



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339
Honolulu, Hawaii 96809-0339

March 13, 2014

TO: The Honorable Mele Carroll, Chair
House Committee on Human Services

FROM: Barbara A. Yamashita, Deputy Director

SUBJECT: **S.B. 149, S.D.2 - RELATING TO HUMAN SERVICES**

Hearing: Thursday, March 13, 2014; 11:30 a.m.
Conference Room 329, State Capitol

PURPOSE: The purpose of this bill is to appropriate funds for necessary long-term care services for aging and disabled individuals on Medicaid.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this measure to ensure that low-income individuals on Medicaid have the same access to home and community based services (HCBS), referred to in this bill as "long term care services," as higher income individuals. The DHS believes that all older residents, who do not otherwise have access to services available through Kupuna Care, should have equal access to Kupuna Care services.

The DHS believes that individuals who are Medicaid beneficiaries, but are not able to receive services through Medicaid, should not be excluded from Kupuna Care. The DHS agrees that if an individual can receive services through Medicaid, he or she should. However, Medicaid and Kupuna Care have different eligibility criteria and cover different services. An

individual may not be eligible to receive a service through Medicaid but could be eligible, and should be able, to receive it through Kupuna Care.

The DHS has recently sought and received federal approval to expand access to HCBS for Medicaid beneficiaries who do not meet institutional level of care (LOC) but are at risk of deteriorating to LOC. This expansion will reduce the size of the "gap group," but a gap group will persist as long as the DHS and Kupuna Care have different eligibility criteria, different procedures for developing service plans, and different covered services.

Like the DHS does with other Department of Health (DOH) programs for Medicaid beneficiaries receiving certain services through a DOH program, the DHS can provide information about the services an individual is receiving through Medicaid to Kupuna Care to help ensure no duplication of services. For example, the counties could receive access to the DHS Medicaid Online system to view the services to which a beneficiary has access, and if necessary and with consent, could receive the individual service plan. Medicaid beneficiaries seeking HCBS should first try to get them through their Medicaid health plan, and Kupuna Care would cover any additional services not covered by Medicaid.

Requiring the DHS to create a Kupuna Care look-alike program would be duplicative and wasteful, and bifurcating Kupuna Care into programs for low-income older residents and for higher income older residents seems unwarranted.

Thank you for the opportunity to testify on this measure.



CATHOLIC CHARITIES HAWAII

TO: Representative Mele Carroll, Chair
Representative Bert Kobayashi, Vice Chair
Members of the House Committee on Human Services

FROM: Diane M. Terada, Division Administrator

DATE: Thursday, March 13, 2014 (11:30 a.m., Room 329)

RE: **IN SUPPORT of SB 149, SD2, Relating to Human Services**

Thank you for the opportunity to testify on SB149, SD2, Relating to Human Services. Catholic Charities Hawaii would like to express its support of SB149, SD2.

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai'i for over 60 years. CCH has programs serving elders, children, developmentally disabled, homeless and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawai'i. This bill speaks directly to our advocacy priority of caring for seniors.

Catholic Charities Hawai'i has a long history of caring for kupuna in the community. Our programs focus on ensuring access for kupuna to the services and programs that will allow them to age-in-place safely and with dignity. This approach is not only aligned with our mission but is also cost-effective for the community.

Some of the kupuna that we serve are Medicaid recipients. As you know, Medicaid recipients have very low incomes. Our Medicaid kupuna also often lack adequate support systems for caregiving and rely on service providers for the very assistance that allows them to avoid costly institutionalization. Unfortunately, Medicaid does not provide all of the services that these kupuna need to live safely and avoid more costly care. For example:

- A Medicaid kupuna may not meet Medicaid requirements to qualify for Medicaid authorized Home and Community Based services. Yet, without these early intervention services, kupuna will fall quickly into higher, and most costly, levels of care.
- A Medicaid kupuna may need nonmedical services which Medicaid does not authorize. For example, Medicaid will authorize transportation for medical purposes but they will not authorize transportation for other critical needs such as to nutrition programs, for grocery shopping or to senior centers.

Catholic Charities Hawaii supports any means that will ensure that there is a strong safety net of services for ALL kupuna. SB149, SD2 does provide a means to do this. We would also like to comment that a more cost effective and streamlined way to achieve the same goal is to amend SB2346, as proposed by the House Committee on Health, to clearly state that Medicaid kupuna ARE eligible for Kupuna Care (State) and Title III (Federal) services. We are hopeful that HB1713, the companion bill to SB2346, will also have similar



amended language. This would ensure that State and Federal funded services for kupuna would be available for ALL kupuna who may need these services. This includes Medicaid Kupuna who are unable to receive comparable services through Medicaid.

Thank you very much for your attention to our kupuna who are at the lowest income levels and now in serious risk of falling through the cracks of our safety net. Please help us keep them safe and healthy.

Thank you for the opportunity to testify. Please contact me at (808)527-4702 or diane.terada@catholiccharitieshawaii.org if you have any questions.

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March 13, 2014

To: Representative Mele Carroll, Chair
Representative Bert Kobayashi, Vice-Chair
Members of the House Committee
on Human Services

From: Howard S. Garval, MSW, President & CEO
Child & Family Service

Hearing Date and Time: March 13, 2014, 11:30 a..m.
Place: Conference Room 329

Re: SB149 Relating to Human Services

Good morning Chair Carroll, Vice-Chair Kobayashi and Committee members. I am Howard Garval, President & CEO of Child & Family Service, Hawaii's oldest and most comprehensive human services organization founded in 1899. Our mission is: **strengthening families and fostering the healthy development of children.** Our organization touches the lives of over 40,000 of Hawaii's residents each year serving keiki to kupuna on every island. We provide a full continuum of services for seniors ranging from senior case management, caregiver support programs, health maintenance programs and a program for elders who are at risk of abuse or neglect. We have been providing these services in Honolulu County for over 30 years.

Child & Family Service supports SB149 in its focus on addressing important funding for kupuna-related services. We must ensure that all low-income seniors are eligible for Kupuna Care services. The recent exclusion of seniors from Kupuna Care services who are on Medicaid or are Medicaid eligible has left a sizeable and worrisome puka since these seniors in many cases will not receive the kind of services under Medicaid that Kupuna Care funding supports. SB149 is an attempt to address the gap in services created by this Medicaid exclusion. **However, we prefer amending SB2346 as has been proposed by the House Committee on Health and hopefully the companion bill HB1713 so that kupuna on Medicaid or Medicaid eligible will be able to receive Kupuna Care services rather than creating a whole new funding stream and another pool of funding that would have to be managed by the State.**

Mahalo for the opportunity to provide testimony.

With Aloha,

Howard S. Garval, MSW, President & CEO, Child & Family Service

Our Mission: Strengthening Families and Fostering the Healthy Development of Children



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TO: Representative Mele Carroll, Chair
Representative Bertrand Kobayashi, Vice Chair
Members, Committee on Human Services

FROM: Scott Morishige, Executive Director, PHOCUSED

HEARING: House Committee on Human Services
Thursday, March 13, 2014 at 11:30 a.m. in Conf. Rm. 329

Testimony in Support of SB149 SD2, RELATING TO HUMAN SERVICES

Thank you for the opportunity to provide testimony **in support** of SB149 SD2, which would appropriate funds to the Department of Human Services for the elderly and disabled. PHOCUSED is a statewide coalition of health, housing, and human services organizations committed to strengthening policies and programs that benefit the marginalized and underserved in Hawaii.

Hawaii's population of older adults – our kupuna aged 60 and older – has grown rapidly, and is expected to continue increasing significantly over the next 20 years. While it is important to provide preventative services and supports for all our kupuna, we recognize that low-income seniors – those who meet Medicaid income requirements – are among the most vulnerable and often isolated members of our community. This bill would fund a wide array of services for vulnerable seniors on Medicaid – such as personal care, congregate meals, home delivered meals, and assisted transportation – to ensure that these seniors have access to critical services not currently available through existing Medicaid programs. The services described in this bill will mirror services currently provided with Kupuna Care funds.

While we support this bill, we believe that a more streamlined and cost-effective solution would be to simply clarify that Kupuna Care funds can be used to support Medicaid seniors when no comparable Medicaid services are available. The House Committee on Health really passed out SB2346 with amendments that incorporate this change. PHOCUSED and our members would prefer that the use of Kupuna Care funds be clarified in this way, rather than establishing a separate new fund restricted solely for the use of a specific sub-population of seniors.

Once again, PHOCUSED supports this bill, and we appreciate the opportunity to testify on this important issue. If you have any questions, please do not hesitate to contact PHOCUSED at 521-7462 or by e-mail at admin@phocused-hawaii.org.



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March 11, 2014

TO: Chair Mele Carroll, Vice Chair Bert Kobayashi
Members of the House Committee on Human Services

FROM: John Bickel, President
Americans for Democratic Action/Hawai'i

RE: Support and Comments on SB 149 SD2 Relating to Human Services

Americans for Democratic Action/Hawaii support SB 149 SD2 as our aging population needs support. A big problem for many families is affording long term care for the infirm elderly. We do not wish to comment on what agency would best administer the funds, we just know that funds need to be available for seniors who need long term care and cannot afford it. Thank you for your work on this bill and efforts to meet the needs of our kupuna.

Community Alliance for Mental Health

March, 13, 2014

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To: House Human Services
Re: SB 149, SD2

Aloha Chair Carroll and the members of the committee,

On behalf of the Community Alliance for Mental Health along with United Self Help we strongly support the passage of SB 149, SD1.

The passage of SB 149, SD2 is necessary because up to this point there simply is no plan for the long term care of individuals on Medicaid. It's that simple. Forget the disabled, the regular population has not provided for their old age and are going to end up on Medicaid seeking house care of HPHA. However the state has no plan that has been made public for dealing with our aging population.

Therefore the passage of SB 149, SD2, is critical.

Scott Wall
VP/Legislative Advocate
Community Alliance for Mental Health

[
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State of Hawaii
House Committee on Human Services
The Honorable Representative Mele Carroll, Chair
The Honorable Representative Bertrand Kobayashi, Vice Chair
Hawaii State Legislature

March 13, 2014; 11:30 am
Room 329
SB 149, SD2, Relating to Human Services

Good morning, Chair Carroll, Vice Chair Kobayashi, and Members of the Human Services Committee,

Lanakila Pacific **supports SB 149, SD2**, Relating to Human Services in its focus to support services for seniors on Medicaid designed to prevent more costly institutionalized care.

However, our preference is to allow for our most vulnerable elderly neighbors on Medicaid to be served through Kupuna Care Services. Creating a whole new funding stream would require additional administrative overhead on the part of the department and service providers. Thus, reducing the actual dollars spent on direct services.

The recent exclusion of seniors on Medicaid from Kupuna Care Services as well as the federally funded Older American's Act, Title III programs has created a sizable gap group. While Medicaid does offer some Home and Community Based Care (HCBC) Services to a segment of its senior population, the eligibility threshold is based upon medical need. The Older Americans Act and Kupuna Care are preventative social service models that enable seniors to age with dignity in their own homes, and delay or avoid the more costly institutional care. Thus, eligibility in one program does not equate to eligibility in the other. Additionally, Medicaid does not offer the same array of support services that Kupuna Care offers.

We fully agree that no one should receive duplicative services; but this is not the issue at hand. We believe that the Executive Office on Aging and Medicaid can coordinate services so that we are able to maximize support to our most vulnerable seniors and avoid higher cost institutionalized care.

We urge you to support Kupuna Care for all seniors rather than create additional administrative burden.

Respectfully submitted,

Marian E. Tsuji
President & CEO

Lyn Moku
Director of Lanakila Meals on Wheels

TO: HOUSE COMMITTEE ON HUMAN SERVICES
Representative Mele Carroll, Chair

FROM: Eldon L. Wegner, Chair, Advocacy Committee
Hawaii Family Caregiver Coalition

Hearing: 11:30 am Thursday, March 13, 2014
Hawaii State Capitol Conference Room 329

Measure: SB 149 SD 2 Relating to Human Services

Position: **Strongly support the intent of SB 149 but recommend that the measure be amended**

Rationale:

The urgent need for this bill has come about due to an awareness that Kupuna Care funds have been inappropriately used in the County of Honolulu to pay for certain services for persons who were enrolled in Medicaid but did not meet the Medicaid criteria for these services. The Kupuna Care program by statute is to serve the non-Medicaid population. This bill would allocate funds to assure that these services will continue for these clients but without using the Kupuna Care funds and thus compromising the mission of the Kupuna Care Program. Unfortunately, this situation has created much upset among parties in the state and this proposal is a well-intentioned and carefully considered solution. It is a sensible solution to the situation which has occurred.

We recommend that the bill be amended to allocate the funds directly to the City and County of Honolulu. We also support the amendments to Section 1 of the bill being proposed by the Executive Office on Aging.

The Hawaii Family Caregiver Coalition urges your passage of this bill with the above amendments which will assure clients continue to receive services but also preserve the Kupuna Care funds for non-Medicaid clients.

Thank you for the opportunity to provide testimony on this issue.

Aloha Chair Belatti and committee members,

I am Barbara Service, a retired social worker and a member of AARP and Kokua Council.

I am urging your support of SB149, to appropriate funds for long-term care services for aged and disabled individuals on Medicaid. Some individuals need long-term care services which are not covered by Medicaid and have been receiving the services through Kupuna Care. This is not appropriate as Kupuna Care funds are supposed to be used people not eligible for Medicaid but unable to pay for expensive home care services.

Please appropriate funds to cover this group of Medicaid recipients who need these long-term care services.

Mahalo for the opportunity to testify in strong support of SB149, SD2.

kobayashi1-Joni

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, March 12, 2014 1:02 PM
To: HUS testimony
Cc: haikuhawaii@aol.com
Subject: Submitted testimony for SB149 on Mar 13, 2014 11:30AM
Attachments: SB 149 testimony march 13 2014.pages.zip

SB149

Submitted on: 3/12/2014

Testimony for HUS on Mar 13, 2014 11:30AM in Conference Room 329

Submitted By	Organization	Testifier Position	Present at Hearing
Marilyn Seely	Policy Advisory Board for Elder Affairs	Support	Yes

Comments:

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LATE

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Committee on Human Services

SB149 SD2, RELATING TO HUMAN SERVICES

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

Thursday, March 13, 2014; Conference Room 329

11:30 a.m.

EOA's Position: The Executive Office on Aging (EOA) supports the intent of this measure, provided that its enactment does not reduce or replace priorities within the Administration's supplemental budget request. We respectfully request two amendments as specified below.

Suggested Amendments:

1. Section 1, Lines 1-11, of this measure be amended for accuracy as follows: "The legislature finds that there are up to 308 QUEST Expanded Access beneficiaries on Oahu who are unable to receive non-medical transportation and case management services through their Medicaid plans. These two services were found to be paid through Kupuna Care or federal Older Americans Act Title III funds targeted to near-Medicaid individuals to prevent and delay the need for institutional care and their spend down to Medicaid. Medicaid beneficiaries receiving such services continue to need these services. Therefore, the purpose of this Act is to appropriate funds for aging

and disabled individuals on Medicaid in Honolulu County to continue to receive appropriate long-term supports and services.”

2. Appropriate the funds to the City and County of Honolulu’s Elderly Affairs Division.

Should the Committee desire, we are able to report back in the next legislative session on our findings and recommendations that bridge services between Kupuna Care, Medicaid, and the Older Americans Act. This will enable the state of Hawaii to take a step forward in building a seamless system for all of Hawaii’s older adults. It will allow EOA, MedQUEST and the Counties to fully assess and provide statewide data for sound policy and legislation that supports critical gaps in services.

Thank you for the opportunity to comment on this measure.



LATE

To: Committee on Human Services
Representative Mele Carroll, Chair

Date: March 13, 2014, Conference Room 329, 11:30 a.m.

Re: **SB 149 SD2 – RELATING TO HUMAN SERVICES**
Testimony in Support

Chair Carroll and Committee Members:

AARP is a membership organization of people 50 and older with nearly 150,000 members in Hawaii. AARP fights on issues that matter to Hawaii families, including the high cost of long-term care; access to affordable, quality health care for all generations; providing the tools needed to save for retirement; and serving as a reliable information source on issues critical to Americans age 50+.

This bill appropriates funds to the Department of Human Services (DHS) for long-term care services for aging and disabled individuals who are Medicaid eligible but unable to obtain these services through Medicaid and not eligible for services funded by Kupuna Care or the Older Americans Act.

AARP **supports SB 149 SD2** as a means to support this “gap group” as long as the integrity of the Kupuna Care program as a safety net program for non-Medicaid recipients is maintained. Kupuna Care services are intended to serve the non-medicaid seniors age 60 and over, who need assistance with at least two activities of daily living (bathing, dressing, transportation, chores, etc.). Until November, the City and County of Honolulu inappropriately used Kupuna Care funds for ineligible individuals who were Medicaid eligible. To serve this population, monies are now being requested for these Medicaid individuals residing in Honolulu County.

DHS, the Executive Office on Aging, and the County Area Agencies on Aging (AAA) have agreed that funds appropriated to DHS can be transferred directly to the AAAs. We request that page 2, Section 2, lines 4-8 of the bill be amended as follows:

The sum shall be appropriated to the department of human services; provided that the department of human services shall transfer the appropriated sum to the Elderly Affairs Division of the executive office on aging City & County of Honolulu to effectuate the purposes of this Act; provided further that the funds shall not be co-mingled with kupuna care funds.

We are concerned that past violations by some of the Honolulu County service providers who wrongfully used Kupuna Care program funds to serve ineligible Medicaid individuals not recur. Hence, we respectfully and strongly request that funds for Medicaid eligible individuals for long-term care services not be co-mingled with Kupuna Care funds nor be part of any Kupuna Care contracts.

Thank you for the opportunity to provide testimony.

1132 Bishop St. Suite 1920, Honolulu, HI 96813

ALAN ARAKAWA
Mayor

JO-ANN T. RIDAO
Director
Housing & Human Concerns

JAN SHISHIDO
Deputy Director
Housing & Human Concerns



DEBORAH AREDALE
Executive on Aging

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LATE

House Committee on Human Services

Representative Mele Carroll, Chair; Representative Bertrand Kobayashi, Vice Chair

SB 149, SD2 (SSCR2603) RELATING TO HUMAN SERVICES

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

Thursday, March 13, 2014; Conference Room 329
11:30 a.m.

MCOA's Position: Maui County Office on Aging (MCOA) **supports the intention** of SB 149 SD2 that ensures Kupuna who are on Medicaid receive long-term services and supports (LTSS).

Purpose and Justification: The Area Agencies on Aging and the Hawaii Executive Office on Aging have demonstrated commitment to ensuring that the needs of all of Hawaii's Kupuna receive services that assist them to live in the community as healthy and independently for as long as is possible.

MCOA accepts the recommendations of the Executive Office on Aging to amend Section 1 of the measure.



Real Possibilities

LATE

To: Committee on Human Services
Representative Mele Carroll, Chair

Date: March 13, 2014, Conference Room 329, 11:30 a.m.

Re: **SB 149 SD2 – RELATING TO HUMAN SERVICES**
Testimony in Support

Chair Carroll and Committee Members:

AARP is a membership organization of people 50 and older with nearly 150,000 members in Hawaii. AARP fights on issues that matter to Hawaii families, including the high cost of long-term care; access to affordable, quality health care for all generations; providing the tools needed to save for retirement; and serving as a reliable information source on issues critical to Americans age 50+.

This bill appropriates funds to the Department of Human Services (DHS) for long-term care services for aging and disabled individuals who are Medicaid eligible but unable to obtain these services through Medicaid and at the same time not eligible for services funded by Kupuna Care or the Older Americans Act.

AARP **supports SB 149 SD2** as a means to support this “gap group” as long as the integrity of the Kupuna Care program as a safety net program for non-Medicaid recipients is maintained.

Kupuna Care is the signature safety net program for non-Medicaid seniors to keep them from impoverishing themselves and then forced to rely on Medicaid for help. While Hawaii’s rapidly aging population needs these services more than ever, it is falling short of meeting the ever increasing demand.

We are opposed to using Kupuna Care funds for Medicaid eligible individuals, as it would turn Kupuna Care into a Medicaid program. Medicaid already receives over \$600m in funds compared to only \$9m for Kupuna Care, which is the only non-Medicaid State program for seniors to help them live at home independently.

Kupuna Care services are intended to serve the non-Medicaid seniors age 60 and over, who need assistance with at least two activities of daily living (bathing, dressing, transportation, chores, etc.). Until November 2013, the City and County of Honolulu inappropriately used Kupuna Care funds for ineligible individuals who were Medicaid eligible. To serve this population, monies are now being requested for these Medicaid individuals residing in Honolulu County, who have no other place to turn for much needed home and community based services.

The Executive Office on Aging and all County Area Agencies on Aging (AAA) agree that funds for the Medicaid “gap” group should be appropriated to DHS and transferred directly to the Elderly Affairs Division. As such, we request that page 2, Section 2, lines 4-8 of the bill be amended as follows:

The sum shall be appropriated to the department of human services; provided that the department of human services shall transfer the appropriated sum to the ~~executive office on aging~~ Elderly Affairs Division of the City & County of Honolulu to effectuate the purposes of this Act; provided further that the funds shall not be co-mingled with kupuna care funds.

We are concerned that past violations by some of the Honolulu County service providers who wrongfully used Kupuna Care program funds to serve ineligible Medicaid individuals not recur, as it will take away much needed services for non-Medicaid seniors to age safely and independently in their homes. Hence, we respectfully and strongly request that funds for Medicaid eligible individuals for long-term care services not be co-mingled with Kupuna Care funds nor be part of any Kupuna Care contracts.

Thank you for the opportunity to provide testimony.