

NEIL ABERCROMBIE  
GOVERNOR OF HAWAII



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**Committee on Finance**

**SB106, SD1, Proposed HD1, RELATING TO AGING**

**Testimony of Wes Lum  
Director, Executive Office on Aging  
Attached Agency to Department of Health**

**Thursday, April 4, 2013; Conference Room 308**

**2:00 p.m.**

- 1 **EOA's Position:** The Executive Office on Aging (EOA) supports the intent of Part II of the  
2 Proposed HD1, provided that its enactment does not reduce or replace priorities within our  
3 Biennium Budget Request.
- 4 **Fiscal Implications:** Part II appropriates an unspecified amount for FY2013-2014 and FY2014-  
5 2015 for the staffing, operation, and convening of the Task Force on Mobility Management.
- 6 **Purpose and Justification:** Transportation gives older adults and individuals with disabilities a  
7 sense of independence and control over their lives. A lack of transportation can lead to isolation,  
8 poor health, and decreased well-being, which is common in rural areas where transportation  
9 options are scarce. While we support the intent of this measure, we note that the appropriations  
10 are not part of the Governor's Administrative package. Should there be surplus funds available,  
11 we would be supportive as we agree with the concept of this initiative as this is consistent with  
12 EOA's goals and objectives. Thank you for the opportunity to testify.

William P. Kenoi  
Mayor



Alan R. Parker  
Executive on Aging

## County of Hawai'i

### OFFICE OF AGING

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April 3, 2013

TESTIMONY TO: House Committee on Finance

Representative Sylvia Luke, Chair  
Representative Scott Y. Nishimoto, Vice Chair  
Representative Aaron Ling Johanson, Vice Chair

SUBJECT: **SB 106, HD1 (proposed) - RELATING TO AGING**

Thursday, April 4, 2013  
2:00 p.m.  
Hawai'i State Capitol, conference room 308

Honorable Chairs and Members of the Committee:

Thank you for the opportunity to submit written testimony in **STRONG SUPPORT** of SB 106, HD 1 (proposed) – RELATING TO AGING. I am Alan Parker, Executive on Aging for the Hawai'i County Office of Aging (HCOA).

In particular, the HCOA stands on its testimony in strong support of:

- \$9 million for the Kupuna Care (KC) program for the coming biennium. KC services form a critically important safety net for our seniors and frail elder living in the community that helps them to remain at home and avoid more expensive institutional care. This is a far less expensive option for individuals and the government. While all of the 40,376 seniors over the age of 60 living on Hawai'i Island would not need KC services, the fact that we were able to serve 900 seniors, or 2% of the population at the current funding level indicates strong need increased KC funding.
- Full funding of \$1.8 million for the Aging and Disability Resource Centers that provides a "one stop shop" for information for seniors and their family about long-



term care options and eligibility. The Hawai'i County ADRC fielded over 1,300 calls for information and assistance over a one-year time period.

- The Healthy Aging Partnership that provides tools that encourage seniors to better manage their health, stay active and enjoy a longer and healthier life.

We also we strongly support the additional language relating to MOBILITY MANAGEMENT, which establishes a transportation framework to assist elders and individuals with disabilities with transportation needs in rural communities. Transportation is vital to seniors; it helps them to remain at home and access critical services such as medical appointments. This service is especially needed in rural areas where transportation is extremely limited.

Thank you for the opportunity to provide testimony in strong support of this important legislation.

Sincerely,

Alan R. Parker  
Executive on Aging



ALAN ARAKAWA  
Mayor

JO-ANN T. RIDAO  
Director  
Housing & Human Concerns

JAN SHISHIDO  
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**DEPARTMENT OF HOUSING AND HUMAN CONCERNS**  
**MAUI COUNTY OFFICE ON AGING**  
**AN AREA AGENCY ON AGING**

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**House Committee on Finance**

**Rep. Sylvia Luke, Chair; Rep. Scott Y. Nishimoto, Vice Chair; Rep. Aaron Ling Johanson,  
Vice Chair**

**SB 106, SD1 (HSCR1054) RELATING TO AGING**

**Testimony of Deborah Arendale  
Executive on Aging, Maui County Office on Aging**

**Thursday, April 4, 2013; Conference Room 308  
2:00 p.m.**

**MCOA's Position:** Maui County Office on Aging (MCOA) is in **strong support** of SB 106 that includes appropriation for various services for the elderly.

**Purpose and Justification:** Census projections indicate that the senior population in Hawaii will almost double between the period between 2010 and 2020 with the highest percentage increase occurring in those over the age of 85. In order to minimize the potential **financial strain** of the burgeoning aging population on the State, **proactive** efforts are required now. ***Keeping seniors healthy and at home is the most cost-effective manner*** to address the needs of one of our most valuable societal resources, and SB 106, SD1 (HSCR1054) will ensure that state funds provided through Kupuna Care are utilized to provide assistance in the community at a much lesser financial drain than institutional services. The increasing numbers of the aging population will also mean that the incidence of Alzheimer's disease and related disorders will rise. In order to effectively plan and implement statewide services to seniors and caregivers, coordination at the state level is necessary to avoid duplication and maximize resources.

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To promote and protect the well-being of the Older Americans in Maui County.

MCOA was the first county in the state to implement the fully functioning ADRC model on April 16, 2012. Implementation of the ADRC has resulted in:

- **Better care for seniors and ease of access for family caregivers:** improved operations through standardization of tools and performance standards have ensured that older adults and persons with disabilities can make informed choices about how to meet their long-term care needs;
- **New Revenue streams:** MCOA begins in April, 2013 providing fee-for-service activities reimbursed by Centers for Medicare and Medicaid Services (CMS). This new revenue is possible due to the implementation of the full functioning ADRC criteria outlined by all four counties in the 5-Year Systems Change Plan;
- **Quantifiable Improvements:**
  - **33% fewer** participants placed in Long-Term Care Facilities
  - **33% fewer** participants requiring Medicaid enrollment
  - **55% fewer** deaths of participants
  - **86% fewer** participants needing to move out of their residences and into other placements
- **MCOA anticipates adding other revenue-generating programs in the near future that are only possible due to the designation as a fully functioning ADRC.**

The vision of EOA and the AAAs is to establish ADRCs in every community that serve as a highly visible and trusted places where people with disabilities of all ages can find information on the full range of long-term support options and can access a single point of entry to public long-term support programs and benefits. This measure will assist EOA and the county AAAs in establishing a successful statewide ADRC.

The Healthy Aging Partnership is a means by which the AAAs provide evidence-based health and wellness promotion activities in each county. Funding appropriated by this bill will support direct services to seniors statewide that have been proven to improve health, increase self-management of chronic illness, increase strength and flexibility, and generally assist seniors in living at home in a more healthy manner. ***Both direct services as well as a focus on prevention activities are necessary.*** While we cannot ignore those who need assistance with the basic functions of daily living, we must also work diligently to assist our aging citizens to live as healthily as possible for as long as possible in the most ***cost effective*** way as possible.

Thank you for the opportunity to provide testimony regarding this measure.

HOUSE COMMITTEE ON FINANCE

Rep. Sylvia Luke, Chair

April 4, 2013 at 2:00 p.m.

Conference Room 308

**Supporting SB 106 SD 1 HD 1 Proposed: Relating to Aging**

The Healthcare Association of Hawaii advocates for its member organizations that span the entire spectrum of health care, including all acute care hospitals, a majority of home health agencies and hospices, as well as long term care facilities and other health care organizations. Our members contribute significantly to Hawaii's economy by employing nearly 20,000 people statewide, delivering quality care to the people of Hawaii.

Thank you for this opportunity to testify in support of SB 106 SD 1 HD 1 Proposed, which strengthens Hawaii's infrastructure of care for the elderly and appropriates funds for programs that support them as they age.

Hawaii's considerable aging population is growing. According to the Department of Business, Economic Development and Tourism (DBEDT), 195,000 people in Hawaii were 65 years of age or older in 2010. DBEDT projects that by 2025 the number will increase to 238,000, or 17% of the population.

Our large elderly population indicates that Hawaii is a healthy state. But at the same time, there is a clear relationship between age and the prevalence of chronic conditions and level of disability. The elderly are the heaviest users of health care resources. Unfortunately, however, Hawaii's existing infrastructure and the current resources dedicated to caring for the elderly are not sufficient to satisfy the current high demand. The future demand is expected to increase substantially.

This bill moves toward addressing that demand. Alzheimer's disease and dementia are increasing among the elderly. Services are available, but they are fragmented, and this bill creates a coordinator of services for this population. The Kupuna Care program has demonstrated its effectiveness in providing home- and community-based services to the disabled elderly, and this bill appropriates funds for it. This bill also provides grants to three senior centers because private contributions are not enough to fully support them. Furthermore, this bill appropriates funds for the Healthy Aging Partnership Program, a statewide coalition designed to improve the well-being of older adults by adapting evidence-based health promotion programs to the State's multi-cultural population. The addition of the task force to create a transportation framework for elders and individuals with disabilities represents a thoughtful, innovative approach to filling this need and helping them live at home. In summary, this bill advances the infrastructure that supports elderly and disabled people, and works hand-in-hand with private sector organizations through partnerships.

Thank you for the opportunity to testify in support of SB 106 SD 1 HD 1 Proposed.



Twenty-Seventh Legislature  
Regular Session of 2013

HOUSE OF REPRESENTATIVES  
Committee on Finance  
Rep. Sylvia Luke, Chair  
Rep. Scott Y. Nishimoto, Vice Chair  
Rep. Aaron Ling Johanson, Vice Chair  
State Capitol, Conference Room 308  
Thursday, April 4, 2013; 2:00 p.m.

**STATEMENT OF THE ILWU LOCAL 142 ON S.B. 106, PROPOSED HD1  
RELATING TO AGING**

The ILWU Local 142 supports S.B. 106, proposed HD1, which appropriates funds for programs and services that support the State's elderly population, including Kupuna Care, Aging and Disability Resource Centers, senior centers (Lanakila, Moiliili and Waikiki), and the Healthy Aging Partnership program. The bill also establishes and funds a position for an Alzheimer's disease and related dementia services coordinator within the Executive Office on Aging. The bill further establishes a task force on mobility management and requires the task force to establish a transportation framework to assist elders and individuals with disabilities with transportation needs in rural communities.

The proposed HD1 includes mobility management programs to assist elderly and disabled individuals with transportation services, particularly in rural communities. Many of the ILWU's retired members live in rural areas where transportation can be significant problem because of cost and availability.

However, while we fully support these efforts, we do not wish to have the original intent of S.B. 106 forgotten. It is essential that the programs in the original bill—Kupuna Care, the Aging and Disability Resource Centers, the Healthy Aging Partnership, and senior centers at Lanakila, Moiliili and Waikiki—be funded. These programs help the elderly and disabled continue to live in their own homes and out of institutional care.

The funding proposed under S.B. 106 represents a good investment of public dollars. The alternative is more costly in terms of real dollars and human capital—more people becoming institutionalized, unable to pay the exorbitant costs of nursing home care, and forced to rely on Medicaid, which taxpayers must fund anyway.

The ILWU urges passage of S.B. 106, proposed HD1. Thank you for the opportunity to share our views on this measure.