



STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

**Testimony in OPPOSITION to H.B. 2279
RELATING TO HEALTH.**

REPRESENTATIVE JOHN M. MIZUNO, CHAIR
HOUSE COMMITTEE ON HEALTH & HUMAN SERVICES

Hearing Date: Friday, February 2, 2018

Room Number: 329

1 **Fiscal Implications:** None identified.

2 **Department Testimony:** Thank you for the opportunity to testify in OPPOSITION to this bill.

3 The Department previously testified in opposition to similar bills during previous
4 legislative sessions. These statutory amendments are not needed at this time or are better left to
5 the private care home industry.

6 Concerning a vacancy forum, the Department previously testified that the idea of a
7 vacancy forum is a good one and that the care home industry should undertake this private
8 venture. This is not a governmental responsibility. Creating a forum amounts to advertising, and
9 advertising care home vacancies is essentially advertising for private services from private
10 caregivers who collect private payments from private patients. In addition, the Department lacks
11 staffing and IT hardware and software resources to create, implement, monitor and maintain a
12 forum where non-state persons enter information. The Department would also be concerned
13 about IT security and inadvertent IT viruses.

14 Concerning licensing fees, the Department created administrative rules to establish
15 licensing fees on licensed health care facilities. The admin rules were presented at public
16 hearing on October 25, 2017, and are currently at the Governor's office for his signature.

1 Establishing licensing fees by rule is the preferred method in order to avoid political influence
2 while allowing for public input. As a result of the current rules awaiting the Governor's
3 signature, establishing licensing fees in statute is unnecessary.

4 Fair caregiver compensation may be a private matter between care home licensees as
5 employers and caregivers as employees or a matter of negotiating a compensation rate with a
6 private payer or governmental agency.

7 The caregivers identified in this bill are mostly licensees at Adult Residential Care
8 Homes (ARCH), Developmental Disabilities Domiciliary Homes (DDDOM), Community Care
9 Foster Family Homes (CCFFH), and Adult Foster Homes under the Developmental Disabilities
10 Division (DDD) and who provide 24-hour care. They charge rates to private pay patients at rates
11 that the market will bear. If they provide care to patients who are Department of Health or
12 Department of Human Services clients, payments are determined by law (such as Medicaid or
13 Medicaid waiver programs) or by contract. As a result, language in this bill relating to caregiver
14 compensation is unnecessary.

15 Finally, regarding interest payment, contracts between licensed care home providers and
16 DOH programs already contain language requiring interest payments on late payments. Again,
17 as a result, language in this bill to amend state statute is unnecessary.

18 If this committee decides to advance this bill despite the Department's opposition, the
19 committee should insert a definition for "community-based care homes." None can be found in
20 this bill or in current statute.

21 Thank you for the opportunity to testify on this bill.

LATE

HB-2279

Submitted on: 2/1/2018 9:12:01 PM

Testimony for HHS on 2/2/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Sarah Suzuki	Blue Water Resources	Support	No

Comments:

We ask that you pass this bill so we can all continue to provide services to the aged, blind, and disabled population.

**TO: Chair of Health & Human Services Representative John Mizuno
Vice Chair Bertrand Kobayashi and Members of the Committee**

DATE: February 2, 2018, Friday

TIME: 8:30 AM

PLACE: Conference Room 329

TESTIFIER: Wannette Gaylord

BILL: HB 2279

POSITION: IN STRONG SUPPORT



Aloha Chair Mizuno, Vice Chair Kobayashi and Committee Members,

My name is Wannette Gaylord and I strongly support HB 2279. This multifaceted bill will be beneficial for all of our frail kupuna.

Anyone caring for an elderly person should have training and if not blood related “must” have State oversight to prevent both abuse and neglect.

The State website that posts deficiencies should allow for posting of facility vacancies to assist in proper placement of our elderly.

With our elderly population growing at a rapid pace it is necessary to maintain oversight of caregivers of our frail kupuna. Placement of our loved ones into licensed care facilities (if unable to return home with family) will enable this.

Please stop the “fake” care homes as they are not following the law and displace the resident when the family can’t pay any more. “Fake” care homes are not licensed or certified so they cannot receive Medicaid funds to enable a person without financial means to “age in place”.

Thank you for allowing me to testify in support of HB 2279.

A fake care home is facility that charges rent for accommodations and charges a fee to perform ADL’s and or nursing care for an unrelated elderly or disabled person that is not licensed or certified by the State.

LATE

HB-2279

Submitted on: 2/1/2018 10:20:17 PM

Testimony for HHS on 2/2/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Agnes Reyes	Case Management Professionals, Inc.	Support	No

Comments:

LATE

HB-2279

Submitted on: 2/1/2018 10:42:29 PM

Testimony for HHS on 2/2/2018 8:30:00 AM

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

Comments:

I am supporting this bill **due to we need a pay increase also. Since we never had it since we started this program last 1998. In regards to the certification fee for CCFFH, I want to suggest \$25 to \$50 every certification. I strongly support this HB2279. Thank you for allowing me to submit my testimony.**

LATE

HB-2279

Submitted on: 2/1/2018 10:58:05 PM

Testimony for HHS on 2/2/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Maria E. Cariaga	CCFFH	Support	No

Comments:

Please help us to have a pay increase, and to consider a \$25 Or \$50 recertification fee. Please help us to pass this HB2279.

Thank you for allowing me to submit my testimony.

LATE

HB-2279

Submitted on: 2/2/2018 12:36:09 AM

Testimony for HHS on 2/2/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Gloria M Aves	Adult Foster Homecare Assn of Hawaii	Support	No

Comments:

Dear Chair Mizuno, Vice Chair Kobayashi and Members of the Committees:

I strongly support HB2279 - The OMNIBUS CAREGIVER BILL

Licensing of homes in the community where our kupuna can be admitted to be taken care of should be licensed by the State, which means that they are regulated and that rules are being implemented and followed. This is to ensure the safety of the individuals placed therein. The proliferation of unlicensed homes is putting this safety at stake, and thus the need to track down and stop this practiced. More and more homes that used to be licensed opted to continue as unlicensed because, 1) it is easier, less hassle on paperworks, 2) more income because they can have as many private clients as they want, 3) anybody can take care of the clients, 4) less or no expense to maintain compliance.

The compensation for caregivers should also proportioned with the services we are providing our clients. For a clear illustration: for a hospice client placed in a foster home, we are only paid the regular service fee of \$41.06 a day while a hospice agency that is coming to the home are being paid more that 5x that amount. And looking at the workload we are providing. We caregivers are working and with the clients 24/7, while the personnels from the hospice agencies come once or twice a week for about 30 to an hour. I am not saying that we should be compensated the same, what I want to point out is that, we should be given some consideration to an increase.

The State should do some cost analysis on the savings that the community homes contribute. Placing the elderly in community care homes are much much economical than letting them stay in nursing homes. It is not fair to have some pay increase for this contribution?

I strongly believed that a better compensation scheme will maintain the quality service we at the community care homes provides.

Representative John M. Mizuno, Chair
Representative Bertrand Kobayashi, Vice Chair

LATE

Committee on Health and Human Services

From: Ruthie Agbayani, Vice President, United Caregivers of Hawaii
Date: Friday, February 2, 2018, 8:30 a.m., Conference Room 329
Subject: Support for HB 2279, Relating to Health

Aloha! My name is Ruthie Agbayani; my family and I have been Community Care Foster Family Home (CCFFH) providers since 1998. We are certified by Community Ties of America (CTA), the State of Hawaii Department of Health's agency on certification and licensure under the Office of Health Care Assurance (OHCA), to care for up to three clients in our home, providing a family-like environment for the aging, rather than institutional nursing home settings. CCFFH is a program for Medicaid recipients, but private pay individuals can also be accepted into this program.

Aside from my family and business obligations, I volunteer my time in advocacy and lobbying with the United Caregivers of Hawaii (UCH). The mission of UCH is for caregivers, families, and communities to work together to achieve the common purpose of outstanding quality care for our kupuna.

We strongly support HB 2279, Relating to Health, which establishes and amends provisions relating to the care of the elderly and disabled in state-licensed care facilities.

We support the amendments outlined in Part II of HB 2279, particularly on the emphasis of licensing requirements, as well as imposing penalties when not in compliance with licensing requirements. This is the healthcare field; everyone should follow the law mandating licensure and healthcare management as it serves as a protection for the kupuna we care for and as a protection for the people/entities providing healthcare services.

We also support the amendments outlined in Part III of HB 2279, regarding inspections and posting public notices, as we understand the necessity of oversight by the Department of Health. However, please take into consideration the amount of time inspections are conducted that they do not interfere with the regular and routine functions of the facility/home. In addition, it would be wise on the part of the Department to contemplate that unannounced visits could be a waste of time and funds if the resident(s) and/or caregiver(s) are not in the facility/home, perhaps they are at medical or business appointments, or out on trip/excursion.

Speaking of funds, we support Part III, Section 8, for necessary funds appropriated out of the general revenues of the State of Hawaii for the implementation and maintenance of the Department of Health's website to support the posting of public notices regarding inspections, as well as vacancies for all facilities/homes.

Furthermore, we support Part IV of HB 2279, concerning licensing, relicensing, certification, recertification fees. We understand that the collection of licensing fees offsets the State's general fund expenditure and allows the Department of Health to maintain its critical functions. The determination of such fees should be based on the maximum number of residents the facility/home is licensed/certified for. For example, Community Care Foster Family Homes (CCFFH) are certified for a maximum of three residents with the requirement that CCFFHs are allowed only one private-pay client; Type I Adult Residential Care Homes (ARCH) are licensed for a maximum of five residents; Type I Expanded Adult Residential Care Homes (E-ARCH) are licensed for a maximum of five residents with no more than three nursing home level of care residents; Type II ARCH are licensed for more than five residents; Type II E-ARCH are licensed for more than five residents with no more than 20 percent nursing home level of care residents.

As a CCFFH provider, I am not familiar with facilities/homes for developmentally disabled individuals and capacities. As a CCFFH provider, because our homes are initially designed for Medicaid recipients, **I personally propose certification/recertification fees of \$5 per number of residents certified to care for.** In my case, I am certified to care for up to three residents who may be all Medicaid recipients, and perhaps one private-pay. As a CCFFH provider, I will leave the ARCH and E-ARCH providers, as well as DD providers, to determine the amount of licensing/relicensing fees are reasonable and appropriate for their care settings.

Additionally, we favorably support Part V of HB 2279 pertaining to fair compensation of caregivers and case managers. As a CCFFH provider, the minimum requirements of a Primary Caregiver is to be a Certified Nurse Assistant (CNA). According to [payscale.com](https://www.payscale.com), a CNA in Honolulu, Hawaii earns an average wage of **\$14.48 per hour**. Whether the CNA is caring for just one person on a one-to-one basis or up to 20 patients in institutional facilities (hospital, nursing home, etc). Currently, CCFFH and E-ARCH Medicaid reimbursement service rates for Level 2, no cost share, is **\$41.06 per day per client**. Please remember that CCFFH and E-ARCHs operate 24 hours, 7 days, 365 days, with not only the Primary Caregiver (PCG), but also Substitute Caregivers (SCG). \$41.06 per day per client is only \$1.71 per hour per client. As a CCFFH provider caring for up to three Medicaid recipients, that would constitute to only \$5.13 per hour. If the average wage of a CNA is \$14.48 per hour, then technically \$347.52 would be the average rate per day.

That is real compensation. What then is fair compensation? Please take into consideration that CNAs working in institutional facilities are limited in their scope of work. CCFFH and E-ARCHs not only provide medical and personal care assistance, PCGs and SCGs provide homemaker services (preparation of meals, laundry, shopping, etc.), for their residents. Depending on the Home, recreational activities, transportation assistance, and other services are offered as well. As a CCFFH provider, at the very minimum, **I personally propose to raise the reimbursement rate to \$115.84 per day per client** (assuming \$115.84 per day times three clients). I will leave the Case Managers to determine their fair compensation.

Moreover, we have long been waiting to support Part VI of HB 2279, regarding late payment interest. Most businesses either provide products or services. Caregivers and case managers provide services. Most businesses receive compensation for such products or services. Caregivers and case managers are reimbursed for services provided to Medicaid recipients from the Department of Human Services through health maintenance organizations (United Health, Ohana Health, Aloha Care, HMSA, etc). Most businesses charge a minimum of 1% for late payments after 30 days. Why, even the government charges various fees for late payments (tax collection, vehicle registration, property taxes, etc). Many caregivers, including myself, and case managers are delayed paid and not paid for services rendered to Medicaid recipients. It may take weeks, months, years to get paid. There should not be a cut off period of filing claims and/or requesting departmental audits to getting paid.

Caregivers and case managers dedicate their lives, their families, their employees to the business of providing healthcare services with the expectation of timely compensation. There are regular and normal expenses that comes with any business; such expenses are usually expected to be paid on time (mortgage, rent, electricity, water, land line and cellular phone, cable television and internet, taxes, insurances, vehicle registrations and safety checks, etc). Please keep in mind that there are expenses throughout the year pertaining to licensing requirements, such as fingerprinting, criminal background checks, TB clearances, CPR and first aid certification, continuing education, etc. Thus, **I personally propose that a minimum of 1% after 30 days shall be imposed for late payments of Medicaid reimbursement.**

Everything needs to be fair and equal as we all work together in caring for our kupuna, setting statewide industry standards, making patient safety and public safety ultimate priorities, and making sure clients, caregivers, and case managers are satisfied with services and compensation.

We urge the committee to pass HB 2279. Thank you for this opportunity to submit my testimony online.

LATE

HB-2279

Submitted on: 2/2/2018 7:02:43 AM

Testimony for HHS on 2/2/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Helen Sumoba Sapla	Big Island Adult Foster Home Organization	Support	No

Comments:

LATE

HB-2279

Submitted on: 2/2/2018 8:08:48 AM

Testimony for HHS on 2/2/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Maribel Tan	Adult Foster Homecare Association	Support	Yes

Comments:

HB-2279

Submitted on: 2/2/2018 9:16:12 AM

Testimony for HHS on 2/2/2018 8:30:00 AM



Submitted By	Organization	Testifier Position	Present at Hearing
Frances Marie	CCFFH	Support	No

Comments:

I am supporting the bill HB2279 because providers of HCBS deserve and need a increase in pay. Also, their recertification fee should be at the range of \$25.00-\$50.00 each for every recertification event. Late payments should be discontinued in order to keep the business thriving. Illegal referrals and illegal care homes must be terminated for the sake of our Kupunas and health industry. Without a license, this prevents proper & adequate health care and poses a risk for potential harm to our Kupuna.

LATE

HB-2279

Submitted on: 2/2/2018 9:25:59 AM

Testimony for HHS on 2/2/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Frances Marie	CCFH	Support	No

Comments:

I highly support the bill HB2279 because I strongly believe caregiver's deserve an increase in pay for the amount of work their job requires of them. Late fees should also be discontinued in order for their business to thrive. Recertification feed should be decreased to \$25.00-\$50.00 for each recertification event. Illegal foster homes and illegal care homes should be terminated for the sake our Kupuna's health and safety. Without proper licensing and education on how to care for our Kupuna, they are at a n increase potential risk for harm in regards to their health and safety.

LATE

HB-2279

Submitted on: 2/2/2018 1:11:16 PM

Testimony for HHS on 2/2/2018 8:30:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
abundia tagaro		Support	No

Comments:

I support the HB2279