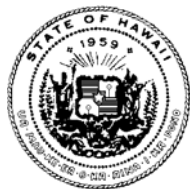


DAVID Y. IGE
GOVERNOR



PANKAJ BHANOT
DIRECTOR

CATHY BETTS
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

April 2, 2019

TO: The Honorable Senator Donovan M. Dela Cruz, Chair
Senate Committee on Ways and Means

FROM: Pankaj Bhanot, Director

SUBJECT: **HB 582 HD 2 SD 1– RELATING TO HEALTH**

Hearing: Thursday, April 4, 2019 10:35 a.m.
Conference Room 211, Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciate the intent and offer comments on Section 9 of the bill. We defer to the Department of Health (DOH) regarding the licensing and reporting sections of the bill.

PURPOSE: The purpose of this bill is to create and establish policies to adequately address the various issues concerning the elderly and disabled and the community healthcare industry while ensuring consumer protection for Hawaii's elderly and disabled.

DHS will comment on the caregiver and case manager compensation task force in Part V, Section 9. The bill establishes a task force under DOH that shall develop recommendations to the legislature to:

- 1) Address issues of compensation based on number of beds available at each facility; and
- 2) Address issues of payment of late fees and the applicability of section 431:13-108, Hawaii Revised Statutes, regarding time frames for insurance reimbursement.

DHS appreciates the amendments that the Committee on Commerce, Consumer Protection, and Health made to the taskforce by removing the topic of minimal compensation for caregivers since it was not in the purview of the agencies on the taskforce, and by adding a representative from one of the Medicaid managed care plans. We welcome the opportunity to work collaboratively with stakeholders on the taskforce.

Thank you for the opportunity to testify on this bill.



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

**Testimony in SUPPORT of H.B. 0582 HD2 SD1
RELATING TO HEALTH**

DONOVAN M. DELA CRUZ, CHAIR
SENATE COMMITTEE ON WAYS AND MEANS

Hearing Date: Thursday, April 4, 2019

Room Number: 211

1 **Fiscal Implications:** None.

2 **Department Testimony:** The Department SUPPORTS House Bill 582 (HB582), House Draft 2
3 (HD2), Senate Draft 1 (SD1).

4 The Department SUPPORTS the clarifying language of online posting of inspection
5 reports.

6 The Department appreciates that the proposed establishment of facility licensing fees in
7 statute was removed. Licensing fees are currently allowed pursuant to Section 321-11.5 HRS
8 and are deposited in the OHCA Special Fund pursuant to Section 321-1.4 HRS. The Department
9 established Chapter 103 Hawaii Administrative Rules (HAR) on licensing fees effective on
10 March 17, 2018.

11 Regarding the convening of a task force, the Department will convene this task force and
12 work with stakeholders to submit a report to the 2020 legislature. The Department appreciates
13 that SD1 recognizes the complexity of establishing compensation rates for Medicaid waiver
14 residents or patients and removed the Office of Health Care Assurance (OHCA) as a member on

1 this task force since the Department will be properly represented by others within the
2 Department.

3 Finally, the Department appreciates that SD1 maintains caregiver criteria to specified
4 facilities only.

5 Thank you for the opportunity to provide testimony in SUPPORT of this measure.

6 **Offered Amendments:** None.

HB-582-SD-1

Submitted on: 4/2/2019 9:37:50 PM

Testimony for WAM on 4/4/2019 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Rosemarie S. Sebastian	Testifying for United Group of Home Operators	Support	No

Comments:

OUR COMMENTS: UNITED GROUP OF HOME OPERATORS CONSISTS OF ABOUT FIFTY ADULT RESIDENTIAL CARE HOME-- WHO ARE CURRENTLY LICENSED UNDER DOH. ALL 50 MEMBERS ARE IN SUPPORT OF THIS BILL. THANK YOU!

HB-582-SD-1

Submitted on: 4/2/2019 9:06:20 PM

Testimony for WAM on 4/4/2019 10:35:00 AM

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

Comments:

COMMITTEE ON WAYS AND MEANS

Senator Donovan M. Dela Cruz, Chair

Senator Gilbert S. C. Keith-Agaran, Vice Chair

On behalf of the Big Island Adult Foster Home Operators we strongly support this bill, however we would like to request a friendly amendments on Part III Section 6. Section 321-1.8

Section7, Chapter 321, Part VI , Section 10 Sub"C" and in Part V Section 9.

Thank you for allowing me to submit my testimonies.

HB-582-SD-1

Submitted on: 4/2/2019 8:51:24 PM

Testimony for WAM on 4/4/2019 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Loriella Fiesta	Testifying for CCFFH	Support	No

Comments:

HB-582-SD-1

Submitted on: 4/2/2019 8:47:44 PM

Testimony for WAM on 4/4/2019 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
MARFE RETUNDO	Testifying for CCFFH	Support	No

Comments:

HB-582-SD-1

Submitted on: 4/2/2019 12:51:41 PM

Testimony for WAM on 4/4/2019 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
bernadette firme	Individual	Support	No

Comments:

I am Bernadette Firme operator of a Community Care Foster Family Home (foster home).

Strongly Support Bill HB582.

HB-582-SD-1

Submitted on: 4/3/2019 8:40:41 AM

Testimony for WAM on 4/4/2019 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Rachel S Castro	Individual	Support	No

Comments:

HB-582-SD-1

Submitted on: 4/3/2019 8:21:52 AM

Testimony for WAM on 4/4/2019 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Jocelyn Rosabia	Individual	Support	No

Comments:

HB-582-SD-1

Submitted on: 4/3/2019 12:28:41 AM

Testimony for WAM on 4/4/2019 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Grace Jadulang	Individual	Support	No

Comments:

HB-582-SD-1

Submitted on: 4/2/2019 9:11:39 PM

Testimony for WAM on 4/4/2019 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Benita Riingen	Individual	Support	No

Comments:

HB-582-SD-1

Submitted on: 4/2/2019 3:45:07 PM

Testimony for WAM on 4/4/2019 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Belarmina Rol	Individual	Support	No

Comments:

HB-582-SD-1

Submitted on: 4/2/2019 3:29:22 PM

Testimony for WAM on 4/4/2019 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Carlene Ebusutani	Individual	Support	No

Comments:

I strongly support of HB582 HD2 SD1.

Thank you!

HB-582-SD-1

Submitted on: 4/2/2019 3:26:00 PM

Testimony for WAM on 4/4/2019 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Andrea Quinn	Individual	Support	No

Comments:

Dear Honorable Committee Members:

Please support HB582.

Thank you for the opportunity to present my testimony.

Andrea Quinn

Kihei

HB-582-SD-1

Submitted on: 4/2/2019 2:34:45 PM

Testimony for WAM on 4/4/2019 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Marybeth Leano	Individual	Support	No

Comments:

I, Marybeth Leano, a foster home operator of Community Family Foster Home. I strongly support HB582.

ADULT FOSTER HOMECARE ASSOCIATION OF HAWAII

P.O. Box 970092, Waipahu, Hawai`i 96797

April 4, 2019

Maribel Tan
President

Testimony in Strong Support of HB 582 – WAM – 4/4/19, 10:35 a.m., Rm. 211

Chair Dela Cruz, Vice Chair Keith-Agaran, and Members of the Committee:

The Adult Foster Homecare Association of Hawaii (AFHA) **supports HB 582**, the caregivers omnibus bill. This bill contains provisions that protect the welfare of our clients, the elderly and disabled, while providing much needed relief for caregivers who have not seen any increase in reimbursement for over 10 years.

We provide 24/7 care 365 days a year for a flat-rate, which calculates to less than \$3.50 per hour – no overtime, no benefits – just \$3.50/hr for 24/7 care. We are willing to agree on raising the standards of care if we can get an increase in reimbursements – it's just so difficult financially, especially with the cost of housing and living in Hawaii is one of the highest in the nation, while our reimbursement rates are nowhere near comparable states.

The skyrocketing costs of providing care to the elderly and disabled make it nearly impossible to operate. Caregivers must pay their mortgage for their homes, most of which is used by the residents. Caregivers must also pay for electricity, water, and sewer costs that residents use; for property taxes, general excise taxes, and income taxes; for food, and kitchen, bathroom, and laundry supplies consumed by residents; for their cars and gasoline used to bring their residents to the doctor; for the insurance they are required to carry; for any entertainment they are expected to provide their residents. How do you stretch \$3.50/hr. for all of these costs and still make a living?

Notwithstanding the lack of financial incentives, caregivers tirelessly provide personalized virtual one-on-one hands-on care to their residents. On a daily basis, caregivers cook for their residents menus that are mandated by the State; they clean the house so that they can meet stringent standards of cleanliness; they bathe their residents; they help residents use the bathroom; they dress their residents; they take their residents to medical appointments; they ensure that residents take their medicine; they do the laundry soiled by their residents; and after all this, they entertain their residents and help their residents preserve their dignity giving them the feeling that they still belong in the community. All this for \$3.50 per hour. Please SUPPORT HB 582.

Very truly yours,

Maribel Tan
President

About AFHA

The Adult Foster Home Association of Hawaii (AFHA) is the industry trade association of providers under the Community Care Foster Family Home program under the Department of Human Services, State of Hawaii. With a membership of almost 750 providers, AFHA's mission is to promote the interests of providers as well as resident clients. AFHA members provide 24-hour care to resident clients 7 days a week, 365 days a year.

LATE

HB-582-SD-1

Submitted on: 4/3/2019 11:19:09 AM

Testimony for WAM on 4/4/2019 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Rueda Ramos	Individual	Support	No

Comments:

As one of the many full pledged caregivers, I fully support this bill. Your kind consideration in passing this Bill would be greatly appreciated by all of us. Mahalo!

LATE

Chair Dela Cruz, Vice Chair Keith-Agaran, and Ladies and Gentlemen of the Ways and Means Committee:

TESTIMONY STRONGLY SUPPORTING HB 582 RELATING TO CAREGIVER OMNIBUS BILL (HEIGHTENED STANDARDS AND INCREASED REIMBURSEMENT FOR CAREGIVERS)

Hearing Date: April 4, 2019 – 10:35 a.m. – Room 211

The undersigned caregiver of the Adult Foster Homecare Association of Hawaii, **emphatically urges the 2019 Hawaii State Legislature to enact HB 582** providing for a raise in Medicaid Waiver reimbursements to caregivers providing services under various home and community based programs. Caregivers provide personalized care to recipients who are eligible for Federal Supplementary Security Income or public assistance, most of whom are either elderly or developmentally disabled. Placement of these recipients in home and community based settings as opposed to acute-care hospitals and nursing facilities results in the following benefits: (1) allows elderly and disabled to be integrated into the mainstream community instead of being institutionalized; (2) alleviates the shortage of bed spaces needed for more acute care patients; (3) saves government millions of dollars by allowing relatively low reimbursement rates (starting at \$1,200 per patient per month) as compared to reimbursement rates for hospitals and institutions (starting at \$7,000 per patient per month).

DATE

4/3/19

PRINT NAME

Nenita Gounia

SIGNATURE

I Nenita Gounia

ADDRESS

94-573 Kahumanani St.
Waipahu, Hi. 96797

TELEPHONE NUMBER

808-676-7484

HB-582-SD-1

Submitted on: 4/3/2019 7:51:49 PM

Testimony for WAM on 4/4/2019 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Ruth Raza	Testifying for Big Island Adult Residential Carehome	Support	No

Comments:

On behalf of Big Island Adult Residential Carehome. I strongly support HB582 HD2 SD1.

Thank you for the opportunity to testify.

Ruth Raza, RN BSN

President BIARCH

LATE

Chair Dela Cruz, Vice Chair Keith-Agaran, and Ladies and Gentlemen of the Ways and Means Committee:

TESTIMONY STRONGLY SUPPORTING HB 582 RELATING TO CAREGIVER OMNIBUS BILL (HEIGTENED STANDARDS AND INCREASED REIMBURSEMENT FOR CAREGIVERS)

Hearing Date: April 4, 2019 – 10:35 a.m. – Room-211

72

The undersigned caregiver of the Adult Foster Homecare Association of Hawaii, **emphatically urges the 2019 Hawaii State Legislature to enact HB 582** providing for a raise in Medicaid Waiver reimbursements to caregivers providing services under various home and community based programs. Caregivers provide personalized care to recipients who are eligible for Federal Supplementary Security Income or public assistance, most of whom are either elderly or developmentally disabled. Placement of these recipients in home and community based settings as opposed to acute-care hospitals and nursing facilities results in the following benefits: (1) allows elderly and disabled to be integrated into the mainstream community instead of being institutionalized; (2) alleviates the shortage of bed spaces needed for more acute care patients; (3) saves government millions of dollars by allowing relatively low reimbursement rates (starting at \$1,200 per patient per month) as compared to reimbursement rates for hospitals and institutions (starting at \$7,000 per patient per month).

DATE

4/3/19

PRINT NAME

SIGNATURE

Cynthia Gima

I



ADDRESS

TELEPHONE NUMBER

1320 Anapa St. Hon 96818 | 808 744-1236 / 771 0557

LATE

Date: Thursday, April 4, 2019

Time: 10:35AM

Place: Conference Room 211

State of Hawaii

415 South Beretania St.

Committee On Ways And Means

Sen. Donovan M. Dela Cruz, Chair

Sen. Gilbert S.C. Keith-Agaran, Vice Chair

RE: HB 528, SD1

Good Morning Chair, Vice Chair,

My name is Lilia Fajotina, 21 years Carehome owner.

I strongly support HB 582, SD1, However, we would like to request a friendly Amendment to remove the strike through on Part II Section 2, the last line which read "Annual Inspection for Relicensing shall be conducted with notice, unless otherwise determined by the department"

The current practice of the Dept. of Health through the office of Health Care Assurance(OHCA) is to send notice to the care home operator regarding an upcoming annual relicensing inspection. The department has to give the certain day of the month but it does not announce the exact date. The reason of the Office of Health Care Assurance has to promulgated this system to allow the care home operator to be present during the inspection. OHCA requires that the primary caregiver, the care home operator and the residents must be present during the annual inspection.

The statute already has the provision for unannounced visits. Office of Health Care Assurance can conduct unannounced visit at any interval at its discretion to confirm correction of deficiencies and/or to investigate complaints for suspicion of neglect and abuse.

In general, caregiver in all the community-based care facilities are providing excellent care of our aging and frail kupuna.

Thank you for allowing me to testify.

Lilia Fajotina

Carehome Operator

LATE



Marylo Farinas
Db: CMC Kafamilya Adult Foster Home

April 3, 2019, 2019

Re: **HB582 HD2 – STRONGLY SUPPORT** _
Hearing Date: April 4, 2019 – 10:35am Room #211

Dear Chair Dela Cruz, Vice Chair Keith-Agaran and Members of the Committees:

My name is Marylo Farinas, a foster home operator of CMC Kafamilya Adult Foster Home for over 10 years now. I dynamically support HB582 HD2 due to the following amendments:

PART IV Section 11, Chapter 321—Compensation for caregivers and case managers. The department of health shall ensure that caregivers are fairly compensated. Currently, Adult foster home is being paid an average amount of \$2,500.00 for level 2 client per month this include \$418.00 therefore pay is only \$2,082 after room and board.

Calculations (average):

365days per yr @ 24hrs per day = 8,760hrs per yr / 730hrs monthly
\$2,082.00 / 730 hrs = \$2.85hourly
\$2.85 @ 24hrs = \$68.45 per day

Above rate has been since I started year 2008, cost of living gone up every year. From what I remember bag of 25lb rice was \$7.00 back then it gone up double, yet our pay never gone up a penny-- very sad. McDonald pay is even more appetizing but because caring our elderly is our passion that's what keeping us moving forward. Not only cost of living to consider, we are also required to secure finger printing where we need to pay \$80 every year, APS clearance \$15, Abstract, \$5.00 and also In-service trainings and continuing education which is roughly \$150. We also pay our own medical health insurance which is very expensive, liability insurance and GET tax. Now here comes recertification fees are in the talk, it appears to me this system is very very unfair, ridiculous which I don't understand. I would like to request Chair Dela Cruz sir, Vice Chair Keith-Agran sir, and the members of this Committee to please take a deeper look, review, study and consider giving us a rate increase to at least be competitive to current State of Hawaii Minimum wage of \$8.60 per hour from \$2.85 per hour. Thank you.

However, I would like to ask a friendly amendment to REMOVE Part IV Section 9 Chapter 321 License, relicense, certification and recertification fees. Again, how can we be charged if our pay hasn't gone up in decades.



Marylo Farinas

Dbas: CMC Kafamilya Adult Foster Home

Thank you for this opportunity to testify.

LATE

HB-582-SD-1

Submitted on: 4/3/2019 10:48:15 PM

Testimony for WAM on 4/4/2019 10:35:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
WANNETTE GAYLORD	Individual	Support	Yes

Comments:

As a Department of Health Licensed Care Home Operator I strongly support HB 582 to ensure the safety and well-being of our fragile Kupuna.

I thank you for your kind understanding of what it takes to care for our elderly and disabled kama'aina 24-hours a day, seven days a week.