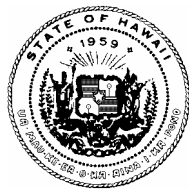


HB 1693

HD1

Measure Title:	RELATING TO HUMAN SERVICES.
Report Title:	Late Payments; Adult Day Care Facility; Community Care Foster Family Home; Adult Residential Care Home
Description:	Requires the State to pay interest on late payments to an operator of an adult day care facility, community care foster family home, or adult residential care home. Effective July 1, 2050. (HB1693 HD1)
Companion:	<u>SB2773</u>
Package:	None
Current Referral:	HMS, WAM
Introducer(s):	CACHOLA, AQUINO, CABANILLA, HANOHANO, C. LEE, MIZUNO, RHOADS, Awana, Evans, Ichiyama, Ing, Nakashima, Souki, Takayama



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

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

March 18, 2014

TO: The Honorable Suzanne Chun Oakland, Chair
Senate Committee on Human Services

FROM: Patricia McManaman, Director

SUBJECT: **H.B. 1693, H.D.1 - RELATING TO HUMAN SERVICES**

Hearing: Tuesday, March 18, 2014; 1:30 p.m.
Conference Room 016, State Capitol

PURPOSE: The purpose of this bill is to require the State to pay interest on late payments to an operator of an adult day care facility, community care foster family home, or adult residential care home.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) respectfully opposes this bill.

The current Med-QUEST Division contracts require that health plans pay 90% of claims within 30 days and 99% of claims within 90 days. For the quarter ending September 30, 2013, 95.6% of claims were paid within 30 days and 99.7% were paid within 90 days; for the quarter ending December 31, 2013, 92.8% of claims were paid within 30 days and 99.3% were paid within 90 days. The total amount of interest paid by QExA plans for claims paid over 30 days was \$91.84 for October 1, 2013-December 31, 2013.

Additionally, the current law provides equitable treatment for all vendors contracted with the State related to late payments. All providers are important as they provide vital services for the Department's recipients, however, DHS opposes preferential treatment for operators of an adult day care facility, community care foster family home, or adult residential care home.

Thank you for the opportunity to testify on this measure.



Senator Chun Oakland, Chair

Committee on Human Services

1:30pm, Tuesday March 18, 2014

HB 1693 (In Support)

My name Elma V. Tierra, Pres. of Adult Foster of the Pacific, representing 450 members all over Oahu & other Island. I have been a Community Family Foster Caregiver for over 12 years, taking care 2 to 3 patients at home. As a homeowner we are obliged to pay our monthly mortgage every month. In addition to my mortgage I have to provide items for the patients such as – bath soap, laundry supplies, toilet tissue, utilities, gasoline to take the patient to their doctors appointments. If we don't receive payments from the State in a timely manner could jeopardize my business & also my financial situation. It is very disappointing when you work so hard, often neglecting your family and other personal activities and still have to struggle to make both ends meet because the State is, for whatever reason was late in their payments.

Whether we get paid on time or not we still have to take care our patient. We are doing our part by caring for those in need; all we ask is for the State to do their part and compensate us for our work in a timely manner

I strongly support HB 1693 which would require the State to pay interests for late payment. Thank you for the opportunity to testify.

Very truly yours,


Elma V. Tierra

Pres. Adult Foster Home of the Pacific

HB1693

Submitted on: 3/16/2014

Testimony for HMS on Mar 18, 2014 13:30PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Maria Corazon E. Cariaga	Big Island Adult foster home operators	Support	No

Comments: