



LATE

919 Lehua Ave., Pearl City, HI 96782
Telephone: 808-453-1919

SENATE COMMITTEE ON WAYS AND MEANS
Senator David Ige, Chair

February 14, 2013

Supporting SB 1103: Making an Emergency Appropriation to the Department of Human Services from the Nursing Facility Sustainability Program Special Fund.

Pearl City Nursing Home is a 122 bed Nursing Facility in operations since 1995, caring and partnering with families of frail and older adults of our community.

The Legislature enacted Act 156 in 2012, the Nursing Facility Sustainability Program. This program assesses a fee on nursing facilities, and using the revenue to obtain matching federal Medicaid funds, and returning a majority of the combined amount directly to nursing facilities. Payment by nursing facilities is based on Medicaid utilization, which varies for every facility, resulting in fees and payments differing among the nursing facilities. This bill ensures Medicaid enrollees to have access to institutional long term care with the hope to return home or a community setting.

SB 1103 corrects and restores the money that was used for the program administration from another fund into the Special Fund, which was originally intended.

The Nursing Facility Sustainability Program is successful and reflects the collaborative effort to ensure access and quality care for our frail and older adult citizens. It enables the facility to provide the care that supports the resident and the family for the possibility of being discharged home or in a community setting.

Thank you, for the opportunity to testify in support of SB 1103.

Respectfully Submitted
Bernadette Ledesma
Administrator



LATE

February 13, 2013

SENATE COMMITTEE ON WAYS AND MEANS
Senator David Ige, Chair

RE: **Support of SB 1103: Making an Emergency Appropriation to the Department of Human Services from the Nursing Facility Sustainability Program Special Fund**
February 14, 2013 at 9:05 a.m.
Conference Room 211

As the Administrator of Hale Makua Wailuku, a long-term care community with a capacity for 90 Elders, I urge you to support SB 1103.

On average over the course of 2012, 88% of Hale Makua Wailuku's residents had Medicaid as their payer. Medicaid reimbursements are less than our cost of providing care. The Nursing Facility Sustainability Program helps to rectify that situation by assessing a fee on nursing facilities, using the revenue to obtain matching federal Medicaid funds, and returning a majority of the combined amount directly to nursing facilities. The State also benefits by keeping a portion of these funds, making this a win-win proposal.

Unfortunately, it was discovered after the bill was passed that Act 156 did not include the technicality of an appropriation from the Nursing Facility Sustainability Program Special Fund. In order to begin the Nursing Facility Sustainability Program, the Department of Human Services used money from another fund as a temporary solution. HB 871 will reimburse those moneys and enable the program to operate as envisioned.

Hawaii's Medicaid population need access to long-term care communities, and the Nursing Facility Sustainability Program supports non-government homes in providing this service.

Thank you for the opportunity to comment and share my support of SB 1103.

Sincerely,

Connie Miller, Administrator