

SB2590

Measure Title: RELATING TO AGING.

Report Title: Aging and Disability Resource Centers; Health; Services

Description: Ensures that state and county planning efforts for the delivery of services to the aged or disabled share budgets, data, insights, strategies, goals, and definitions of success and recommendations. Reforms and improves the timely movement of funding and approvals to ensure that there are no delays in the delivery of services.

Companion: [HB1915](#)

Package: Kupuna Caucus

Current Referral: CPH/HMS, WAM

Introducer(s): IHARA, HARIMOTO, KIM, TOKUDA, S. Chang, Espero, Gabbard, Green, Kidani, Nishihara, Riviere, Ruderman, L. Thielen



CATHOLIC CHARITIES HAWAI'I

TO: Senator Rosalyn H. Baker, Chair
Senator Jill N. Tokuda, Vice Chair
Committee on Commerce, Consumer Protection, and Health

Senator Josh Green, Chair
Senator Stanley Chang, Vice Chair
Committee on Human Services

FROM: Terrence L. Walsh, Jr., President and Chief Executive Officer

DATE: Monday, February 5, 2018 (3:10 p.m., Room 016)

RE: **SB 2590, Relating to Aging**

Catholic Charities Hawai'i (CCH) is a tax exempt, non-profit agency that has been providing supportive home and community based services to elders since 1973 and currently serves over 4,000 older persons each year.

Catholic Charities Hawai'i is an aging network service provider, contracted through the City & County Elderly Affairs Division to provide State funded Kupuna Care Transportation Services and Senior Center District II Services (Lanakila Multi-Purpose Senior Center), and Federal funded Transportation Services, Housing Assistance (housing counseling for at risk and homeless elders), and Paraprofessional Services (escort). CCH also has a Grant In Aid for Lanakila through the State Executive Office on Aging.

CCH would like to share some of the types of challenges and barriers that are faced by nonprofits that provide services for elders through government contracts:

- **Delays in contracting** – With the C&C, we have recently experienced bids issued after the start of a fiscal year with less than 20 calendar days to respond and use of an RFB process which seems more aligned to construction contracts.
Additionally, we are also still waiting to receive the executed contract for the State Grant In Aid for Lanakila Multi-Purpose Senior Center, which was approved by the 2017 Legislature and effective July 1, 2017.
- **Gaps between contracts** – Providers of some Title III (Federal funded) services recently experienced a gap in contracts with the C&C – e.g. a FY2017 contract ended in September 2017 and a new contract was not issued until January 2018.
- **Changing rules regarding effective date of services and availability of funds** – Despite having executed contracts and Notices to Proceed, we have been informed by the C&C that we may not bill for services until the date on Delivery Orders, which were issued a month or longer after the Notice to Proceed.



- **Inability to plan** – Previously, providers would know at the start of the fiscal year about the amount of funding available to provide a service. Currently, funding is put into contracts in smaller amounts through Delivery Orders that are issued at random points during a fiscal year.
- **Delays in payment** – Historical delays in payment (as long as six (6) months) appear, at least on paper, to have diminished. However, delays in the issuance of Delivery Orders means that providers sometimes cannot submit invoices for months after the delivery of services. As a result, the time between invoice and payment appears short but the time between service delivery and payment is still lengthy.

CCH supports the recommendation in SB2590 to allow for electronic transfer of funds between state agencies, county agencies, and contractors. We hope that this will help to resolve some of the payment delays.

For more information or questions, please feel free to email Diane Terada, Division Administrator, at diane.terada@catholiccharitieshawaii.org or call her via phone at 527-4702.

Thank you for this opportunity to provide testimony.



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Building Independence for Challenged Lives

PRESIDENT & CEO
Marian E. Tsuji

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State of Hawaii Senate

Committee on Commerce, Consumer Protection, and Health

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Senator Jill N. Tokuda, Vice Chair

Committee on Human Services
Senator Josh Green, Chair
Senator Stanley Chang, Vice Chair

SB 2590, Relating to Aging
Monday, February 5, 2018, 3:10 PM
Conference Room 016

From: Marian Tsuji, President & CEO

Re: **Support for SB 2590**

Lanakila Pacific has served Hawaii's communities for more than 78 years, creating independence for challenged lives. As a Kupuna Care service provider, Lanakila Meals on Wheels serves more than 2,500 Hawaii kupuna a year.

We are in support of this bill in that it attempts to improve services to the aging. The bill addresses the need for:

- inclusive planning;
- the sharing of data and best practices;
- ensuring the timely movement of funding, including the use of electronic payment;
- dissemination of current information via the state's web site with links to the counties.

While these activities may sound like obvious operational practices, this is far from the system we have.

As some of you may know, we most recently had challenges maintaining services this past federal fiscal year (October 1).

It was the end of a contract year, and new contracts and delivery orders were not in place. (The contracts set the unit price, the delivery order dictates the quantity. Both are required in order to deliver services).

The delivery orders provide us with incremental funding (three months at a time); thus, it is difficult to plan. It is hard to staff; it is hard to make large investment decisions such as equipment upgrades; and it's hard to make decisions about bringing seniors onto the program when they may have to be taken off within a few months' time.

Timely payments have been another issue. Seven-month delays in payment are not uncommon. We are often told that we haven't submitted the correct paperwork; we are asked to make changes to the data submitted. Since the changes are requested after the fact, it creates an additional burden to collect information that was not previously requested.

We all know that Hawaii's growing senior population will only require more from the network of service providers who care for our kupuna. We need to fix it now. This bill is the first step toward that fix.

If we can provide you with additional information, please contact our Meals on Wheels Director, Lori Lau, at llau@lanakilapacific.org.

Thank you for your consideration.