

## LATE TESTIMONY

TO: House Committee on Health  
Rep. Josh Green, M.D., Chair  
Rep. John Mizuno, Vice Chair

House Committee on Human Services and Housing  
Rep. Maile Shimabukuro, Chair  
Rep. Karl Rhoads, Vice Chair

DATE: March 12, 2008  
Conference Room 329  
8 a.m.

RE: Testimony for SB3255, SD2, Relating to Long Term Care

Chairs Green and Shimabukuro and members of the committees:

My name is Esther Ueda, a member of AARP, and concerned about the rising cost of healthcare in Hawaii. I strongly support SB3255, SD2, which proposes to establish a long-term care commission to recommend a program and funding mechanism to provide the services necessary to meet the state's long term care goals.

A major concern of seniors or retirees like me is the increasing cost of long-term care services. I want to know what will happen to me in the event that I can no longer live independently, require continual care, and pay for these services. These concerns are not only for me but also for my family and loved ones, including friends that will face this impending crisis.

The time for legislative action is now to establish a state policy of long term care and a program to implement such policy, along with a fair funding program. The establishment of a Long Term Care Commission, empowered to complete this task, will be a major step to address this concern.

Please approve SB3255, SD2.

Thank you for allowing me to testify before your committee.

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To: House Committee on Health  
Rep. Josh Green, M.D., Chair  
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## LATE TESTIMONY

House Committee on Human Services & Housing  
Rep. Maile Shimabukuro, Chair  
Rep. Karl Rhoads, Vice-Chair

Date: March 12, 2008 - Conference Room 329 – 8:00 am

Re: **SB 3255, SD2, RELATING TO LONG TERM CARE**

Chairs Green and Shimabukuro and members of the committees:

My name is Stuart Ho, State President of AARP Hawaii. AARP strongly supports SB 3255, SD2.

The purpose of this bill is to establish a long-term care commission to research what resources are necessary to meet state long-term care public policy goals and to recommend a program and funding mechanism that can provide these services. Following my testimony please find proposed amendments to Section 2 to clarify the purpose of the long term care commission.

AARP believes the way to find a long-term care solution is through the creation of this commission. You may be interested to know that AARP Hawaii this week will release the results of a survey of more than a 1000 residents statewide regarding their opinions on the state of health care and long-term care in Hawaii. According to the survey, which has a sampling error of +/- 3.4%, nearly six in ten (57 percent) residents believe that Hawaii's health care and long-term care are in a state of crisis or have major problems.

Hawaii will experience rapid population aging over the next 23 years. Five out of every six (83%) Medicaid long-term dollars for older people and adults with physical disabilities in Hawaii go toward nursing home care, even though nursing homes serve a relatively small number of people in the state and most Hawaii residents prefer to receive services in their home. Most people (71%) in Hawaii say that it is very important that the state help people pay for long-term care services, and over half (56%) strongly support a state long-term care plan that is available to everyone regardless of income.

We must take action now and this bill is long overdue to address this impending crisis in Hawaii. We must define our long-term care policy goals and recommend a program for a funding mechanism that can provide these services. We strongly support the creation of a long-term care commission to address these problems.

Thank you for the opportunity to testify before your committee.

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SECTION 2. (a) There is established a long term care commission, which will identify problems with the current long term care capacity, programs and services and develop a comprehensive plan that, when implemented, will assure the availability of a full continuum of institutional and community-based services, including support for family caregivers. The commission will also research public and private financing options and develop a second plan that details what financial resources, or mix of public and private financing, are necessary to address needed state long term care reforms, as well as state public policy goals, services.

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- (b) The long term care commission shall consist of:
- (1) Five members appointed by the governor;
  - (2) Five members appointed by the president of the senate; and
  - (3) Five members appointed by the speaker of the house of representatives;

provided that all of the members shall be selected on the basis of their knowledge, interest, and experience in the following: research, education, policy development, and advocacy and service delivery relating to seniors or those with disabilities. Given the scope of the issues and activities to be considered by the commissions, board members should also include expertise in business, economics, finance, and management, especially as they pertain to health care, long-term care and social services. All of the members shall serve for two-year terms beginning on December 1, 2008, and ending on November 30, 2010.

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(c) The commission shall elect its chair, who shall commence commission meetings, and vice chair and shall adopt rules for the conduct of its work.

(d) The long term care commission shall:

(1) Make sure the needs of the consumer is the paramount concern of policy development:

- (1) Review available research, studies, and previously proposed programs relating to the financing and provision of a full continuum of long term care services;
- (2) Establish a set of policy goals and principles, which will be placed in statute, which will guide the work of the long term care commission, and the development of policy related to long term care financing and service delivery in the years ahead. In creating these policies, and development of the plan to reform LTC services, the commission will include the following critical elements:

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(A) Creating a full continuum of care infrastructure, including different forms of institutional, community-based, and home care programs and services, up to and including the end of life,;

(B) Making sure the all persons needing and using long term care services of any kind can easily access needed services

(C) Providing consumers with timely access to comprehensive information, including cost and quality information, about financing and service delivery options;

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(D) Assuring that health, long-term care, and social services are connected through the use of timely, standardized assessments, care planning and coordination and case management. Special attention should be given to pre-admission assessment and screening those that need institutional services, smooth transitions between the current health and LTC service systems, and between institutional services and the community or home care.

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(E) Improving the use of technology to enable the tracking of patients across various care setting;

(D) Strengthening informal family caregiver support systems, to encourage aging-in-place;

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(E) Stimulating manpower development and training programs, to expand the capacity of long term care service providers;

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(E) Developing additional financial through the public and/or private sectors to mechanisms to help Hawaii's families, and protect limited state resources, meet the costs of long term care;

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(F) Seeking ways to create a real balance between public expenditures for institutional care, care provided in community settings, as well as care in the home, based on the needs and preferences of those who use these services.;

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(G) Fostering public understanding of the risk of needing long term care services, the cost of various levels and kinds of care, and caregiving issues; and

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(H) Encouraging research and education on aging, long term care and related subjects through the University of Hawaii system;

(3) Prepare a five-year plan to accomplish the goals, including the recommendation of benchmarks to evaluate accomplishments for each year;

(4) Monitor federal legislation for changes that may impact the program and adjust the five-year plan accordingly;

(5) Collaborate with interested stakeholders, including community coalitions or organizations concerned with educating the public regarding long term care; and

(6) Submit an interim report relating to proposed systems reforms, which will include the final public policy goals and principles, to the legislature no later than twenty days prior to the convening of the 2009 regular session, and a final report to the legislature no later than July 31, 2010. The final report shall include the final five year plan, as well as how the reforms will be prioritized and phased in, and a description and final recommendations of how financing long term care services can be achieved.;

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(e) The long term care commission may:

- (1) Conduct or initiate new studies as it deems necessary; and
- (2) Contract with consultants to conduct the studies, including an actuarial study, as it deems necessary for the purpose of recommending a any program to address LTC financing issues.

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Any contract executed pursuant to this paragraph shall be exempt from chapter 103D, Hawaii Revised Statutes; provided that the long term care commission shall endeavor to ensure transparency in the letting of the contract.

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