic of Palau	3	0	3	5	\$650		\$20
Undergraduate	3		3	5	\$650	\$130	\$20

Expected Tuition Revenues = full-time revenues + part-time revenues. Full-time revenues = number full-time X full-time rate.  
 Part-time revenues = number part-time semester hours X part-time rate

**UNIVERSITY OF HAWAII AT HILO**  
 Estimated Foregone Tuition Revenues when students from  
 The Federated States of Micronesia, The Republic of the Marshall Islands, and The Republic of Palau  
 pay Resident rather than Non-Resident Tuition  
 Fiscal Year 2001-02

Country and Tuition Category	Number of Students			Expected Tuition Revenues (estimated)			Estimated Foregone Tuition Revenues		
	Total Num	Full-time Num	Part-time Sem Hrs	Non-Resident	Full-time rate	Part-time rate	Resident	Full-time rate	Part-time rate
<b>FISCAL YEAR 2001-02</b>	251	195	56	267			\$800,219	\$213,765	\$586,454
<b>Fall 2001 to Spring 2002</b>									
<b>Total</b>	228	195	33	176	\$788,389		\$202,299	\$586,090	
Federated States of Micronesia	151	131	20	92	\$524,278		\$136,842	\$387,436	
Lower Division	60	56	4	22	\$206,118	\$3,564	\$297	\$756	\$63
Upper Division	91	75	16	70	\$318,160	\$3,936	\$328	\$1,152	\$96
Graduate	0	0			\$0	\$4,584	\$382	\$1,884	\$157
Republic of the Marshall Islands	36	29	7	48	\$121,890		\$29,502	\$92,388	
Lower Division	23	21	2	6	\$76,626	\$3,564	\$297	\$756	\$63
Upper Division	13	8	5	42	\$45,264	\$3,936	\$328	\$1,152	\$96
Graduate	0	0			\$0	\$4,584	\$382	\$1,884	\$157
Republic of Palau	41	35	6	36	\$142,221		\$35,955	\$106,266	
Lower Division	22	18	4	21	\$70,389	\$3,564	\$297	\$756	\$63
Upper Division	19	17	2	15	\$71,832	\$3,936	\$328	\$1,152	\$96
Graduate	0	0			\$0	\$4,584	\$382	\$1,884	\$157
<b>Summer 2001</b>									
<b>Total</b>	23	0	23	91	\$11,830		\$11,466	\$364	
Federated States of Micronesia	13	0	13	48	\$6,240		\$6,048	\$192	
Summer Session	13	0	13	48	\$6,240		\$6,048	\$192	\$126
Republic of the Marshall Islands	5	0	5	28	\$3,640		\$3,528	\$112	
Summer Session	5	0	5	28	\$3,640		\$3,528	\$112	\$126
Republic of Palau	5	0	5	15	\$1,950		\$1,890	\$60	
Summer Session	5	0	5	15	\$1,950		\$1,890	\$60	\$126

Expected Tuition Revenues = full-time revenues + part-time revenues. Full-time revenues = number full-time X full-time rate.  
 Part-time revenues = number part-time semester hours X part-time rate

**UNIVERSITY OF HAWAI'I COMMUNITY COLLEGES**

Estimated Foregone Tuition Revenues when students from  
The Federated States of Micronesia, The Republic of the Marshall Islands, and The Republic of Palau  
pay Resident rather than Non-Resident Tuition  
Fiscal Year 2001-02

Country	Number of Students			Part-time		Expected Tuition Revenues (estimated)		Estimated Foregone Tuition Revenues
	Total Num	Full-time Num	Sem Hrs	Num	Sem Hrs	Non-Resident	Resident	
<b>FISCAL YEAR 2001-02</b>	328	2849				\$679,490	\$126,957	\$552,533
<b>Fall 2001 to Spring 2002</b>								
Total	307	2760	126	181	1134	\$667,920	\$118,680	\$549,240
Federated States of Micronesia	232	2053	91	141	887	\$496,826	\$88,279	\$408,547
Republic of the Marshall Islands	38	369	19	19	122	\$89,298	\$15,867	\$73,431
Republic of Palau	37	338	16	21	125	\$81,796	\$14,534	\$67,262
<b>Summer 2001</b>								
Total	21	89				\$11,570	\$8,277	\$3,293
Federated States of Micronesia	16	71				\$9,230	\$6,603	\$2,627
Republic of the Marshall Islands	2	9				\$1,170	\$837	\$333
Republic of Palau	3	9				\$1,170	\$837	\$333

Expected Tuition Revenues = semester hours X per semester hour rate

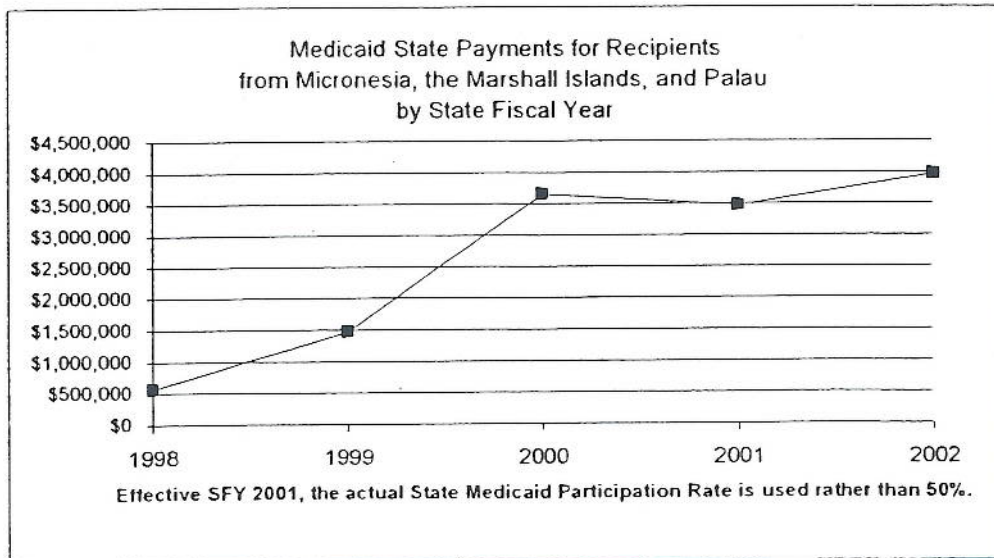
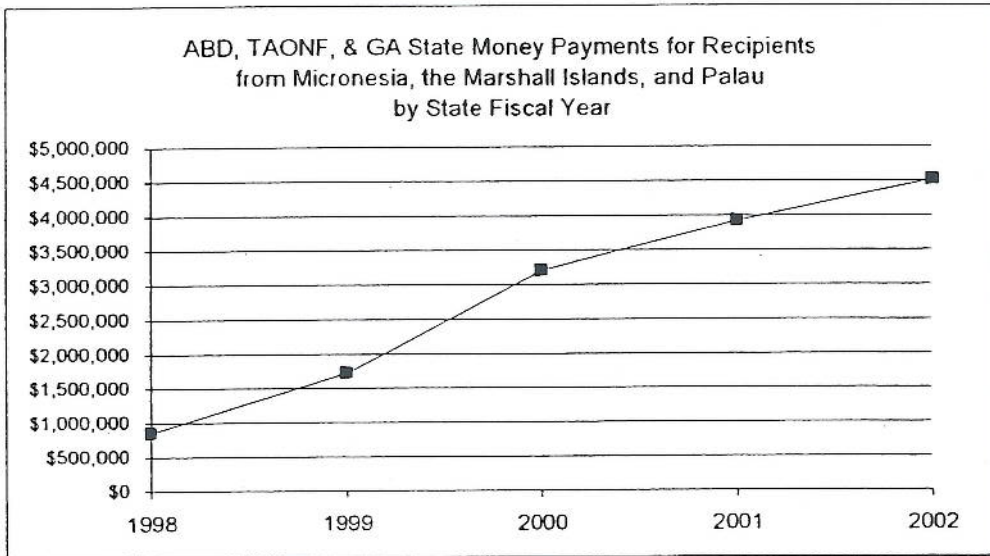
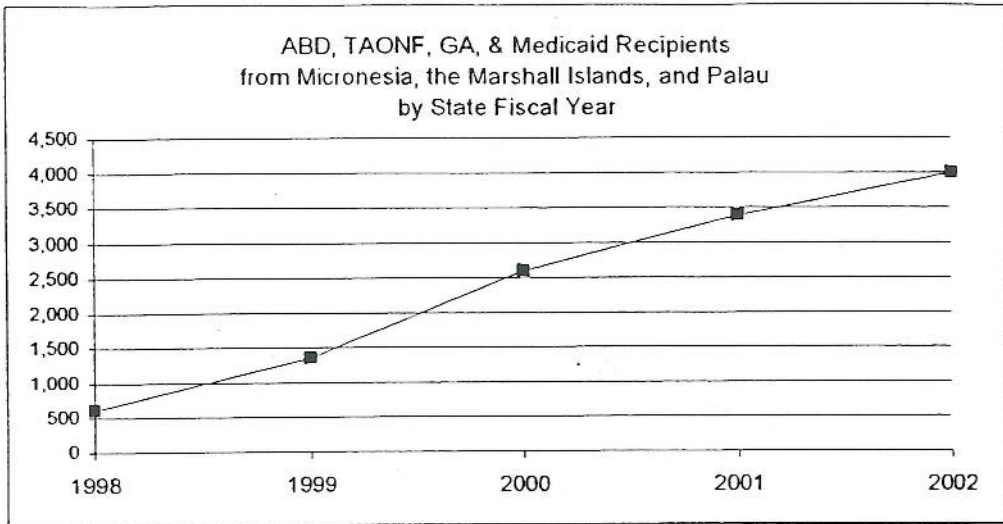
Institutional Research Office, University of Hawai'i, May 2003

DEPARTMENT OF HUMAN SERVICES

**Department of Human Services Breakdown of Compact Costs  
(State Funds Only)**

<b>Administrative Appeals Office</b>			
Fair Hearings conducted			\$ 1,021
<b>Office of Youth Services</b>			
Wards committed to the Hawaii Youth Correctional Facility			\$ 59,165
<b>Vocational Rehabilitation and Services to the Blind Division</b>			\$ 75
<b>Financial Assistance</b>			
Aged, Blind, and Disabled	\$ 531,528		
TAONF	\$3,599,052		
General Assistance	\$ 390,660		
	<b>Financial Assistance Total</b>		<b>\$4,521,240</b>
<b>Medical Assistance</b>			<b>\$6,746,008</b>
		<b>Grand Total</b>	<b>\$11,327,509</b>

Department of Human Services



Department of Human Services  
Data on Recipients from Micronesia, the Marshall Islands, and Palau  
State Funding Only  
Annual Figures for SFY 2002

1. Average Monthly Recipients

	<u>State</u> <u>Aged, Blind, or</u> <u>Disabled Program</u>	<u>State TAONF</u> <u>Program (formerly</u> <u>part of AFDC)</u>	<u>State General</u> <u>Assistance</u> <u>Program</u>	<u>Medicaid-Only</u> <u>Program</u>	<u>TOTAL</u>
Micronesia	143	1,358	60	650	2,211
Marshall Islands	68	1,059	22	618	1,767
Palau	2	13	1	16	32
<b>TOTAL</b>	<b>213</b>	<b>2,430</b>	<b>83</b>	<b>1,284</b>	<b>4,010</b>

2. Annual Money Payments (In the form of Welfare Checks)

	<u>State</u> <u>Aged, Blind, or</u> <u>Disabled Program</u>	<u>State TAONF</u> <u>Program (formerly</u> <u>part of AFDC)</u>	<u>State General</u> <u>Assistance</u> <u>Program</u>	<u>TOTAL</u>
Micronesia	\$356,664	\$2,011,788	\$284,952	\$2,653,404
Marshall Islands	\$169,704	\$1,568,652	\$102,132	\$1,840,488
Palau	\$5,160	\$18,612	\$3,576	\$27,348
<b>TOTAL</b>	<b>\$531,528</b>	<b>\$3,599,052</b>	<b>\$390,660</b>	<b>\$4,521,240</b>

3. Estimated Annual Medicaid Payments (As Payments to Medical Providers)

	<u>State</u> <u>Aged, Blind, or</u> <u>Disabled Program</u>	<u>State TAONF</u> <u>Program (formerly</u> <u>part of AFDC)</u>	<u>State General</u> <u>Assistance</u> <u>Program</u>	<u>State Funding</u> <u>for Medicaid-</u> <u>Only Program</u>	<u>TOTAL</u>
Micronesia	\$597,384	\$1,109,340	\$47,724	\$517,284	\$2,271,732
Marshall Islands	\$283,944	\$865,056	\$17,100	\$491,040	\$1,657,140
Palau	\$8,676	\$10,284	\$600	\$12,660	\$32,220
<b>TOTAL</b>	<b>\$890,004</b>	<b>\$1,984,680</b>	<b>\$65,424</b>	<b>\$1,020,984</b>	<b>\$3,961,092</b>

The State's Aged, Blind, or Disabled Program is funded entirely by the State. This program was created to assist individuals and couples with little or no income who are not eligible for federally-funded Supplemental Security Income (SSI) or eligible only for partial SSI payments.

The State's TAONF (Temporary Assistance to Other Needy Families) Program is funded entirely by the State. It was created to assist other needy families, such as those with two parents and those with non-citizens, who are not eligible for the federally-funded TANF (Temporary Assistance to Needy Families) Program.

The State's General Assistance Program is funded entirely by the State. This program was created to assist individuals and couples with little or no income who have a temporary, incapacitating medical condition.

The State's Medicaid Program is a partnership between the Federal and State Governments. It is funded with approximately one-half federal and one-half state funds. Recipients under the Aged, Blind, or Disabled Program have their medical bills paid on a fee-for-service basis to their medical providers. Recipients under the other programs are enrolled in managed care medical plans where the State pays premiums to the plans. The plans then reimburse the medical providers with their payments. Recipients who receive Medicaid without a welfare check are in the Medicaid-Only Program. The State's share of the funding for FY 2002 was 43.66%.

Average Monthly Recipients were based on the average number of monthly recipients for the indicated period.

Annual Money Payments were calculated by multiplying average monthly money payments by 12.

Estimated Annual Medicaid Payments were calculated by multiplying average monthly medicaid payments by 12. Dental was included. Average monthly medicaid payments were calculated using the average monthly fee-for-service cost for the Aged, Blind, or Disabled Program and the average monthly medical plan premium payment for the other programs.



COMPACT OF FREE ASSOCIATION COSTS – STATE FUNDS ONLY

FY	FINANCIAL ASSISTANCE*	MEDICAL ASSISTANCE
1999	\$1,723,008	
2000	\$3,206,400	\$1,968,846 (4/1/00-6/30/00)**
2001	\$3,928,044	\$6,246,573
2002	\$4,521,240	\$6,746,008
2003		\$4,660,021 (thru 2/03)

FY	FINANCIAL ASSISTANCE* (average # recipients/month)	MEDICAL ASSISTANCE (average # recipients/month)
1999	1,029	
2000	1,696	
2001	2,460	2,793
2002	2,726	3,228
2003		4,262 (thru 2/03)

\* Financial Assistance includes the TAONF (Temporary Assistance to Other Needy Families), the Aged, Blind, and Disabled, and the General Assistance programs.

\*\* Prior to April 2000, federal funding for the CFA aliens was being claimed so no separate cost data was being identified.

OFFICE OF YOUTH SERVICES (OYS) COMPACT COSTS  
(Administratively attached to the DHS)

The Hawaii Youth Correctional Facility provided incarceration services to residents of Compact of Free Association jurisdictions like the Republic of the Marshall Islands and the Federated States of Micronesia, who, under the Compact, are allowed free migration to the United States.

For the calendar year 2002, HYCF served:

	# of Wards	# of Days	Rate	Amount
Marshall Islands:	2	489	\$117.39/day	\$57,403.71
Micronesia	1	15	\$117.39/day	\$ 1,760.85
Total	3	504	\$117.39/day	\$59,164.56

### Medicaid Program Summary

The Medicaid program provides a comprehensive array of acute, primary care, and long-term care services for eligible recipients. Eligibility is based upon on income and assets criteria. There are two components within the Medicaid program. One is a managed care program called Hawaii QUEST and the other is the program for the Aged, Blind, and Disabled (ABD) sometimes referred to as the Fee for Service program.

#### QUEST

The Hawaii QUEST program operates under authority of an 1115 waiver through the Centers for Medicare and Medicaid Services. Hawaii QUEST provides acute and primary care services to individuals who are principally in the Temporary Assistance for Needy Families (TANF), General Assistance (GA) program and an earlier State initiative to provide coverage for the underinsured and uninsured. There are approximately 137,000, QUEST members. The Department provides a fixed, monthly capitation payment to managed care organizations that are responsible for providing the full array of services to its QUEST members. Through these managed care organizations, a member has access to all medically necessary services including specialty care. Each member has a Primary Care Provider (PCP) who is responsible for the overall care of the member. Managed care organizations are selected to participate through a competitive solicitation. We currently have three QUEST plans that provide services on a statewide basis.

#### Aged, Blind, and Disabled Program

The Aged, Blind, and Disabled program provides services to approximately 37,000 individuals. This program is comprised of individuals who are age sixty-five years of age and older, persons who are unable to work due to physical and/or behavioral conditions, and persons with severe visual limitations. These participants receive services throughout the State from certified Medicaid providers in the various medical and behavioral health disciplines as well as from essential health-related providers such as pharmacies and durable medical equipment vendors. Participants are able to receive services from the available providers in the community. Reimbursement for this program is provided through the submission of claims, for services rendered to eligible participants, to the Medicaid fiscal intermediary. Again, the services comprise comprehensive services including acute, primary care and long-term care services.

Fiscal Year '02		
	No. Served*	Expenditure
Children	1,316	\$444,367
Adults	1,975	\$6,301,641
Total*	3,291	\$6,746,008
Fiscal Year '03**		
	No. Served*	Expenditure
Children	1,927	\$387,533
Adults	2,891	\$4,272,488
Total	4,818	\$4,660,021

\* Represents average monthly enrollment \*\* Data reflects just half of the fiscal year.

Dental services for both the QUEST and ABD populations are provided through the fee-for-service arrangement.

Regulatory Issue:

Prior to the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), individuals of the CFA were eligible for Medicaid as aliens “permanently residing under color of law” (PRUCOL) in the U.S.. The PRWORA immigration provisions did not clearly address the status of CFA aliens and the State was informed that it could not claim Federal Financial Participation (FFP) or Federal “matching” funds for services rendered to this population. The State’s medical assistance programs, therefore, currently render coverage of services with State General funds only.

DEPARTMENT OF HEALTH

DEPARTMENT OF HEALTH, STATE OF HAWAII  
Costs for services to COFA

**Major areas of service and Costs for 2002:**

**Communicable Disease**

Hansen's Disease - \$397,565

Tuberculosis - \$82,906

HIV - \$650

Hepatitis - 9,455

**Community Health**

Public Health Nursing - \$246,244

Outreach Health Workers - For the Healthy Communities staff we estimate only 2% or \$9,000 and for the Bilingual staff the Compact Nations services is approximately 10 % or \$43,000.

**Contracts with Community Health Centers to cover the Uninsured**

The Department has contracts with many of the Community Health Centers to provide medical care to the uninsured. Each visit is compensated at a rate that allows for "wrap-around" services often needed for this population. The total for these contracts was \$3 million last year. In a recent study of Hawaii's uninsured population, it was found that approximately 4% of the uninsured are COFA residents. This is likely to be an underestimate from the survey methodology. COFA residents are more likely than most to seek care at Community Health Centers. They are often seeking care for their children primarily, and would find the ancillary services of the Health Centers attractive, as opposed to some others who are healthy or without families who may be more likely to seek episodic care through private offices. A rough cost estimate doubling the representation of COFA in the pool of uninsured covered by contracts to 8% would result in a cost of \$240,000

PUBLIC HEALTH NURSING BRANCH  
 SERVICES TO CLIENTS OF COMPACT OF FREE ASSOCIATION: MARSHALL ISLANDS; MICRONESIA

Calendar Year:	2002											
TYPE OF EMPLOYEE	DIRECT HOURS	INDIRECT HOURS	OTHER HOURS	TRAVEL HOURS	TOTAL HOURS	HOURLY PAY	TOTAL COST	# OF CLIENTS SERVED				
<b>WHAWAII</b>												
Ass. Sup.						30.49	0					
DPHN (RPN IV)	1,543	240		236	2,019	28.21	56955.99	30				
LPN	343.5	26		42.5	412	13.67	5632.04					
<b>EAST HAWAII</b>												
Supervisor						32.99	0					
DPHN (RPN IV)	329	175		227	958	28.21	27025.18	28				
LPN	2	5			7	13.67	95.69					
<b>Leeward Oahu PHN</b>												
RPN IV	193	151	76	81	501	28.21	14133.21	42				
<b>Central Oahu PHN</b>												
Supervisor												
RPN IV	216	111	83	64	474	28.21	13371.54	111				
LPN	124				124	13.67	1695.08					
Clerk			30		30	10.04	301.2					
<b>Windward Oahu PHN</b>												
RPN IV	20	11		5	36	28.21	1015.56	1				
<b>East Honolulu PHN</b>												
RPN IV	781.25	787.25		196	1764.5	28.21	49776.55	108				
<b>West Honolulu PHN</b>												
RPN IV	388.75	161		87	908	28.21	25614.68	313				
LPN	43	20.5			63.5	13.67	868.04					
Clerk		28.5			28.5	10.04	286.14					
<b>Maui</b>												
Supervisor		6			6	31	186					
RPN IV	1019	368	16	169	1572	28.21	44346.12	302				
Clerk				3	3	10.04	30.12					
LPN	45	15	11	9	80	11.67	933.6					
<b>Kauai</b>												
RPN IV	62	22	56	21	141	28.21	3977.61	15				
<b>TOTAL</b>	<b>5109.5</b>	<b>2127.25</b>	<b>543.25</b>	<b>1140.5</b>	<b>9127.5</b>		<b>246244.3</b>	<b>950</b>				













CDD Compact of Free Association Incurred Service Costs

Branch STP/AIDS, HSPANM

Calendar Year 2002

Island Area/Service	Costs			Costs			Costs		
	Jan - Mar	Apr - June	July - Sept	Oct - Dec	TOTAL	# / costs	# / costs	# / costs	
CHUUK			1 / \$ 75						
Office Visit									
1 Lab Panel			1 / \$250						
MARSHALL ISLANDS									
Office Visit			1 / \$ 75						
1 Lab Panel			1 / \$250						
TOTAL			4 / \$650					\$ 650	

DEPARTMENT OF LABOR AND INDUSTRIAL RELATIONS  
OFFICE OF COMMUNITY SERVICES

May 13, 2003

Office of Community Services  
Cost Impact of Compact of Free Association Nationals  
On the Office of Community Services' State Funded Programs  
In Fiscal Years 2000-2001 and 2001-2002

Program: Employment Core Services for Immigrants

FY 2000-2001

Number of CFA persons served: 127  
Cost of services to CFA persons: \$61,482

FY 2001-2002

Number of CFA persons served: 101  
Cost of services to CFA persons: \$96,817

HAWAI'I CRIMINAL JUSTICE DATA CENTER



STATE OF HAWAII - CJIS HAWAII SYSTEM  
HAWAII CRIMINAL JUSTICE DATA CENTER

ARREST AND CONVICTION COUNTS FOR OFFENDERS  
BORN IN MARSHALL ISLANDS, PALAU, OR FEDERATED STATES OF MICRONESIA

FROM 01/01/2002 TO 12/31/2002

PLACE OF BIRTH	SEVERITY	ARRESTS	CONVICTIONS	PERSONS ARRESTED	PERSONS CONVICTED	
FED STATES OF MICRONESIA	BLANK	4	2	4	2	
	FA	6	0	6	0	
	FB	5	2	5	2	
	FC	26	3	16	2	
	MD	145	19	107	19	
	PM	105	38	88	35	
	VL	9	1	6	1	
	TOTAL FOR FED STATES OF MICRONESIA	300	65	232	61	
	MARSHALL ISLANDS	BLANK	2	0	2	0
		FA	4	0	2	0
FB		4	0	3	0	
FC		39	3	19	3	
MD		228	78	134	54	
PM		109	30	83	26	
VL		31	7	18	6	
TOTAL FOR MARSHALL ISLANDS	417	118	261	89		
PALAU	BLANK	4	3	3	3	
	MD	26	10	9	4	
	PM	10	6	5	2	
	VL	2	1	2	1	
TOTAL FOR PALAU	42	20	19	10		
GRAND TOTAL	759	203	512	160		

JUDICIARY

The Judiciary • State of Hawai'i

EXPENDITURES FOR COURT INTERPRETING SERVICES  
MICRONESIAN LANGUAGES  
FY 2001 AND 2002

Language	FY Ended June 30, 2001	FY Ended June 30, 2002
Chuukese	\$2,540.00	\$8,370.00
Kosraean	\$240.00	\$650.00
Marshallese	\$2,830.00	\$4,710.00
Palauan	\$0.00	\$170.00
Pohnpeian	\$320.00	\$660.00
Yapese	\$0.00	\$0.00
<b>TOTAL</b>	<b>\$5,930.00</b>	<b>\$14,560.00</b>

Produced by the Hawai'i State Judiciary's Office on Equality and Access to the Courts