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# A BILL FOR AN ACT

RELATING TO COMMUNITY CARE FOSTER FAMILY HOMES.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature recognizes the important role  
2 that community care foster family homes provide in ensuring that  
3 citizens in need of nursing home level of care have choices that  
4 allow them to receive that type of care in the community rather  
5 than in institutions.

6           Effective July 1, 2007, section 346-331, Hawaii Revised  
7 Statutes, governing community care foster family homes, was  
8 amended to allow three clients to reside in community care  
9 foster family homes at the discretion of the department of human  
10 services. This amendment was a major step forward in expanding  
11 long-term care placement options in the community.

12           The purpose of this Act is to establish a program to offer  
13 grants, up to a maximum of \$25,000 per home, to community care  
14 foster family homes, that are small family owned and operated  
15 businesses, to assist with the capital investment required to  
16 make the home upgrades necessary to accommodate up to three  
17 medicaid clients in the home.



1           The conditions of the grant would require the operator to  
2 provide sixty months of care for a second, or a second and  
3 third, medicaid client in the community care foster family home.  
4 Currently, section 346-331 requires that care be provided for  
5 not more than two adults at any one time, at least one of whom  
6 shall be a medicaid client, provided that at its discretion, the  
7 department of human services may certify the home for a third  
8 resident who is a medicaid client at the nursing home level of  
9 care.

10           Under this program, the operator is required to begin  
11 providing the care for a second or third medicaid client within  
12 eighteen months of receiving the grant for the home upgrades.

13           SECTION 2. (a) The department of human services shall  
14 establish a grant program to offer home upgrade grants to  
15 operators of community care foster family homes, for eligible  
16 home upgrades. The department may contract with a private  
17 entity to administer this program.

18           (b) Grants shall be for amounts not to exceed \$25,000 for  
19 each applicant.

20           (c) Grants shall be used exclusively for eligible upgrades  
21 to homes that will allow the community care foster homes to  
22 accommodate two or three non-self-preserving clients in the



1 home. "Eligible upgrades" mean alterations, repairs, or  
2 improvements to an existing housing unit that substantially  
3 improves the safety of the community care foster family home in  
4 compliance with the department's administrative rules regarding  
5 safety in a community care foster family home or to accommodate  
6 a third client. These upgrades will exceed the requirements for  
7 single family dwellings.

8 The housing unit to which the upgrades will be made shall:

9 (1) Be a certified community care foster family home or  
10 meet the requirements to become certified;

11 (2) Be located in the State;

12 (3) Be occupied as the principal place of residence by the  
13 eligible community care foster care operator; and

14 (4) Be used to provide healthcare as a certified community  
15 care foster family home.

16 (d) The department or its designee shall develop an  
17 application process and shall review applications for the grant  
18 and the building permit application, if required by the proposed  
19 home upgrades, to ensure that the home upgrades achieve the  
20 purpose of the grant and are in compliance with the department's  
21 administrative rules regarding home safety or providing services  
22 to a third client in a community care foster family home.



1 (e) All activities and upgrades undertaken with funds  
2 received shall comply with all applicable federal, state, and  
3 county statutes, rules, and ordinances, including applicable  
4 building codes, license and permit requirements, and agency  
5 rules.

6 (f) To be eligible for a grant, an applicant shall:

7 (1) Be a citizen of the United States or permanent United  
8 States resident alien and a resident of the State of  
9 Hawaii at the time of application; and

10 (2) Have housing and staffing that would meet all the  
11 criteria to be licensed or certified as a community  
12 care foster family home or be currently certified as a  
13 community care foster family home.

14 (g) After the approval by the department or its designee  
15 of the grant for home upgrade, a community care foster family  
16 home operator who receives a grant shall be required to  
17 reimburse the department for the full amount of the grant if in  
18 the eighteen months following the approval, the operator has not  
19 provided care concurrently for more than one medicaid client.

20 (h) A community care foster family home operator shall be  
21 required to reimburse the department when it does not provide  
22 sixty months of care within five years of the approval by the



1 department or its designee of the grant for the home upgrades.  
2 The reimbursement must be equal to the amount of the grant minus  
3 the grant amount multiplied by the number of months of care  
4 provided divided by sixty months.

5 (i) The provisions of chapter 42F, Hawaii Revised  
6 Statutes, shall not apply to the grants made pursuant to this  
7 Act, but all grants made under this Act shall be made only in  
8 accordance with the standards and conditions specified in this  
9 Act.

10 (j) Applications for grants will be accepted through May  
11 30, 2009, subject to the appropriation of general funds for this  
12 program.

13 SECTION 3. There is appropriated out of the general  
14 revenues of the State of Hawaii the sum of \$ 1,600,000, or so  
15 much thereof as may be necessary for fiscal year 2008-2009 for  
16 the purposes of this Act.

17 SECTION 4. The sum appropriated shall be expended by the  
18 department of human services for the purposes of this Act.

19 SECTION 5. This Act shall take effect upon its approval.



**Report Title:**

Community Care Foster Family Homes; Long Term Care

**Description:**

Establishes a grant program to assist operators of community care foster family homes and increases the capacity for cost effective home and community based services for elderly and disabled medicaid clients. (SD1)

