

STAND. COM. REP. NO.

2956

Honolulu, Hawaii

MAR 23 2012

RE: H.B. No. 1905
H.D. 2
S.D. 1

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

Sir:

Your Committee on Human Services, to which was referred H.B. No. 1905, H.D. 2, entitled:

"A BILL FOR AN ACT RELATING TO HUMAN SERVICES,"

begs leave to report as follows:

The purpose and intent of this measure is to allow the Department of Human Services to draw from other funds appropriated to the Department in the event the General Assistance appropriation is insufficient to meet General Assistance benefits payments.

Prior to the hearing, your Committee posted a proposed S.D. 1 of this measure for public review, which replaced the contents of this measure with language that:

- (1) Allows the Department of Human Services to draw from other funds appropriated to the Department of Human Services in the event the general assistance appropriation is insufficient to meet General Assistance benefits payments;
- (2) Appropriates monies from the general fund to maintain funding levels of various programs for public welfare;
- (3) Appropriates funds for an unspecified number of positions under the Department of Human Services for the Supplemental Nutrition Assistance Program;



- (4) Requires financial institutions to report suspected financial abuse of an elder to the appropriate police department under certain conditions;
- (5) Establishes the Hawaii Interagency Council on Homelessness in statute, to be repealed on June 30, 2022;
- (6) Authorizes the Department of Human Services to place on its public website information and printable posters on the National Human Trafficking Resource Center Hotline;
- (7) Creates a task force on human trafficking and specifies the task force's membership and duties;
- (8) Allows a community care foster family home to have six months to find another Medicaid client, without suspension or revocation of its certificate of approval, when the community care foster family home loses its only Medicaid client and upon other conditions;
- (9) Requires the Department of Human Services to adopt rules to mandate that the minimum age requirement for nurse aide substitute caregivers be consistent with federal law, which is eighteen years;
- (10) Requires the Department of Human Services and several collaborators to develop a methodology for determining the level of acuity of Medicaid nursing facility residents to set reimbursements at fair and equitable levels; and
- (11) Requires the Department of Human Services to work with the Department of Health to develop an equitable referral system that provides for the discharge of patients from various facilities based on their acuity level and the proper placement of these patients in other care facilities.

Your Committee received testimony in support of the proposed S.D. 1 from Adult Friends for Youth; Alliance of Residential Care Administrators; Big Island Adult Residential Care Home; Blueprint for Change; Catholic Charities Hawai'i; Hawaii Medical Association; Susannah Wesley Community Center; Hawaii Substance Abuse



Coalition; IMUAlliance; Parents and Children Together; Pacific Alliance to Stop Slavery; PHOCUSED; The Children's Alliance of Hawaii, Inc.; University of Hawai'i System; and two individuals. Your Committee received comments on this measure from the Department of Human Services and one individual.

Your Committee finds that:

- (1) If the Department of Human Services' General Assistance (HMS 204) appropriation is insufficient to meet General Assistance benefits payments, allowing the Department to draw from other funds will assist the Department in minimizing the fluctuation of the benefit amounts individuals receive;
- (2) Programs and efforts determined to be essential to the public welfare require financial support to maintain operability;
- (3) The Department of Human Services will require additional staff in order to effectively carry out the United States Department of Agriculture's mandate to amend Supplemental Nutrition Assistance Program income eligibility requirements;
- (4) Part II of S.B. No. 2314, S.D. 2, which was previously passed by the Senate, contains language that:
 - (A) Amends the entity to which financial institutions shall report financial abuse of an elder from the appropriate police department to an appropriate local law enforcement agency;
 - (B) Deletes language allowing financial institutions to determine when to report suspected cases of financial abuse of an elder to the Department of Human Services;
 - (C) Deletes the definition of "department"; and
 - (D) Amends the definition of "elder" as it applies in chapter 708 and section 412-114.5, Hawaii Revised Statutes, to mean a person who is sixty, rather than sixty-two years of age or older.



Therefore, your Committee concludes that the language in S.B. No. 2314, S.D. 2, part II is preferable;

- (5) S.B. No. 2804, S.D. 2, which was heard by the House Committee on Human Services, contains language that establishes a task force that will bring together a wide cross section of the community to provide the necessary perspective and expertise to develop overall strategies to prevent and end homelessness. Your Committee concludes that the language in S.B. 2804, S.D. 2, is preferable because it contains language that gives direction to members who are unable to attend a meeting and includes language that excludes members from chapter 84, Hawaii Revised Statutes;
- (6) Allowing the Department of Human Services to post on its public website posters on the National Human Trafficking Resource Center Hotline will assist in reporting and preventing further incidents of trafficking;
- (7) Establishing a task force to develop a comprehensive plan for survivors of human trafficking will help alleviate current gaps in services for this population. However, additional stakeholders may desire to be a member of the task force;
- (8) According to the Department of Human Services' testimony, to date, there have been no community care foster family home closures as a result of the home not having a Medicaid client in residence. As long as the operator of the community care foster family home can demonstrate the active pursuit of obtaining a Medicaid client referral, the home will not be closed or cited as having violated home certification requirements. The relevant language included in this measure is therefore unnecessary;
- (9) S.B. No. 2120, S.D. 1, H.D. 1, which was previously jointly heard by the House Committee on Human Services and House Committee on Health, increases the payment for primary care physician services provided to children and pregnant women covered under the children's health insurance program to be equal to such reimbursement provided to Medicaid recipients. Your Committee notes that at the beginning of January 1, 2013, the Patient



Protection and Affordable Care Act of 2010 will mandate that states reimburse primary care providers at one hundred per cent of Medicare rates for primary care services provided to Medicaid recipients. However, this mandate excludes primary care services provided to children's health insurance program recipients, namely children and pregnant women. Your Committee concludes that this measure should be amended to include language similar to S.B. No. 2120, S.D. 1, H.D. 1;

- (10) Acute care hospitals require more fair and equitable compensation to continue providing services to Medicaid patients and a fair and equitable referral system to transfer clients from hospitals to community-based care homes; and
- (11) S.B. No. 2798, S.D. 2, which was heard by the House Committee on Human Services, requires all commercial health care insurers operating in Hawaii to share with the department of human services, on a timely basis, a listing of their members for Medicaid eligibility determination. Your Committee notes that requiring commercial health care insurers operating in Hawaii to share with the Department of Human Services, a listing of their members for Medicaid eligible determination will improve Medicaid program integrity and ensure that Medicaid is the payor of last resort and that funding for the Medicaid program is used to provide health insurance coverage to those who really need it.

Accordingly, your Committee has amended this measure by adopting the proposed S.D. 1 and further amending this measure by:

- (1) Deleting language from section 20 that appropriated funds for a grant to PATCH (People Attentive to Children) and inserting language to appropriate those funds to the Department of Human Services for the preschool open doors program;
- (2) Replacing the contents of part IV with the contents of S.B. No. 2314, S.D. 2, part II;
- (3) Replacing the contents of part V with the contents of S.B. No. 2804, S.D. 2;



- (4) Adding language to section 29 to provide the Director of Human Services or the Director's designee the discretion to include additional task force members as the Director or the Director's designee deems appropriate;
- (5) Deleting the contents of part VIII and inserting similar language from S.B. No. 2120, S.D. 1, H.D. 1;
- (6) Inserting new language that requires all commercial health care insurers operating in Hawaii to provide the Department of Human Services a quarterly report listing its members for a cross-reference check of prospective and current Medicaid beneficiaries; and
- (7) Adding language that makes part VIII effective on July 1, 2050.

As affirmed by the record of votes of the members of your Committee on Human Services that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 1905, H.D. 2, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 1905, H.D. 2, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committee on Human Services,

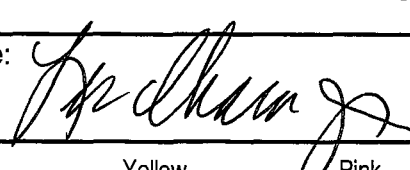
Suzanne Chun Oakland

SUZANNE CHUN OAKLAND, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Human Services
HMS

Bill / Resolution No.:* HB 1905, HD 2	Committee Referral: HMS, WAM	Date: 3/21/12		
<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
CHUN OAKLAND, Suzanne (C)	✓			
IHARA, Jr., Les (VC)	✓			
GREEN, M.D., Josh	.	✓		
SLOM, Sam				✓
TOTAL	2	1	0	1
Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted				
Chair's or Designee's Signature: 				
Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy				

*Only one measure per Record of Votes