

STAND. COM. REP. NO.

2540

Honolulu, Hawaii

FEB 17

, 2006

RE: S.B. No. 3247
S.D. 1

Honorable Robert Bunda
President of the Senate
Twenty-Third State Legislature
Regular Session of 2006
State of Hawaii

Sir:

Your Committee on Human Services, to which was referred S.B. No. 3247 entitled:

"A BILL FOR AN ACT RELATING TO CARE HOMES,"

begs leave to report as follows:

The purpose of this measure is to increase the level of care payment for adult residential care providers.

Your Committee received testimony in support of the measure from the Department of Human Services, the State Council on Developmental Disabilities, the Adult Foster Home Association of Hawaii, the Arc in Hawaii, the Hawaii Coalition of Care Home Administrators, the Hawaii Disability Rights Center, the Primary Care Providers of Hawaii, the United Group of Home Operators, and sixteen individuals.

Your Committee finds that this measure will provide adult residential care home operators with a long-overdue increase in the level of care payment while minimizing the effect of the increase on compliance with the Maintenance of Effort Agreement between the Department of Human Services and the Social Security Administration. Accordingly, the rate increase will be effective on January 1, 2007, because the Maintenance of Effort Agreement is based on the calendar year rather than the State's fiscal year. Your Committee further finds that the payment authorized for July 1, 2006 is cost-neutral to the State because it uses funds already appropriated for State Supplemental Payments, which must be



expended by the end of 2006 under the Maintenance of Effort Agreement.

Your Committee further finds that this measure clarifies that residential alternative community care foster family homes are included among the adult residential care homes for which level of care payments are authorized, and enables operators of developmental disabilities apartment complexes to receive level of care payments.

Your Committee has amended this measure by:

- (1) Directing the Department of Human Services to make a payment on July 1, 2006, and thereafter as the Director determines a need, to individuals receiving State Supplemental Payments, using the unexpended portion of State funds that have been appropriated for level of care payments;
- (2) Including "developmental disabilities apartment complexes" and "community care foster family homes" in the list of adult residential care home operators authorized to receive monthly level of care payments; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and style.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 3247, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 3247, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Human Services,


SUZANNE CHUN OAKLAND, Chair



