

**SB2798**



STATE OF HAWAII  
DEPARTMENT OF HEALTH  
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**Testimony in SUPPORT of SB2798  
INTELLECTUAL AND DEVELOPMENTAL DISABILITIES WAIVER  
ADMINISTRATIVE CLAIMING SPECIAL FUND**

SENATOR JOSH GREEN, CHAIR  
SENATE COMMITTEE ON HUMAN SERVICES  
SENATOR ROSALYN H. BAKER  
SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, & HEALTH  
Hearing Date: January 31, 2018 Room Number: 16

1 **Fiscal Implications:** The proposed DDD Special Fund, upon approval from the Legislature, is  
2 expected to receive reimbursements through Targeted Case Management and other Medicaid  
3 administrative claiming. Under section 1903(a)(7) of the Social Security Act, federal payment is  
4 available at a rate of 50 percent for amounts expended by a state for allowable cost for  
5 administration of programs for the Medicaid population. The anticipated administrative claiming  
6 beginning in FY2019 is estimated at \$700,000 to \$1.2 million, which will support compliance  
7 requirements of the Medicaid I/DD Waiver.

8 **Department Testimony:** The Department of Health strongly supports SB2798. The Department  
9 of Health, Developmental Disabilities Division is the operating agency for the State of Hawaii's  
10 1915(c) Medicaid Home and Community Based Services (HCBS) Waiver to serve Persons with  
11 Intellectual and Developmental Disabilities (I/DD). Medicaid administrative claiming is  
12 allowable for the proper and efficient administration of the HCBS I/DD waiver. SB2798  
13 requests the legislature's approval of the establishment of a special fund for deposits from  
14 administrative claiming to administer the HCBS I/DD waiver.

15 Currently, administrative claiming for the operations of the HCBS are deposited in the general  
16 fund, limiting the DOH's ability to implement new federal requirements for sweeping changes to  
17 implementation of the waiver, including the Final Rule on Community Integration and its Home  
18 and Community-Based Settings Requirements. Implementation of these requirements and

1 operations of quality services requires an adequate infrastructure that includes ongoing  
2 monitoring and training for staff, families, waiver participants and providers. The monies from  
3 this special funds will be used to meet these requirements and to modernize overall operations.  
4 The fund would be used for:

5 (1) Payment for fiscal management services of the Hawaii section 1915(c) Home and  
6 Community-Based Services for Persons with Intellectual and Developmental Disabilities waiver;

7 (2) Training of staff, waiver providers, waiver participants, their families, and their legal  
8 representatives, and community stakeholders;

9 (3) Quality management activities for operating the Hawaii section 1915(c) Home and  
10 Community-Based Services for People with Intellectual and Developmental Disabilities waiver;

11 (4) Ongoing operations and maintenance of the information technology system;

12 (5) Conducting rate methodology studies to define rates for the Hawaii section 1915(c)  
13 Home and Community-Based Services for People with Intellectual and Developmental  
14 Disabilities waiver; and

15 (6) Assessment services for determining participants' level of support needs.

16 DOH-DDD has collaborated with the Department of Human Services (DHS) MedQuest Division  
17 (MQD).

18 Thank you for the opportunity to testify on this important measure.

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20 **Offered Amendments:** None

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