

SB 2796

Measure Title: RELATING TO DEATH BENEFITS.

Report Title: Death Benefits

Description: Makes permanent the decreased funeral benefit for medical and financial assistance recipients, establishes that the Department of Human Services may bear the cost for crematory and mortuary services for unclaimed dead human bodies and that the Department of Human Services may approve a determination that a dead human body is unclaimed.

Companion: HB2534

Package: Gov

Current Referral: HMS, WAM

Introducer(s): TSUTSUI (BR)

NEIL ABERCROMBIE
GOVERNOR



PATRICIA MCMANAMAN
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STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
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February 9, 2012

TO: The Honorable Suzanne Chun Oakland, Chair
Senate Committee on Human Services

FROM: Patricia McManaman, Director

SUBJECT: **S.B. 2796 - RELATING TO DEATH BENEFITS**

Hearing: Thursday, February 9, 2012; 1:30 p.m.
Conference Room 016, State Capitol

PURPOSE: The purpose of this bill is to make permanent the reduced death benefits for medical and financial assistance recipients as approved in Act 205, Session Laws of Hawaii 2010 and to establish that the Department is responsible for the payment of the crematory and mortuary services for unclaimed dead human bodies after approving the determination that a dead human body is unclaimed.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) strongly supports this Administration bill. In the current economic climate of decreased State revenue and the unfortunate necessity of reducing medical assistance benefits, identifying areas to decrease expenditures with minimal impact on the public becomes increasingly important.

In 2010, the Twenty-Fifth Legislature passed House Bill No. 2774, which was enacted as Act 205, Session Laws of Hawaii 2010. Part II of Act 205 amended section 346-15, Hawaii Revised Statutes, by reducing death benefits for medical and financial assistance recipients to an amount equal to the Social Security Administration's one-time lump-sum death benefit of \$255. Act 205 has a repeal date of June 30, 2012, at which time section 346-15 will be reenacted in the

form in which it read on the day prior to the act's effective date. Savings from this change in the death benefit was approximately \$306,000 last year.

Maintaining the reduced death benefit amount authorized in Act 205 by repealing the sunset date in section 9 of Act 250 for the amendments to section 346-15, Hawaii Revised Statutes, will help preserve health care benefits for low-income adults and children.

Additionally, the wording in Act 205 amending section 346-15 appears to make the Department of Human Services responsible for the disposition of unclaimed corpses. Section 346-15 should allow the Department of Human Services to pay for mortuary and crematory costs for unclaimed corpses after approving the determination that a dead human body is unclaimed pursuant to section 327-32, Hawaii Revised Statutes.

The title and subsections (b) and (e) of section 346-15 have also been amended to be consistent with language in section 327-32.

In concert with H.B.2534, the DHS also recommends that the Legislature also consider passing H.B. 2556 which is Administration bill amending section 327-32, Hawaii Revised Statutes. H.B. 2556 repeals the authority of the Department of Health (DOH) to deliver or distribute an unclaimed dead human body to a university, hospital, or institution for medical educational and research purposes, and clarifies the responsibilities of the person who has possession, charge, or control of an unclaimed dead human body with respect to gathering and providing information to state agencies.

The Department of Health and the Department of Human Services worked together on H.B. 2534 and H.B. 2556 to make the responsibilities for the disposition of dead human bodies consistent and clear between the DOH and DHS. The changes proposed in H.B. 2534 and H.B. 2556 will result in improvements in efficiency, record keeping, and customer services.

Thank you for the opportunity to testify on this bill.

NEIL ABERCROMBIE
GOVERNOR OF HAWAII



LORETTA J. FUDDY, A.C.S.W., M.P.H.
DIRECTOR OF HEALTH

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In reply, please refer to:
File:

WRITTEN ONLY

Senate Committee on Human Services

February 9, 2012

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

SB2796, Relating to Death Benefits

1 **Department's Position:** Department of Health takes no position on specific death benefits issues, but
2 strongly supports the clarification of language regarding the handling of unclaimed dead human bodies.

3 **Fiscal Implications:** None

4 **Purpose and Justification:**

5 The Department of Health supports Senate Bill 2796, Relating to Death Benefits. This legislative
6 proposal, when taken in combination with SB2818, Relating to Disposition of Dead Human Bodies, will
7 clarify the roles and responsibilities of state agencies in the handling of unclaimed dead human bodies in
8 such a way that will preserve the dignity of the decedent and streamline government operations.

9

10 Thank you for the opportunity to testify.

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 08, 2012 8:15 AM
To: HMS Testimony
Cc: babyjean@hotmail.com
Subject: Testimony for SB2796 on 2/9/2012 1:30:00 PM

Testimony for HMS 2/9/2012 1:30:00 PM SB2796

Conference room: 016
Testifier position: Oppose
Testifier will be present: No
Submitted by: Ronnie Perry
Organization: Individual
E-mail: babyjean@hotmail.com
Submitted on: 2/8/2012

Comments: