

STAND. COM. REP. NO.

425

Honolulu, Hawaii

FEB 20 2009

RE: S.B. No. 1110
S.D. 1

Honorable Colleen Hanabusa
President of the Senate
Twenty-Fifth State Legislature
Regular Session of 2009
State of Hawaii

Madam:

Your Committees on Human Services and Commerce and Consumer Protection, to which was referred S.B. No. 1110 entitled:

"A BILL FOR AN ACT RELATING TO LONG-TERM CARE,"

beg leave to report as follows:

The purpose of this measure is to implement the long-term care partnership program, allowing individuals who have exhausted their private long-term care insurance coverage to qualify for Medicaid coverage for continued long-term care prior to exhausting their financial resources.

Testimony in support of this measure was submitted by the Department of Commerce and Consumer Affairs, the Association of Insurance and Financial Advisors, and one public citizen. Testimony in support, with comments, was submitted by the American Council of Life Insurers. Testimony in opposition to the measure was submitted by the Department of Human Services. Written testimony presented to your Committees may be reviewed on the Legislature's website.

Your Committees find that this measure is designed to encourage the purchase of private long-term care insurance, especially among individuals with moderate incomes. Your Committees further find that this measure is intended to incur savings both to Medicaid, by delaying or preventing spend-down to Medicaid eligibility, and to individuals, by having them rely on insurance policies to cover long-term care expenditures that would otherwise be paid by personal income and savings. Your Committees

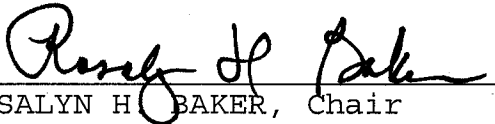


also find that both the Department of Human Services and the American Council of Life Insurers have submitted comments and suggested amendments. Your Committees would like to encourage both of these entities to work together to reach a consensus on proposed revisions to this important measure.

Your Committees have amended this measure by making technical, nonsubstantive stylistic changes.

As affirmed by the records of votes of the members of your Committees on Human Services and Commerce and Consumer Protection that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1110, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1110, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Human Services
and Commerce and Consumer
Protection,


ROSALYN H. BAKER, Chair


SUZANNE CHUN OAKLAND, Chair



