



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

February 20, 2013

**MEMORANDUM**

TO: The Honorable Angus McKelvey, Chair  
House Committee on Consumer Protection & Commerce

FROM: Patricia McManaman, Director

SUBJECT: **H.B. 529, H.D. 1 - RELATING TO CARE HOMES**

Hearing: Wednesday, February 20, 2013; 3:00 p.m.  
Conference Room 325, State Capitol

**PURPOSE:** The purpose of H.B. 529, H.D. 1 is to require all operators of adult foster homes, assisted living facilities, expanded adult residential care homes, community care foster family homes, and developmental disabilities domiciliary homes to hold a sufficient amount of liability insurance.

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent of this bill and would like to provide the following comments.

The provisions in Sections 1, 3, and 4 would require Community Care Foster Family Homes (CCFFH) to have liability insurance in order to be certified as a CCFFH. Hawaii Administrative Rules section 17-1454-49 already require the CCFFH to have liability insurance 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. The CCFFH program will be transferred to the Department of Health on July 1, 2014.

The DHS defers to the Department of Health (DOH) regarding the provisions of Sections 2 to 4 that pertain to the facilities under DOH's jurisdiction.

The DOH has the licensing authority over the Assisted Living Facilities (ALF), the Expanded Adult Residential Care Homes (EARCHs), and the developmental disabilities domiciliary homes. The DHS becomes involved with these facilities when a Medicaid client is placed in the facility and payment for services is needed. In order to be paid, the facility must have a contract with a health plan. Liability insurance is a requirement for the health plan contract.

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



**STATE OF HAWAII**  
STATE COUNCIL  
ON DEVELOPMENTAL DISABILITIES  
919 ALA MOANA BOULEVARD, ROOM 113  
HONOLULU, HAWAII 96814  
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543  
February 20, 2013

The Honorable Angus L.K. McKelvey, Chair  
House Committee on Consumer Protection and Commerce  
Twenty-Seventh Legislature  
State Capitol  
State of Hawaii  
Honolulu, Hawaii 96813

Dear Representative McKelvey and Members of the Committee:

SUBJECT: HB 529 HD1 – RELATING TO CARE HOMES

The State Council on Developmental Disabilities (DD) **SUPPORTS THE INTENT OF HB 529 HD1**. The bill requires all operators of adult foster homes, assisted living facilities, expanded adult residential care homes, community care foster homes, and DD domiciliary homes to hold a sufficient amount of liability insurance.

We are aware that Act 266, Session Laws of Hawaii 2012, required liability insurance coverage for operators of adult foster homes, adult residential care homes, assisted living facilities, and expanded residential care homes. However, DD domiciliary homes were not included in Act 266/12. HD 529 HD1 includes these homes in Section 4 as requiring liability insurance.

With regards to Section 2, Page 2, line 3, "and intellectual disabilities," the Council would like to clarify that this phrase should not imply that an individual residing in an adult foster home must have both DD and intellectual disabilities. An individual can have DD but not have intellectual disabilities.

Thank you for the opportunity to submit testimony supporting the intent of HB 529 HD1.

Sincerely,

Waynette K.Y. Cabral, MSW  
Executive Administrator

J. Curtis Tyler  
Chair



Cariaga RACCP Foster Family Home

## Fax Transmittal

Date: 2/19/2013

No. of Pages: 4/1 Comm Page

To: Committee on  
Consumer Protection  
and Commerce

Recipient's Fax: 800-535-3859

From: Maria E. Cariaga

Fax No.: (808) 959-1421  
<sup>6760</sup>

Subject: HB 529 HD 1

Comment: Attention Committee on Consumer  
Protection and Commerce

Testimonies from Big Island

February 19, 2013

To: Committee on Consumer Protection and Commerce  
House Bill 529 HD1  
Hearing Feb. 20, 2013 3:00 pm RM 325

In behalf of the Adult Foster Home Association Big Island, we are supporting this House Bill 529 HD1. Attached are the signatures. Thank you for your consideration.

Sincerely,

Maria Corazon E. Cariaga  
President, AFHA Big Island

ATTN King Island

Name

Address

Phone

- 46. Sai Hafren 95 W. Naawoo St Hilo 934-0527, 756-4730c.
- 47. Adrian Pulera 82 IOLANI ST. Hilo. 941-9011
- 48. Philipina Andres 11 Pono St. Hilo HI 96770 780-6417
- 49. Noel SOLICIANO 1700 KEOKE ST., Hilo, HI. 959-3353
- 50. Sabra Funi HEA 2 Box 6503 Keaou HI 982-5583
- 51. ANITA VENTURA P.O. Box 2072 Keaou HI 96749 966-9483
- 52. Lenora Makewick P.O. POKU WA Keaou, HI 96749 966-9759
- 53. Dolby Julian P.O. Box 966 Pahoa, HI. 965-9182
- 54. MARGARET DANIELEWSKI P.O. BOX 10813 Hilo, HI 982-1909
- 55. Rueda RAMOS PO BOX 147 Keaou 915-7787
- 56. Mary Tingsing HC 1 BOX 4097 Keaou 982-8511
- 57. GRACE JADUANG 1674 ONEAWA WAY, Hilo, HI 96720 959-2236
- 58. RACHEL CASTRO 822 KUPUNUA RD. Hilo, HI 96720 959-3373
- 59. VIRGINIA DELA CRUZ 61 HOOKANO ST. Hilo, HI 96720 959-9726
- 60. Edna Salam 16 Taahoo Rd Hilo, HI 961-8914  
96720

# ATHA Big Island

Name	Address	Phone
76. <u>Eolna Rice</u>	<u>HER 2 Box 6503 Keolu HI</u>	<u>982-5780</u>
77. <u>TERESA CRANE</u>	<u>P.O. Box 680 Keolu, HI</u>	<u>966-9888</u>
78. <u>Esther Ellman</u>	<u>P.O. Box 830 Keolu, HI 96704</u>	<u>966-9264</u>
79. <u>MARTORIE FORNDA</u>	<u>P.O. Box 2171 Keolu, HI</u>	<u>982-9980</u>
80. <u>Margaret Danielson</u>	<u>P.O. Box 10813 Hilo, HI</u>	<u>982-7909</u>
81. <u>EREDWIN JULIAN</u>	<u>P.O. Box 906 Pahoa, HI</u>	<u>965-9182</u>
82. <u>LYNNE MALVAE</u>	<u>P.O. Box 114 Keolu, HI 96704-0114</u>	<u>916-9154</u>
83. <u>Renee Ramos</u>	<u>POB 447 Keolu 96719</u>	<u>315-7785</u>
84. <u>Mercyda Tiangsons</u>	<u>HC 1 - Box 4097 Keolu, HI</u>	<u>982-854</u>
85. <u>GRAEF JADWANIS</u>	<u>1624 ONEAKA WAY, Hilo, HI 96720</u>	<u>959-2202</u>
86. <u>RACHEL CASTRO</u>	<u>882 KUPUNAHU RD. Hilo, HI 96720</u>	<u>959-3373</u>
87. <u>VIRGINIA DE LA CRUZ</u>	<u>61 HODKINS ST. Hilo, HI 96720</u>	<u>959-9926</u>
88. <u>MARISOL GALTRE</u>	<u>1506 Malani St. Hilo, HI 96720</u>	<u>981-2116</u>
89. <u>Agnesa Jansen</u>	<u>P.O. Box 1080 Kula, HI 96790</u>	<u>982-5212</u>
90. <u>Hilmarie Fongson</u>	<u>P.O. Box 752 Pahoa HI 96775</u>	<u>938-8261</u>

Name

Address

Phone

61. Helen Barber

88 Pabalana St. Hilo

931-7425  
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62. Hilmer Panglan

P.O. Box 752 Pabala HI 96777

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63. Kemi Young

1428 Mel Mann St. Hilo, HI 96720

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64. Margaret Jamieson

P.O. Box 1080 Kurtistown HI 96710

1506 Malani St. Hilo, HI 96720

65. Maicol Gotte

147 W. Kinai Pl. Hilo, HI 96720

981-2161

66. Dina Eder

981-0799

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Lilia Fajotina

ARCA President

(Alliance of Residential Administrators)

P.o. Box 758

Pear City, HI 96782

DATE: Wednesday February 20, 2013

TIME: 3:00p.m.

ROOM: 325 ( State Capitol )

Re: HB529

The Hon. Angus L.K. Mckelvey, Chair

Honorable Derek S. K. Kawakami, Vice Chair

And Members of the CPC Committee

My name is Lilia Fajotina, President of the Alliance of Residential Care Administrators (ARCA), and I am testifying in strong **SUPPORT** to House Bill 529.

I strongly believe that every caregiver of the care home, foster home, expanded adult residential care home, assisted living facilities, adult day care facilities, and home health agencies should be carried an appropriate liability insurance. It is important that the scope of work that we do, we should have a malpractice and professional liability insurance and **NOT** a Social Services Liability Insurance.

The appropriateness of the liability insurance is imperative so that the care home/foster home operator is fully covered should any suit or damages occur as a consequence of his/her actions or the failure to act.

Please look into this matter as malpractice and professional liability insurance is very important issues.

Thank you for the opportunity to testify in support to HB529.

Lilia Fajotina  
**(ARCA PRESIDENT)**

**kawakami2 - Rise**

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Friday, February 15, 2013 2:01 PM  
**To:** CPCtestimony  
**Cc:** nightingalecmi@hotmail.com  
**Subject:** Submitted testimony for HB529 on Feb 20, 2013 15:00PM

**HB529**

Submitted on: 2/15/2013

Testimony for CPC on Feb 20, 2013 15:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Eugene C. Malalis Jr.	Individual	Support	No

Comments: Foster Caregivers are already required to have liability insurance and therefore all caregivers responsible for client care should also protect themselves and their businesses.

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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## kawakami2 - Rise

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Friday, February 15, 2013 5:23 PM  
**To:** CPCtestimony  
**Cc:** thirr33@gmail.com  
**Subject:** Submitted testimony for HB529 on Feb 20, 2013 15:00PM

### **HB529**

Submitted on: 2/15/2013

Testimony for CPC on Feb 20, 2013 15:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Arvid Tadao Youngquist	Individual	Support	Yes

Comments: Chair Angus L. K. McKelvey Vice Chair Derek S. K. Kawakami Honorable Representative of the CPC Committee My name is Arvid Tadao Youngquist. I support HB 529 HD1 which calls for a sufficient amount of liability insurance by care home operators. The vote in the previous committee was 8 ayes, with Rep. Jo Jordon voting with reservations. Hearing in the CPC Committee has to answer her reservations. I was, first of all surprised that care providers gave supportive testimony while the Department opposed it. There was also a Civil Beat article which attached several photos from independent, presumably smaller operators, Hopefully, the 14 members of the CPC Committee of which some duplicates the previous committee membership, continues to examine this measure with a fine tooth comb to make sure it does not pose the chilling effect of diminishing the number of care homes. I ask this since I live in a district inundated by care homes and domiciles. Thank you for this opportunity to submit testimony and please continue your good work in the social service and consumer rights field. Mahalo. Arvid Tadao Youngquist Kalihi Valley Resident Feb. 15, 2013

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Sunday, February 17, 2013 3:31 PM  
**To:** CPCtestimony  
**Cc:** tabraham08@gmail.com  
**Subject:** \*Submitted testimony for HB529 on Feb 20, 2013 15:00PM\*

**HB529**

Submitted on: 2/17/2013

Testimony for CPC on Feb 20, 2013 15:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Troy Abraham	Individual	Support	No

Comments:

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, February 18, 2013 7:49 PM  
**To:** CPCtestimony  
**Cc:** fergay96797@gmail.com  
**Subject:** \*Submitted testimony for HB529 on Feb 20, 2013 15:00PM\*

**HB529**

Submitted on: 2/18/2013

Testimony for CPC on Feb 20, 2013 15:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Ignacio Fergay	Individual	Support	No

Comments:

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, February 19, 2013 12:57 PM  
**To:** CPCtestimony  
**Cc:** cabingabang@gmail.com  
**Subject:** \*Submitted testimony for HB529 on Feb 20, 2013 15:00PM\*

**HB529**

Submitted on: 2/19/2013

Testimony for CPC on Feb 20, 2013 15:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Delia Cabingabang	Individual	Support	Yes

Comments:

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**Sent:** Tuesday, February 19, 2013 1:03 PM  
**To:** CPCtestimony  
**Cc:** ofelsimps@yahoo.com  
**Subject:** \*Submitted testimony for HB529 on Feb 20, 2013 15:00PM\*

**HB529**

Submitted on: 2/19/2013

Testimony for CPC on Feb 20, 2013 15:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Ofelia Simpliciano	Individual	Support	Yes

Comments:

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**kawakami2 - Rise**

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**Sent:** Tuesday, February 19, 2013 1:09 PM  
**To:** CPCtestimony  
**Cc:** Asagadraca@hotmail.com  
**Subject:** \*Submitted testimony for HB529 on Feb 20, 2013 15:00PM\*

**HB529**

Submitted on: 2/19/2013

Testimony for CPC on Feb 20, 2013 15:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Aurora Sagadraca	Individual	Support	No

Comments:

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**Sent:** Tuesday, February 19, 2013 1:12 PM  
**To:** CPCtestimony  
**Cc:** tagavilla.arch@gmail.com  
**Subject:** \*Submitted testimony for HB529 on Feb 20, 2013 15:00PM\*

**HB529**

Submitted on: 2/19/2013

Testimony for CPC on Feb 20, 2013 15:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Susana Tagavilla	Individual	Support	No

Comments:

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Tuesday, February 19, 2013 1:13 PM  
**To:** CPCtestimony  
**Cc:** ISTEFFENS@hawaii.rr.com  
**Subject:** \*Submitted testimony for HB529 on Feb 20, 2013 15:00PM\*

**HB529**

Submitted on: 2/19/2013

Testimony for CPC on Feb 20, 2013 15:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Imelda Steffens	Individual	Support	No

Comments:

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**Sent:** Tuesday, February 19, 2013 1:31 PM  
**To:** CPCtestimony  
**Cc:** Auring@gmail.com  
**Subject:** \*Submitted testimony for HB529 on Feb 20, 2013 15:00PM\*

**HB529**

Submitted on: 2/19/2013

Testimony for CPC on Feb 20, 2013 15:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Aurora Alejandro	Individual	Support	No

Comments:

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**Sent:** Tuesday, February 19, 2013 1:39 PM  
**To:** CPCtestimony  
**Cc:** alohamila@hotmail.com  
**Subject:** \*Submitted testimony for HB529 on Feb 20, 2013 15:00PM\*

**HB529**

Submitted on: 2/19/2013

Testimony for CPC on Feb 20, 2013 15:00PM in Conference Room 325

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Present at Hearing</b>
Milagros Beltran	Individual	Support	No

Comments:

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**TO: Committee on Consumer Protection & Commerce**

**DATE: February 20, 2013, Wednesday**

**TIME: 3:00 pm**

**PLACE: Conference Room 325**

**TESTIFIER: Wannette Gaylord**

**BILL: HB 529**

**POSITION: IN STRONG SUPPORT**

Aloha Chair Mckelvey, Vice Chair Kawakami, and members of the committee,  
My name is Wannette Gaylord and I strongly support HB 529 for the following reasons:  
Every community based care facility should be mandated to have the appropriate insurance necessary to protect the home, the owner of the home and all employees from liability. This insurance policy should include malpractice as well as professional liability insurance with sufficient coverage. Many CNA's right out of school are not aware of the potential liability they may be facing in their work place due to inadvertent mistakes. With the proper insurance being mandated onto their employer, they can feel safe in their work environment.

Mahalo nui loa for allowing me to testify in support of HB 529.

Wannette Gaylord