



**LATE**

STATE OF HAWAII  
DEPARTMENT OF HEALTH  
P.O. Box 3378  
HONOLULU, HAWAII 96801-3378

In reply, please refer to:  
File:

## House Committee on Health

### SB 2855, SD1, Making an Emergency Appropriation to the Department of Health for the Developmental Disabilities Division

Testimony of Linda Rosen, M.D., M.P.H.  
Director of Health

March 12, 2014

1 **Department's Position:** The Department of Health strongly supports this emergency administrative  
2 measure to provide additional funding resources for the Developmental Disabilities Division's Home  
3 and Community Based Services (HCBS) 1915c Medicaid Waiver program to provide new services  
4 during this fiscal year for adults and children living in Hawaii as citizens of Compact of Free  
5 Association (COFA) countries per federal court injunction in an appeal by the State of Hawaii.

6 **Fiscal Implications:** The fiscal implications to the Department of Health are anticipated to be \$500,000  
7 for this fiscal year. Additional costs of \$2,000,000 are expected to be incurred in FY2015.

8 **Purpose and Justification:**

9 The Developmental Disabilities Division was informed by the Attorney General's office on January 16,  
10 2014 that COFA citizens must be provided community based services with 100% State funds from the  
11 Department of Health to comply with a federal court directive to the Hawaii Department of Human  
12 Services' Medicaid program. This new development will allow the Department to immediately make  
13 eligible 47 individuals and provide HCBS services. The Department of Health defers to the Department  
14 of the Attorney General for interpretation of the legal directive.

15 Thank you for the opportunity to testify on this measure.



**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  
March 12, 2014

The Honorable Della Au Belatti, Chair  
House Committee on Health  
Twenty-Seventh Legislature  
State Capitol  
State of Hawaii  
Honolulu, Hawaii 96813

Dear Representative Belatti and Members of the Committee:

SUBJECT: SB 2855 SD1– Making an Emergency Appropriation to the  
Department of Health for the Developmental Disabilities Division

The State Council on Developmental Disabilities (DD) **SUPPORTS SB 2855 SD1**. The bill authorizes an emergency appropriation for FY 2013-2014, \$500,000 from general funds to the Department of Health for ongoing services provided by the DD Division.

The Department of Health DD Division was appropriated funds for FY 2013-2014. However, due to a preliminary injunction issued by the Honorable Michael Seabright in his Order Granting Plaintiffs' Motion for Preliminary Injunction filed December 13, 2010 in Korab, et al. v. McManaman, et al., Civil No. 10-00483 JMS/KSC (USDC, Dist. of Hawaii), the DD Division is now obligated to provide Medicaid Title XIX program services to the Compact of Free Association (COFA) population who are eligible for DD services. The emergency appropriation will address the needs of 47 COFA individuals who are estimated to be eligible for services from DD Division while complying with the preliminary injunction.

Without the emergency appropriation, DD Division would not be able to provide services to the eligible COFA individuals. Consequently, they may be forced to tap into their FY 2013-2014 appropriation, which would impact current individuals receiving Medicaid Title XIX program services and potentially create a waitlist for services that would jeopardize the Makin Settlement Agreement.

Thank you for the opportunity to submit comments in **support of SB 2855 SD1**.

Sincerely,

  
Waynette K.Y. Cabral, M.S.W.  
Executive Administrator

  
J. Curtis Tyler, III  
Chair