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March 18, 2008

MEMORANDUM

TO: Honorable Suzanne Chun Oakland, Chair  
Senate Committee on Human Services and Public Housing

FROM: Lillian B. Koller, Director

SUBJECT: H.B. 2062, H.D.1, RELATING TO LONG-TERM CARE

Hearing: Tuesday, March 18, 2008, 1:15 p.m.  
Conference Room 016, State Capitol

**PURPOSE:** The purpose of H.B. 2062, H.D.1 is to allow eligible persons who receive Medicaid funds for care at nursing home facilities to remain at home and receive home and community-based long-term care.

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent of this bill to allow individuals in Medicaid institutionalized settings to receive home and community-based long-term services. However, this bill is not necessary. This proposed bill would duplicate the current 1915(c) Medicaid Waiver services and current "Going Home" program.

The 1915(c) Medicaid Waiver programs provide comprehensive home and community-based long-term services for acute or chronically ill or disabled clients who are certified as

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requiring acute, skilled nursing, or intermediate facility level of care.

Since July 2003, the "Going Home" program has enabled over 834 "waitlisted" individuals requiring intermediate and skilled nursing care to relocate from acute hospital settings statewide to alternative residential care in Community Care Foster Family Homes (CCFFHs), Expanded Adult Residential Care Homes (E-ARCHs), or their own home, with care in home-like settings rather than institutions.

An increase in CCFFH beds has expanded the availability of home and community-based services. Since September 2005, statewide, there has been a 35% increase in CCFFHs. On the Neighbor Islands, where we have focused unprecedented recruitment efforts, the increase was 64%.

Additionally, the Department was recently awarded Federal funding from the Centers for Medicare and Medicaid Services to implement the "Going Home Plus" project. This project will expand the "Going Home" program by further assisting individuals in securing housing as well as providing other supports. This program will begin the transfer process for participants in August 2008. Currently, a broad-based group of community stakeholders is meeting as part of "Going Home Plus" to determine if there are further barriers that need to be resolved ensuring availability of home and community-based long-term care services to all Medicaid participants who want them.

In regards to the proposed language in section 346- (b), each 1915(c) Medicaid Waiver has specific Federal requirements regarding cost neutrality, that is different for each specific 1915(c) Medicaid Waiver. Therefore, the proposed language is inadequate.

In conclusion, although the Department appreciates the intent of this bill to allow individuals in Medicaid institutionalized settings to receive home and community-based long-term care services, this bill is not necessary. As stated, this proposed amendment would duplicate the current 1915(c) Medicaid Waiver Programs and the "Going Home" program.

Thank you for this opportunity to testify.



## HAWAII DISABILITY RIGHTS CENTER

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 Phone/TTY: (808) 949-2922 Toll Free: 1-800-882-1057 Fax: (808) 949-2928  
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### TESTIMONY TO THE TWENTY-FOURTH STATE LEGISLATURE, 2008 SESSION

**To:** Senate Committee on Human Services and Public Housing

**From:** Gary L. Smith, President  
 Hawaii Disability Rights Center

**Re:** House Bill 2062, HD1  
 Relating to Long Term Care

**Hearing:** Tuesday, March 18, 2008 1:15 PM  
 Conference Room 016, State Capitol

Members of the Committee on Human Services and Public Housing:

Thank you for the opportunity to provide testimony supporting House Bill 2062, HD1 Relating to Long Term Care.

I am Gary L. Smith, President of the Hawaii Disability Rights Center, formerly known as the Protection and Advocacy Agency of Hawaii (P&A). As you may know, we are the agency mandated by federal law and designated by Executive Order to protect and advocate for the human, civil and legal rights of Hawaii's estimated 180,000 people with disabilities.

We support this bill because it offers excellent potential to secure the placement of individuals in community settings. The legislature has seen many examples in the past year or two of the long waitlist for community housing experienced by patients in acute facilities. In addition, a briefing was recently provided by the Healthcare Association on the problems of placing "challenging" patients into community settings. One of the barriers identified has been the low cost of Medicaid reimbursement for these individuals. At the same time, Medicaid payments are made to facilities far in excess of what might otherwise be paid to these home and community based settings. Providing flexibility to the Department and the ability to transfer these Medicaid funds to pay more for the care of such individuals should greatly help to facilitate their community placements.

Thank you for the opportunity to provide testimony in support of this bill.



Senator Suzanne Chun Oakland, Chair  
Senator Les Ihara, Jr., Vice-chair  
Committee on Human Services and Public Housing  
Hawaii Centers for Independent Living

Tuesday, March 18, 2008, 1:15 PM

**Supporting HB 2062, HD1, Relating to Long-term Care**

Hawaii Centers for Independent Living is a non-profit organization operated by and for people with disabilities to ensure their rights to live independently and fully integrated in the community of their choice, outside of institutional care settings. As a non-profit, statewide resource, HCIL serves people of any age with any type of disability. HCIL was founded on the historical constitutional beliefs of civil rights and the empowerment of people with disabilities to have equal access, opportunities, and choices in life, no matter how severe their disability.

We support HB2062, HD1, Relating to Long-Term Care.

The long-term care system in Hawai'i and throughout the nation is biased toward institutional care over community-based services. This flies in the face of self-determination for people with disabilities, as well as the Supreme Court decision in *Olmstead v. L.C.*, which established that the right to live in the community is a civil right under the Americans With Disabilities Act (the ADA). It is long past time that the system began to shift funds from institutions toward the community. As of 2006, Hawai'i spent 82.7 percent of all its long-term care money in institutions, leaving only 17.3 percent in the community. HB2062, HD1 is an important first step toward reversing this.

We urge the committee to pass HB2062, HD1. Thank you for this opportunity to testify.

**testimony**

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**From:** Eldon L. Wegner [elwegner1@yahoo.com]  
**Sent:** Saturday, March 15, 2008 9:49 AM  
**To:** testimony  
**Subject:** Testimony HB2062 HD 1

Attached is my testimony on behalf of the Policy Advisory Board for Elder Affairs in support of HB 2062 HD1 which will be discussed in the following hearing:

Senate Committee on Human Services and Public Housing, Senator Suzanne Chun Oakland, Chair

Hearing: 1:15 pm Tuesday, March 18, 2008, Conference Room 016, Hawaii State Capitol.

Thank you very much.

Sincerely,  
Eldon L. Wegner, Ph.D.  
Policy Advisory Board for Elder Affairs