



STATE OF HAWAII
DEPARTMENT OF HEALTH
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**Testimony in SUPPORT of H.B. 1081, HD1
RELATING TO PENALTIES FOR UNLICENSED CARE HOMES.**

REPRESENTATIVE KYLE T. YAMASHITA, CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date: Thursday, February 23, 2023

Room Number: 308

1 **Fiscal Implications:** None

2 **Department Testimony:** Thank you for the opportunity to testify in STRONG SUPPORT of
3 this administration bill to strengthen the ability of the Department of Health and its Office of
4 Health Care Assurance (OHCA) to protect the public against uncertified or unlicensed health
5 care facilities.

6 The purpose of this bill is to better safeguard the public by repealing HRS §321-486.3
7 and avoid conflict with HRS §321-20. In short, essentially, this is a housekeeping bill.

8 HRS §321-486 authorizes OHCA to conduct investigations on uncertified or unlicensed
9 care facilities and HRS §321-486.3 allows OHCA to assess administrative penalties of no more
10 than \$100 per day for the 1st violation, \$500 per day for the 2nd violation, and \$1,000 per day for
11 the 3rd and each succeeding violation.

12 However, HRS §321-20 also lists remedies at the department's disposal. It includes the
13 assessment and payment of "an administrative penalty not to exceed \$1,000 for each day of
14 violation."

1 Uncertified or unlicensed care facilities charge thousands of dollars per month to multiple
2 vulnerable *kupuna*. These facilities are not inspected for quality of care and to ensure caregiver
3 qualifications including background checks. As a result, HRS §321-20 is the better enforcement
4 tool, and \$1,000 per day is a more appropriate remedial approach to prevent unlicensed operators
5 from profiting at the hands of vulnerable or frail elderly. A \$100 per day fine for the 1st violation
6 would be meaningless to an operator making tens of thousands of dollars per month.

7 Thank you for the opportunity to testify in STRONG SUPPORT of this administration
8 bill.

9 **Offered Amendments:** None.

THE KŪPUNA CAUCUS



FIN_02-23-23 1:30 PM Submitted 02- 21-23

TO: THE COMMITTEE ON FINANCE
Rep. Kyle T. Yamashita, Chair
Rep. Lisa Kitagawa, Vice Chair

Re: HB1081 HD1 - RELATING TO PENALTIES FOR UNLICENSED CARE HOMES

POSITION: Support

ALOHA, Chair Yamashita, Vice Chair Kitagawa, and Members of the Finance Committee

The Kūpuna Caucus of the Democratic Party of Hawai'i has a membership of more than 2,000 politically active and aware seniors. The DPH Kūpuna Caucus supports this bill, which would change the penalties on nursing homes that are unlicensed. The authors of the bill believe that using the administrative penalties set out in HRS §321-20(1) will be a more effective set of remedies than the current set of penalties set out in HRS §321-486.3, which require a court decision in a criminal misdemeanor case.

Unlicensed care homes must be controlled because the chances that Kūpuna might be poorly cared for or even abused are too great even with the desperate need for more facilities for senior care facilities.

There is an appalling shortage of care home options for Kūpuna in our state. Kūpuna may not have their own home or a family home. They may not be able to afford private in home care, or have family to care for them. Many do not have insurance or have insufficient insurance to pay for long-term care related services. In addition, the recent Covid epidemic raised serious questions as to the competence of some established care homes, even licensed ones.

Having said that, there is a need for more facilities. There are private persons who may have the best intentions in trying to set themselves up as a small care home but who do not have the necessary knowledge or expertise to operate as one. They cannot be allowed to function without a proper license due to safety concerns.

However, with so great a need for more such facilities, we need licensing procedures for new care homes to be streamlined, efficient, and thorough. People who are prepared to run a legal long term care home should be able to be inspected and licensed and up and running as soon as it is safe to do so. Thank you for considering our testimony.

Alan B. Burdick and Martha E. Randolph, for the
Kūpuna Caucus of the Democratic Party of Hawai'i

HB-1081-HD-1

Submitted on: 2/22/2023 8:38:30 PM

Testimony for FIN on 2/23/2023 1:30:00 PM

Submitted By	Organization	Testifier Position	Testify
Johnnie-Mae L. Perry	Individual	Support	Written Testimony Only

Comments:

I, Johnnie-Mae L. Perry SUPPORT HB 1081 RELATING TO PENALTIES FOR UNLICENSED CARE HOMES. To include the Waianae community.