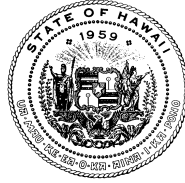


DAVID Y. IGE  
GOVERNOR OF HAWAII



CAROLINE CADIRAO  
PSM MANAGER

BRUCE ANDERSON  
DIRECTOR OF HEALTH

**STATE OF HAWAII**  
**EXECUTIVE OFFICE ON AGING**  
NO. 1 CAPITOL DISTRICT  
250 SOUTH HOTEL STREET, SUITE 406  
HONOLULU, HAWAII 96813-2831  
eoa@doh.hawaii.gov

**Testimony in SUPPORT of SB1238 SD1**  
**Relating to Establishing the Executive Office on Aging**  
**Administrative Claiming Special Fund**

COMMITTEE ON HUMAN SERVICES & HOMELESSNESS  
REPRESENTATIVE JOY A. SAN BUENAVENTURA, CHAIR  
REPRESENTATIVE NADINE K. NAKAMURA, VICE CHAIR

Testimony of Caroline Cadirao  
PSM Manager, Executive Office on Aging  
Attached Agency to the Department of Health

Hearing Date: March 20, 2019  
8:45 AM

Room Number: 329

1 **EOA's Position:** The Executive Office on Aging (EOA), an attached agency to the Department  
2 of Health **supports** SB1238 SD1 Establishing the Executive Office on Aging Administrative  
3 Claiming Special Fund.

4 **Purpose and Justification:** The purpose of this bill is to establish a special fund in the  
5 Executive Office on Aging into which federal funds the state is eligible to receive can be  
6 deposited. EOA will distribute the funds to the Aging and Disability Resource Center (ADRC)  
7 in each county to reimburse them for the work the ADRC staff performed to assist Medicaid  
8 eligible kupuna and individuals with disabilities who need long-term services and supports.

9 The Administration for Community Living (ACL) recommends that states pursue  
10 Medicaid administrative claiming of federal matching funds, known as Federal Financial

1 Participation (FFP), in order to provide ongoing revenue for the ADRCs that deliver essential  
2 services and supports for older adults and individuals with disabilities. The Administrative  
3 Claiming guidance that we received from the ACL identifies the activities that are potentially  
4 eligible for Medicaid Administrative Claiming to include: 1) Medicaid outreach; 2) referral,  
5 coordination and monitoring of Medicaid services; 3) facilitating Medicaid eligibility, and 4)  
6 other Medicaid administrative functions such as training, program planning, quality  
7 improvement and information technology development.

8           Currently fourteen states use Medicaid administrative claiming funds to support their  
9 ADRC activities, and thirteen states are in the planning phase to implement Medicaid  
10 administrative claiming.

11           EOA is currently in the process of submitting a claim for its share of FFP funds, but EOA  
12 has no mechanism to receive the FFP funds and redistribute these funds to the county ADRCs.  
13 Establishing a special fund would allow EOA to receive the FFP reimbursements and make those  
14 monies available to EOA for distribution to the ADRC sites for the work they were established to  
15 perform pursuant to HRS 349-32.

16 **Fiscal Implications:** It is estimated that the annual FFP claim for EOA and the ADRCs in all  
17 four counties could equal \$1.283 million in SFY 2018-19 to \$2.036 million in SFY 2022-23.  
18 According to the ACL, most states claim between \$500,000 to \$2 million per year.

19

20 Thank you for the opportunity to provide testimony in support of SB1238 SD1.



# STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

DAVID Y. IGE  
GOVERNOR OF HAWAII  
BRUCE S. ANDERSON, PH.D  
DIRECTOR OF HEALTH  
ROMALA SUE RADCLIFFE, B.A., M.A.  
ADMINISTRATOR

---

1177 Alakea St. #402, Honolulu HI 96813 Phone: 587-0786 Fax: 587-0783 www.shpda.org

Testimony of **Romala Sue Radcliffe**  
Administrator, State Health Planning and Development Agency

Before the  
**House Committee on Human Services & Homelessness**  
Wednesday, March 20, 2019 at 8:45 a.m., Conference Room 329

in **SUPPORT** of  
**SB1238 SD1**  
**Relating to Establishing the Executive Office on Aging  
Administrative Claiming Special Fund**

Joy A. San Buenaventura, Chair  
Nadine K. Nakamura, Vice Chair

Thirtieth Legislature Regular Session of 2019

Aloha Chair San Buenaventura, Vice Chair Nakamura, and Members of the Committee:

Thank you for this opportunity to testify in **support** of SB1238 SD1 Relating to Establishing the Executive Office on Aging Administrative Claiming Special Fund.

The State Health Planning and Development Agency (SHPDA) supports the establishment of a special fund for administrative claiming in the Executive Office on Aging. This is an excellent example of cross departmental collaboration to optimize additional revenue streams and maximize federal funding to support and expand greatly needed kupuna programs.

It is our sincere hope that more collaborations, like this, will occur in the future.

Your favorable consideration of this measure is greatly appreciated.