



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

LATE

February 24, 2012

MEMORANDUM

TO: The Honorable Ryan I. Yamane
House Committee on Health

The Honorable John M. Mizuno, Chair
House Committee on Human Services

FROM: Patricia McManaman, Director

SUBJECT: **H.C.R. 42/H.R. 22 – REQUESTING THE DEPARTMENT OF HEALTH AND DEPARTMENT OF HUMAN SERVICES TO EDUCATE OPERATORS OF ADULT RESIDENTIAL CARE HOMES AND COMMUNITY CARE FOSTER HOMES ABOUT THE APPROPRIATE INSURANCE FOR THEIR BUSINESS**

Hearing: Friday, February 24, 2012; 9:00 a.m.
Conference Room 329, State Capitol

PURPOSE: The purpose of H.C.R. 42/H.R. 22 is to request that the Departments of Health and Human Services implement a program to educate operators of adult residential care homes, community care foster homes, and other home-based care services about the appropriate insurance for their businesses, and to coordinate the program with the relevant trade organizations.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) respectfully opposes the provisions of H.C.R. 42/H.R. 22.

Hawaii Administrative Rules, Section 17-1454-49, require the Community Care Foster Family Homes (CCFFHs) to have liability insurance in order to be certified as a CCFFH. In addition, the CCFFH must have a contract with the Med-QUEST Division's

health plans in order to be paid for services rendered to Medicaid clients. The health plan contracts also require the CCFFH to have liability insurance. Information we have on one of the health plans show that the provider is required to have coverage of general and professional liability in the amount of \$1 million per occurrence or whatever is set in State law, whichever is greater.

DHS does not specify what type of liability insurance the CCFFH should acquire to operate a business. DHS is not an insurance carrier, and we are not qualified to implement programs to educate the public on their insurance needs. DHS also has no affiliation with trade organizations that might have the expertise regarding insurance policies.

Thank you for the opportunity to provide comments on this resolution.

morikawa2 - Grant

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 23, 2012 7:31 PM
To: HLTtestimony
Cc: Brenda.Kosky@gmail.com
Subject: Testimony for HCR42 on 2/24/2012 9:00:00 AM

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Testimony for HLT/HUS 2/24/2012 9:00:00 AM HCR42

Conference room: 329
Testifier position: Support
Testifier will be present: No
Submitted by: Brenda Kosky
Organization: Individual
E-mail: Brenda.Kosky@gmail.com
Submitted on: 2/23/2012

Comments: