

SB1467

Measure Title: RELATING TO THE OFFICE OF AGING.

Report Title: Director of the Executive Office on Aging; Department of Health; Kupuna Caucus

Description: Clarifies that the director of the executive office on aging shall be a deputy director of the department of health; removes salary restriction.

Companion:

Package: Kupuna

Current Referral: HMS/HTH, WAM

Introducer(s): CHUN OAKLAND, BAKER, GREEN, SHIMABUKURO, Ige, Ihara, Kidani, Tokuda



STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3378
HONOLULU, HAWAII 96801-3378

In reply, please refer to:
File:

Senate Committee on Human Services

and

Senate Committee on Health

S.B. ,

**Testimony of Loretta J. Fuddy, A.C.S.W., M.P.H.
Acting Director of Health**

February 10, 2011

1 **Department's Position:** The Department of Health (DOH) opposes this measure.

2 **Fiscal Implications:** On July 1, 2011, the Director of the Department of Human Resource
3 Development (DHRD) will accrue an annual salary of \$120,444. The current salary for the Director of
4 the Executive Office on Aging (EOA) is statutorily set at sixty-nine percent of the DHRD Directors or
5 \$83,106.36 by July 1, 2011. If this bill passes, then as of July 1, 2011, a newly created Deputy Director
6 of Aging position would then acquire a salary between \$104,784 to \$110,808.

7 **Purpose and Justification:** The Executive Office on Aging is the designated lead agency in the
8 coordination of a statewide system of aging and caregiver support services in the State of Hawaii, as
9 authorized by federal and state laws. It is an attached agency to the Department of Health, for
10 administrative purposes only. According to Chapter 349-3, Hawaii Revised Statutes (HRS), the Director
11 of EOA serves as the principal officer in state government solely responsible for the performance,
12 development, and control of programs, policies, and activities on behalf of elders.

13 This measure proposes to elevate the Director position to that of a deputy director in the
14 department of health. Currently, the Director of EOA is nominated and appointed by the Governor

1 through Chapter 349-2, HRS. However, the appointment of deputies for the DOH are clearly outlined
2 through Chapter 76-16 b(16), which establishes four deputies for the major administrations of the
3 department.

4 DOH is opposed to the establishment of the EOA Director as a Deputy Director as it would be
5 counter-intuitive to the legislatively intended autonomy of this attached agency. Positions of deputies
6 are managed by and accountable to the Director of Health. Further, it may set precedence across the
7 four additional attached agencies under the purview of the DOH, including Disability and
8 Communication Access Board (DCAB), Developmental Disabilities Council (DDC), Office of
9 Environmental Quality Control (OEQC), and the State Health Planning and Development Agency
10 (SHPDA).

11 The measure also deletes the statutory provisions related to the salary of the Director of EOA.
12 The salaries of certain positions were statutorily established in Act 226 (2005)
13 (<http://capitol.hawaii.gov/session2005/status/SB807.asp>) to reflect and make appropriate adjustments to
14 incorporate the three-tiers then established by the executive salary commission. However, in 2007, the
15 Commission on Salary published an updated report
16 (<http://hawaii.gov/hrd/information/HRDInfoCentral/ReportsCentral/CommissionOnSalReport>), which
17 phased out the tiers and established uniform salaries for Directors and Deputies. However, in response
18 to the souring economy, Act 85 (2009), reduced salaries for Directors and Deputies
19 (http://www.capitol.hawaii.gov/session2009/bills/HB1536_CD1_.pdf). The department suggests that
20 the salary currently allotted to the Director of EOA is appropriate, falls in the range of comparable
21 positions across the State, and should be maintained at this level, especially as the State endures a
22 substantial budget shortage.

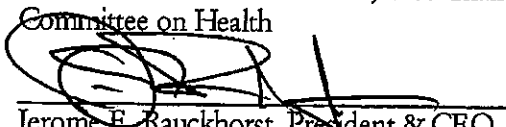
23 Thank you for the opportunity to provide testimony on this matter.
24



CATHOLIC CHARITIES HAWAII

TO: Senator Suzanne Chun Oakland, Chair
Senator Les Ihara, Jr., Vice Chair
Committee on Human Services

Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, Vice Chair
Committee on Health

FROM: 
Jerome E. Rauckhorst, President & CEO

DATE of Hearing: Thursday, February 10, 2011
1:15 p.m., Room 016

SUBJECT: **IN SUPPORT of SB 1467, Relating to the Office of Aging**

Catholic Charities Hawai'i (CCH) is a private, 501(c)(3) organization that has provided social services for people in need in the State of Hawaii since 1947. CCH has been providing supportive home and community based services to elders since 1973 and currently serves approximately 5,000 older persons each year. **CCH fully supports SB 1467.**

The demographic trends and related cost factors make it critical that the issues of an aging population be given a higher priority within the State of Hawai'i:

- The elderly population, age 60 and older, represent the fastest growing segment of Hawai'i's population. There are approximately 238,000 Hawai'i residents aged 60 and over, constituting 18.7% of Hawai'i's total populationⁱ.
- The U.S. Census Bureau projects that the population age 85 and over could grow from 5.7 million in 2008 to 19 million by 2050. Some researchers predict that death rates at older ages will decline more rapidly than is reflected in the U.S. Census Bureau's projections, which could also result in faster growth of this 85+ populationⁱⁱ.
- An increase in the need for aging services has been seen nationally, despite flat or reduced government funding. The ARRA funding boosted some service capacity but the phasing out of this funding will result in significant drops in service levels.ⁱⁱⁱ
- The cost of nursing home care in Hawai'i is more than twice the national average.^{iv} The burden of this cost wipes out family resources and eventually becomes the financial responsibility of taxpayers via Medicaid.

The visibility and impact of the State Executive Office on Aging would be greatly enhanced by elevating the head of this office to the level of Deputy Director within the Department of Health.

Catholic Charities Hawai'i asks for your support of SB 1467. If we can provide any further information, please feel free to contact Diane Terada, Division Administrator, via phone at 808-527-4702 or via email at diane.terada@catholiccharitieshawaii.org. Thank you for this opportunity to provide testimony.



CLARENCE T. C. CHING CAMPUS • 1822 Ke'eaumoku Street, Honolulu, HI 96822
Phone (808)524-HOPE(4673) • www.CatholicCharitiesHawaii.org



at 808-527-4702 or via email at diane.terada@catholiccharitieshawaii.org. Thank you for this opportunity to provide testimony.

ⁱ Yuan, S., Karel, H., & Yuen, S. (2007). Hawai'i's Older Adults: Demographic Profile. Honolulu, HI, University of Hawai'i, Center on the Family, p. 2.

ⁱⁱ Federal Interagency Forum on Aging-Related Statistics, Older Americans 2010: Key Indicators of Well Being, Washington, DC: U.S. Government Printing Office. July 2010, p.

ⁱⁱⁱ National Association of State Units on Aging, The Economic Crisis and Its Impact on State Units on Aging, June 2009.

^{iv} Genworth Financial, Hawaii State-Specific Data from the Genworth 2010 Cost of Care Survey, April 2010.

ChunOakland2 - Tyrell

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 08, 2011 4:42 PM
To: HMS Testimony
Cc: manis1350@gmail.com
Subject: Testimony for SB1467 on 2/10/2011 1:15:00 PM

Testimony for HMS/HTH 2/10/2011 1:15:00 PM SB1467

Conference room: 016
Testifier position: comments only
Testifier will be present: No
Submitted by: LaURA MANIS
Organization: Hawaii Alliance for Retired Americans
Address: 1350 Ala Moana Blvd
Phone: 597-8838
E-mail: manis1350@gmail.com
Submitted on: 2/8/2011

Comments:

HARA (Hawaii Alliance for Retired Americans) understands that the State of Hawaii cannot afford to raise salaries or levels of administrators. However, we wish to go on record as stating the value of this bill in raising the awareness that the elderly population of Hawaii is growing and requiring more services. In a better year, the Executive Office on Aging should have a more direct and stronger voice in policy decisions affecting the elderly. This bill takes the first step in the right direction.

ChunOakland2 - Tyrell

From: Tomoso Home [jtomoso@hawaii.rr.com]
Sent: Tuesday, February 08, 2011 7:16 AM
To: HMS Testimony
Subject: SB 1647 - Relating to the Office of Aging

Importance: High

Categories: Red Category

Committee on Human Services
Committee on Health
Thursday, February 10, 2011
1:15 p.m.
Room 016

Aloha kakou,

I am in favor of this bill, which clarifies that the Executive Director of the Executive Office on Aging shall be a Deputy Director of the Department of Health. This level of executive purview and span of control would then mirror what is the reality of aging administration at the Federal government level and in many State governments. This would also acknowledge the fact that with increased and increasing rates of aging, the job is becoming a lot more complex and demanding, which will take a lot of creative thinking, energy and wide-ranging commitment. This bill also removes current salary restrictions. Thus, in a way, this bill corrects an unjust situation, which also disallows a level of accountability that usually comes with executive level salaries that are commensurate with experience and capacity.

Mahalo a nui,

John A. H. Tomoso, MSW, ACSW, LSW
51 Ku'ula Street
Kahului, Maui, HI 96732-2906

Cc: PABEA, JACOSA