

MAR 03 2022

## SENATE RESOLUTION

URGING THE DEPARTMENT OF HUMAN SERVICES TO STUDY THE FEASIBILITY  
OF INCREASING PAYMENT TO HAWAII'S COMMUNITY CARE FOSTER  
FAMILY HOMES AND EXPANDED ADULT RESIDENTIAL CARE HOMES FOR  
MEDICAID RECIPIENTS.

1 WHEREAS, the State has a limited number of beds in nursing  
2 homes for patients requiring the level of care provided by  
3 nursing homes; and  
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5 WHEREAS, the Community Care Foster Family Home (CCFFH)  
6 program and Expanded Adult Residential Care Home (E-ARCH)  
7 program provide additional options for patients requiring  
8 nursing home level care throughout the State; and  
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10 WHEREAS, caregivers in CCFFHs and E-ARCHs effectively  
11 provide the proper care needed for nursing home level patients,  
12 including assistance with activities of daily living,  
13 specialized care such as the use of feeding tubes and catheters;  
14 and the provision of basic wound care, maintenance exercise  
15 programs, cognitive stimulation, dietary management, and other  
16 custodial care as needed; and  
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18 WHEREAS, the availability of beds in CCFFHs and E-ARCHs can  
19 reduce the length of hospital stays; provide emotional,  
20 financial, and physical relief to families caring for an ill  
21 senior or other family member in their own home; and reduce the  
22 risk of homelessness, morbidity, and mortality in patients  
23 requiring nursing home level care; and  
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25 WHEREAS, the ARCH program was introduced in Hawaii in or  
26 around the 1950s to provide assisted living type care; it was  
27 expanded in 1994 to provide nursing home level care as the  
28 E-ARCH program under the Department of Health, serving  
29 approximately fourteen hundred patients with the potential for  
30 an even greater capacity; and  
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32 WHEREAS, the pilot CCFFH program was started in 1979 by The  
33 Queen's Medical Center; it started receiving Medicaid funding  
34 under a federal Medicaid waiver in 1984, initially under the



1 direction of the Department of Human Services, and currently  
2 under the Department of Health, which serves approximately three  
3 thousand patients with the potential for an even greater  
4 capacity; and

5  
6 WHEREAS, the 1984 CCFFH federal Medicaid waiver was  
7 approved based on its success as a high-quality alternative to  
8 nursing home placement for Medicaid patients that cost two-  
9 thirds or less than placement in a nursing home; and

10  
11 WHEREAS, the level of CCFFH reimbursement has not kept pace  
12 with that two-thirds target ratio; and in 2020, the  
13 reimbursement rate to CCFFH providers was approximately one-  
14 sixth of that for nursing home placements; and

15  
16 WHEREAS, caregivers who accept Medicaid patients into their  
17 CCFFH receive \$47.06 per day plus the patient's Social Security  
18 Assistance (SSA) for a maximum of \$2,500 per month for room,  
19 board, and patient care, while a nursing home receives \$280.00  
20 per day, plus SSA for the same patient for a maximum of \$10,100  
21 per month (with HMSA insurance, Kaiser health plan, and UHA  
22 insurance at slightly higher rates); and

23  
24 WHEREAS, studies by the American Association of Retired  
25 Persons show that Hawaii needs to improve efforts to provide  
26 lower cost long-term care services available in the community  
27 under Hawaii's MedQuest Medicaid program rather than the more  
28 expensive care in nursing homes; and

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30 WHEREAS, CCFFH and E-ARCH operators are often dually  
31 employed in nursing homes, hospitals, assisted living  
32 facilities, and other health care facilities around the State in  
33 order to supplement their income and maintain their own health  
34 benefits, which creates greater risk for the spread of  
35 infectious disease; and

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37 WHEREAS, many CCFFH caregivers decline to accept Medicaid  
38 patients and instead save empty beds for private-pay patients in  
39 order to optimize their income, thus reducing the number of beds  
40 available for Medicaid patients; now, therefore,



1 BE IT RESOLVED by the Senate of the Thirty-first  
2 Legislature of the State of Hawaii, Regular Session of 2022,  
3 that the Department of Human Services is requested to review the  
4 existing payment model for Medicaid reimbursement for patients  
5 who require nursing home level of care in the community, study  
6 the feasibility of increasing the reimbursement rate to CCFFH  
7 and E-ARCH care providers, and determine the overall effect of  
8 increasing the rate for CCFFH and E-ARCH care providers; and  
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10 BE IT FURTHER RESOLVED that the Department of Human  
11 Services is requested to submit a report of its findings and  
12 recommendations to the Legislature no later than thirty days  
13 prior to the convening of the Regular Session of 2023; and  
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15 BE IT FURTHER RESOLVED that certified copies of this  
16 Resolution be transmitted to the Director of Human Services,  
17 Adult Foster Home care Association of Hawaii, and Alliance of  
18 Residential Care Home Administrators.  
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OFFERED BY. 

