

Honolulu, Hawaii

APR 05 2012

RE: H.B. No. 1689
H.D. 1
S.D. 2

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2012
State of Hawaii

Sir:

Your Committee on Ways and Means, to which was referred H.B. No. 1689, H.D. 1, S.D. 1, entitled:

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

begs leave to report as follows:

The purpose and intent of this measure is to address and improve aspects of the State's long-term care programs and services.

Specifically, this measure:

- (1) Establishes a long-term care partnership program that allows individuals to purchase private long-term care insurance plans without disqualifying themselves from medicaid eligibility;
- (2) Establishes a long-term care financing task force to determine whether the public supports a tax to implement a long-term care insurance program for all residents of the State, and requires the task force to contract for the performance of an actuarial analysis;
- (3) Requires the Executive Office on Aging to conduct a campaign to promote awareness of and provide information on long-term care;



- (4) Establishes a long-term care task force to identify state long-term care programs and services and to determine the feasibility of consolidating those programs and services under a single executive department or division;
- (5) Establishes a deputy healthcare transformation coordinator position to coordinate state activities on long-term care; and
- (6) Appropriates moneys to fund the public education campaign, task force, actuarial analysis, and the deputy healthcare transformation coordinator position.

Your Committee received written comments in support of this measure from the Executive Office on Aging; Policy Advisory Board for Elderly Affairs; AARP; and Hawaii Alliance for Retired Americans.

Your Committee received written comments in opposition to this measure from Department of Human Services.

Your Committee finds that other states that have established a long-term care partnership program, similar to that contained in part I of this measure, have not experienced the intended savings for medicaid or an increase in the number of people who purchased long-term care insurance. Instead, those who participated in the program tended to be affluent persons who would likely have purchased the private long-term care insurance regardless of the change in law.

Your Committee has amended this measure by:

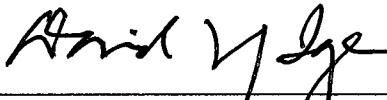
- (1) Deleting the contents of part I, regarding the long-term care partnership program;
- (2) Deleting the requirement that the Director of the Executive Office on Aging submit a report to the Hawaii Long-Term Care Commission because the Commission's term expires before the due date of the report;
- (3) Providing that the deputy healthcare transformation coordinator's salary shall be set by the healthcare transformation coordinator; and



- (4) Making technical nonsubstantive amendments for the purposes of style, clarity, and consistency.

As affirmed by the record of votes of the members of your Committee on Ways and Means that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1689, H.D. 1, S.D. 1, as amended herein, and recommends that it pass Third Reading in the form attached hereto as H.B. No. 1689, H.D. 1, S.D. 2.

Respectfully submitted on
behalf of the members of the
Committee on Ways and Means,

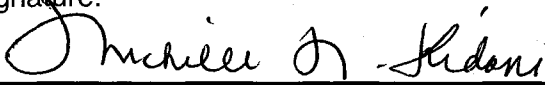


DAVID Y. IGE, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Ways and Means
WAM

Bill / Resolution No.:*	Committee Referral:	Date:		
HB 1689 HDI SDI	HMS, WAM	3-29-12		
<input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____				
The Recommendation is:				
<input type="checkbox"/> Pass, unamended 2312	<input checked="" type="checkbox"/> Pass, with amendments 2311	<input type="checkbox"/> Hold 2310		
<input type="checkbox"/> Recommit 2313				
Members	Aye	Aye (WR)	Nay	Excused
IGE, David Y. (C)	/			
KIDANI, Michelle N. (VC)	/			
CHUN OAKLAND, Suzanne	/			
DELA CRUZ, Donovan M.	/			
ENGLISH, J. Kalani	/			
ESPERO, Will	/			
FUKUNAGA, Carol	/			
KIM, Donna Mercado	/			
KAHELE, Gilbert				/
KOUCHI, Ronald D.				/
RYAN, Pohai	/			
TOKUDA, Jill N.	/			
WAKAI, Glenn	/			
SLOM, Sam			/	
TOTAL	11	0	1	2
Recommendation:				
<input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature:				
				
Distribution:				
Original File with Committee Report	Yellow Clerk's Office	Pink Drafting Agency	Goldenrod Committee File Copy	

*Only one measure per Record of Votes