

STATE OF HAWAII  
DEPARTMENT OF HUMAN SERVICES  
P. O. Box 339  
Honolulu, Hawaii 96809

**LATE**

February 7, 2008

MEMORANDUM

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

FROM: Lillian B. Koller, Director

SUBJECT: S.B. 2857 - RELATING TO HOME CARE AGENCIES

Hearing: Thursday, February 7, 2008, 1:15 p.m.  
Conference Room 016, State Capitol

PURPOSE: The purpose of S.B. 2857 is to protect consumers of home care services by, (1) requiring home care agencies to be licensed by the department of health; and (2) appropriate funds for a position in the department to assist with licensure and monitoring of home care agencies.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) must oppose this bill as written. It would regulate an industry that relies heavily on non-licensed or non-certified people who are predominantly friends, neighbors, or relatives of the clients they serve to provide basic house-keeping and other non-medical services. If the bill were amended to delete personal care services and companion services, then DHS would have no opinion regarding the bill.

The majority of personal care and companion services, that play a major role in promoting the health and safety of elderly persons in Hawaii, is provided by trained family members, neighbors and friends of the client. Most of these tasks do not require intensive professional training or certification to be done safely. Most of the people who provide these services would not be interested or willing to pursue training such as becoming a certified nurse assistant, since their interest in providing this service is client specific and motivated out of their relationship with the client, not the pursuit of a professional career.

DHS operates two stipended programs for seniors that provide either volunteer opportunities or job training as personal care assistance and companionship. The Senior Companion Program offers low-income seniors the opportunity to provide companionship and light housekeeping to elderly citizens of Hawaii. The Respite Companion program trains low-income seniors in providing Respite and Personal Care Services.

Should this bill pass, it would have serious consequences for these programs requiring DHS to meet government regulations for a Home Care Agency. This would dramatically increase the cost for these programs and the credentials required for those who manage and those who provide the service. Without an additional appropriation from the Legislature, DHS could not continue to operate these programs.

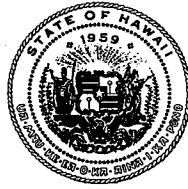
Additionally, several programs in Medicaid and the State-funded program commonly referred to as the "Chore" program, rely

heavily on the consumer directed personal assistant (CDPA) model. In this program, the client hires, trains and directs his/her personal care. These providers are compensated by the State to provide these non-technical services at a rate far below that which would be charged by an agency. These State and Medicaid services are already being monitored for health and safety.

Many private citizens engage in a similar process, hiring people to provide assistance with household chores and personal care. Requiring that anyone who provides these services for a fee must be regulated may be intended to improve health and safety but it will definitely increase the costs, putting these services out of reach of many middle class Hawaii citizens.

Thank you for this opportunity to testify.

LINDA LINGLE  
GOVERNOR OF HAWAII



**LATE**

CHIYOME LEINAALA FUKINO, M.D.  
DIRECTOR OF HEALTH

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In reply, please refer to:  
File:

**House Committee on Health**

**SB 2857, RELATING TO HOME CARE AGENCIES**

**Testimony of Chiyome Leinaala Fukino, M.D.  
Director of Health**

**February 7, 2008**

1 **Department's Position:** The Department of Health supports the intent of this measure to license home  
2 care agencies, but cannot support it as currently drafted.

3 **Fiscal Implications:** The Department estimates that 2 RN positions and additional funding would be  
4 need to accomplish the licensing of these agencies.

5 **Purpose and Justification:** The Department's strong concerns center on the definition of both "home  
6 care agency" and "home care services" as written on page 3, beginning at line 18. We believe the  
7 proposed definitions are not specific enough, and if not tightened, will create unintended consequences  
8 for Department of Human Services programs and other worthy companion programs that are not under  
9 the umbrella of a large agency offering a menu of home care services. The Department currently has the  
10 authority to license "home health agencies" that provide nursing and other therapeutic services. As  
11 these terms – home care agencies and home health agencies – are often used interchangeably, we do not  
12 want to promote additional confusion.

13 We would like to discuss these definitions with our affected sister agencies and community  
14 stakeholders to provide suggestions for amended language.

15 Thank you for the opportunity to testify.