
A BILL FOR AN ACT

RELATING TO HEALTH CARE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Adult residential care homes and other
2 domiciliary care facilities are integral to Hawaii's health care
3 system. Adult residential care homes provide twenty-four-hour
4 living accommodations in a home-like setting for a fee to adults
5 who need minimal assistance with personal and health care
6 services in their daily living.

7 For many adults, adult residential care homes are an option
8 for individuals who seek placement in a health care setting but
9 do not quite meet the criteria for nursing home placement and do
10 not have the means for assisted living. Adult residential care
11 homes foster and support a high level of independence in adults
12 who reside in these facilities.

13 The legislature finds that adult residential care homes and
14 other domiciliary care facilities continue to fulfill an
15 important need in the community because of the increased
16 reliance on residential health care services and facilities for
17 Hawaii's aging population. The state supplemental payment for
18 adult residential care homes, licensed developmental



1 disabilities domiciliary homes, community care foster family
2 homes, and certified adult foster homes was last increased in
3 2008 by Act 220, Session Laws of Hawaii 2008. However, the
4 costs of operating these facilities continue to rise. Many care
5 home residents rely on the state supplemental payment to cover
6 the costs of residing in these facilities.

7 The purpose of this Act is to increase the state
8 supplemental payment for adult residential care homes, licensed
9 developmental disabilities domiciliary homes, community care
10 foster family homes, and certified adult foster homes; and to
11 change the percentage of the federal poverty level upon which
12 public assistance allowance is based.

13 SECTION 2. Section 346-53, Hawaii Revised Statutes, is
14 amended by amending subsection (a) to read as follows:

15 "(a) This subsection does not apply to general assistance
16 to households without minor dependents. The standard of need
17 shall equal the federal poverty level [~~established by the~~
18 ~~federal government in 2006~~], prorated over a twelve-month period
19 based on family size.

20 The assistance allowance provided shall be based on a
21 percentage of the standard of need. For other work eligible
22 households and non-work eligible households and households in



1 which all caretaker relatives are minors, living independently
2 with minor dependents and attending school, the assistance
3 allowance shall be set no higher than [~~sixty two and one half~~]
4 _____ per cent and no lower than [~~forty four~~] _____ per cent of
5 the standard of need. For all other households, the assistance
6 allowance shall be set no higher than [~~sixty two and one half~~]
7 _____ per cent of the standard of need and set no lower than
8 [~~thirty four~~] _____ per cent of the standard of need. The
9 standard of need shall be determined by dividing the [2006]
10 federal poverty level by twelve and rounding down the quotient.
11 The remaining quotient shall be multiplied by the per cent as
12 set by the director by rules pursuant to chapter 91, and the
13 final product shall be rounded down to determine the assistance
14 allowance; provided that:

- 15 (1) The department may increase or reduce the assistance
16 allowance as determined in this subsection for work
17 eligible households for the purpose of providing work
18 incentives or services under part XI;
- 19 (2) No reduction shall be allowed that jeopardizes
20 eligibility for or receipt of federal funds;
- 21 (3) Reductions in the assistance allowance shall be
22 limited to no more than one per year; and



1 (4) No work eligible household, which includes an adult
2 who has received sixty cumulative months of temporary
3 assistance to needy families with minor dependents,
4 shall be eligible for an assistance allowance, unless
5 authorized by federal regulations."

6 SECTION 3. Section 346-53, Hawaii Revised Statutes, is
7 amended by amending subsections (c) and (d) to read as follows:

8 "(c) The director, pursuant to chapter 91, shall determine
9 the rate of payment for domiciliary care, including care
10 provided in licensed developmental disabilities domiciliary
11 homes, community care foster family homes, [~~and~~] certified adult
12 foster homes, and expanded adult residential care homes, to be
13 provided to recipients who are eligible for Federal
14 Supplementary Security Income or public assistance, or both.

15 The director shall provide for level of care payment as follows:

16 (1) Beginning on July 1, 2008, for adult residential care
17 homes classified as facility type I, licensed
18 developmental disabilities domiciliary homes as
19 defined under section 321-15.9, community care foster
20 family homes as defined under section 321-481, and
21 certified adult foster homes as defined under section



- 1 321-11.2, the state supplemental payment shall not
2 exceed \$651.90; [and]
- 3 (2) Beginning on July 1, 2008, for adult residential care
4 homes classified as facility type II, the state
5 supplemental payment shall not exceed \$759.90[-];
- 6 (3) Beginning on July 1, 2014, for adult residential care
7 homes classified as facility type I, licensed
8 developmental disabilities domiciliary homes as
9 defined under section 321-15.9, community care foster
10 family homes as defined under section 321-481, and
11 certified adult foster homes as defined under section
12 321-11.2, the state supplemental payment shall not
13 exceed \$ _____ ;
- 14 (4) Beginning on July 1, 2014, for adult residential care
15 homes classified as facility type II, the state
16 supplemental payment shall not exceed \$ _____ ;
- 17 (5) Beginning on July 1, 2014, for expanded adult
18 residential care homes as defined under section 321-
19 15.1 and classified as facility type I, the state
20 supplemental payment shall not exceed \$ _____ ; and
- 21 (6) Beginning on July 1, 2014, for expanded adult
22 residential care homes as defined under section 321-



1 15.1 and classified as facility type II, the state
2 supplemental payment shall not exceed \$;
3 provided that beginning on July 1, 2014, the maximum state
4 supplemental payment amounts in paragraphs (3), (4), (5), and
5 (6) shall be changed in December of each year to include the
6 percentage, if any, by which the consumer price index for that
7 calendar year exceeds the consumer price index for the prior
8 calendar year.

9 If the operator does not provide the quality of care
10 consistent with the needs of the individual to the satisfaction
11 of the department, the department may remove the recipient to
12 another facility.

13 The department shall handle abusive practices under this
14 section in accordance with chapter 91.

15 Nothing in this subsection shall allow the director to
16 remove a recipient from an adult residential care home or other
17 similar institution if the recipient does not desire to be
18 removed and the operator is agreeable to the recipient
19 remaining, except where the recipient requires a higher level of
20 care than provided or where the recipient no longer requires any
21 domiciliary care.

1 (d) On July 1, 2006, and thereafter, as the department
 2 determines a need, the department shall authorize a payment, as
 3 allowed by federal law, for resident clients receiving
 4 supplemental security income in adult residential care home, as
 5 defined under section 321-15.1, type I and type II facilities,
 6 expanded adult residential care home as defined under section
 7 321-15.1, type I and type II facilities, licensed developmental
 8 disabilities domiciliary homes as defined under section 321-
 9 15.9, community care foster family homes as defined under
 10 section 321-481, and certified adult foster homes as defined
 11 under section 321-11.2, when state funds appropriated for the
 12 purpose of providing payments under subsection (c) for a
 13 specific fiscal year are not expended fully within a period that
 14 meets the requirements of the department's maintenance of effort
 15 agreement with the Social Security Administration.

16 The payment shall be made with that portion of state funds
 17 identified in this subsection that has not been expended.

18 The department shall determine the rate of payment to
 19 ensure compliance with its maintenance of effort agreement with
 20 the Social Security Administration."

21 SECTION 4. Statutory material to be repealed is bracketed
 22 and stricken. New statutory material is underscored.



1 SECTION 5. This Act shall take effect on July 1, 2050.



Report Title:

Adult Residential Care Homes; Domiciliary Care Facilities; State Supplemental Income

Description:

Amends the state supplemental payment amounts for specified types of adult residential care homes and other domiciliary care facilities and provides for annual adjustment. Changes the public assistance allowance to an unspecified percentage of the current federal poverty level. Effective July 1, 2050. (SD1)

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