

**STATE OF HAWAII**  
**DEPARTMENT OF HEALTH**  
**KA 'OIHANA OLAKINO**  
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**Testimony in SUPPORT of H.B. 1081**  
**RELATING TO PENALTIES FOR UNLICENSED CARE HOMES.**

REPRESENTATIVE DELLA AU BELATTI, CHAIR  
HOUSE COMMITTEE ON HEALTH AND HOMELESSNESS

Hearing Date: Wednesday, February 8, 2023

Room Number: 329

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.

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 1<sup>st</sup> violation, \$500 per day for the 2<sup>nd</sup> violation, and \$1,000 per day for  
11 the 3<sup>rd</sup> 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. A \$100 per day fine for the 1<sup>st</sup> violation would be meaningless to an operator making tens  
5 of thousands of dollars per month.

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

8   **Offered Amendments:** None.

# THE KŪPUNA CAUCUS



Feb 6<sup>th</sup> for HLT\_02-08-23

**TO: COMMITTEE ON HEALTH & HOMELESSNESS**

**Rep. Della Au Belatti, Chair**

**Rep. Jenna Takenouchi, Vice Chair**

**CONCERNING: HB1031 (Penalties Unlicensed Care Homes), HB914 (Health), HB872 (Healthy Aging Partnership), HB278 (Relating to Health), HB838 (Relating to Long Term Care)**

**POSITION: Full Support**

Aloha Chair Belatti, Vice Chair Takenouchi, and Members of the Committee

The Kupuna Caucus of the Democratic Party of Hawaii supports the bills listed above.

The Caucus feels strongly that any measures which prevent Kupuna from being placed in an unlicensed care home, either willingly or unwillingly should be passed. Too many people take advantage of Kupuna in so many ways, their care and wellbeing should be one of the States most important concerns.

Along those lines, Long Term Care is becoming one of the most important issues for all Kupuna and their families all over the country as well as here in Hawaii. As the population of our nation ages and the birth rates go down the issue of long term care for our elders is affecting us all. This is of special concern to those Kupuna who have little or no family, and/or limited finances. Homelessness is sad enough, but a homeless Kupuna is one of the most heartbreaking sights in our state. This is not consistent with the Hawaiian cultural traditions for Kupuna.

Keeping Kupuna as healthy as possible requires the coordination of many services and departments so any bills which assist those efforts are very necessary.

Finally, Alzheimer's disease is one of the most tragic disabilities that can affect any human being. When it happens to a mother or father the family is forced to watch their beloved elder slowly wither away into a state of confusion and loss. When people are ignorant of the symptoms or the possible progress it can be a devastating shock.

Please vote to pass these bills.

Martha Randolph for The Kupuna Caucus

**HB-1081**

Submitted on: 2/7/2023 1:44:20 PM

Testimony for HLT on 2/8/2023 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Josephine Pascua	Individual	Support	Written Testimony Only

Comments:

I'm supporting this bill and also HB 914

**HB-1081**

Submitted on: 2/7/2023 2:26:02 PM

Testimony for HLT on 2/8/2023 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Leilani B Domingo	Individual	Support	Written Testimony Only

Comments:

Dear Legislator, I strongly support HB1081 and HB914 because they are not following the rules and regulations and it's unfair to us and those following by laws, thank you

# ADULT FOSTER HOMECARE ASSOCIATION OF HAWAII

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

Feb. 8, 2023

Maribel Tan  
President

**Testimony in Strong Support of HB1081** – HLT – 2/8/23, 9:45 a.m., Rm. 329 (Testifier to Appear via Videoconference)

Chair Belatti, Vice Chair Takenouchi, and Members of the Committees:

The Adult Foster Homecare Association of Hawaii (AFHA) **strongly supports HB1081**, which clarifies the penalty to be assessed on any person who intentionally operates a care facility without a certificate or license.

First and foremost, we applaud the respective departments and agencies on their efforts over the last two years to investigate and enforce the much needed law against the operation of a care facility without the appropriate certificate or license. The fact that their efforts have netted over 2.5 Million Dollars in fines and the closure of 221 unlicensed homes proves there is a problem and a need for stiffer penalties.

Penalties of up to \$1,000 per day are needed because illegal care facilities sometimes receive up to \$8,000 per month per patient. With five residents, an illegal care facility can take in up to \$40,000 per month. The penalty must be sufficiently serious to deter illegal activity. We have heard some facilities do not care about the penalty because it is still profitable for them to operate, so they can just pay the fine and continue operations.

These illegal facilities are a threat to our kupuna and to those vulnerable who cannot take care of themselves. There is a special trust involved when the elderly or disabled place themselves into the care of a facility. These unlicensed “private” homes have no oversight whatsoever – no quality assurance.

Families who are looking for care for their Kupuna are often emotional and desperate. These unlicensed “private” homes prey upon the emotions of the Kupuna and their families assuring them that they will provide a quick and easy solution. Not knowing better, Kupuna and their families often fall for the cheap price promised by these unscrupulous businesses.

They can claim to have experience and promise quality care, but there is no assurance their representations are authentic or genuine. Their credentials could be expired or simply bogus.

## 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 1,000 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.

Unlike licensed homes, these homes are not subject to mandatory criminal background checks, immunizations, and periodic inspections. This is a very dangerous situation for Kupuna and the disabled who often are unable to care for themselves.

Our members proudly operate community care foster family homes and are subject to both announced and unannounced inspections by the Department of Health. We also have case managers, fully certified Registered Nurses, that are licensed and regulated by the State of Hawaii to ensure quality of care. At least once a week Case Managers assess all of our patients, they inspect our homes and check on our patients. CTA also provides oversight and sometime show up unannounced. We are constantly being inspected to ensure high standards of care. We are even required to take continuing education each year. Unlicensed “private” homes have none of these safeguards.

As we have consistently maintained, we care about our Kupuna! We have come before the Legislature in the past. Some people have characterized us as greedy, but we simply want the best for our Kupuna. Although we understand the financial plight that caregivers have been pushed, we must enforce the rules against these unlicensed homes. It’s already hard for us financially as I testified yesterday.

More and more will let their licenses expire and contract “privately” to get more money. The lack of pay increases has forced some of us to the brink, but we nevertheless stand strong against unlicensed homes.

Therefore, we **STRONGLY SUPPORT** HB 1081.

Very truly yours,

Maribel Tan  
President

Dear Legislator,

I strongly support HB 1081 to raise our reimbursement rate. We have not received an increase for over 17 years.

It's been so hard to keep up with all the things that are happening in my life. Especially the mortgage payments and bills that need to be paid at the end of the month. Over the years, it was difficult to keep my organization (Ganancial Foster Home, LLC) open. We keep it open because we care for each individual that falls under our care and many more in the future. But it isn't easy to take care of a client 24 hours of the day even when there's more than one under the same caregiver. We caregivers are responsible in the morning, afternoon, and night to ensure not only the safety of our clients but the physical and mental status in which they are under our care. We help them in every way possible such as transporting them, scheduling their doctor appointments, washing their bodies, entertaining them, cooking for them and everything else. Holidays and weekends aren't even an exception. We caregivers work hard and provide genuine care.

Please help us, we are struggling because the price for everything is going up.

Thank you for supporting HB 1081

Daisy Ganancial  
92-366 Waiomea St.  
(808)232-4020  
[daisy.ganancial@yahoo.com](mailto:daisy.ganancial@yahoo.com)



**HB-1081**

Submitted on: 2/8/2023 3:21:10 AM

Testimony for HLT on 2/8/2023 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Helen Sumoba Sapla	Individual	Support	Written Testimony Only

Comments:


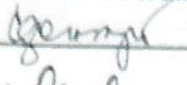
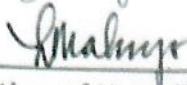
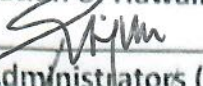
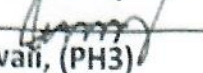
Honorable Legislators

Committee on Human Services

I am Helen Sapla Vice president of ILWU Local 1000 and a certified caregiver for 50 years. Thank you for this opportunity to testify. I strongly support HB 1081 for the following reasons: a) Unlicensed care homes are not operating under the state rules and regulations and yet they are still in business. b)It is unfair for those caregivers who are working hard who are in compliance with all the state requirements. The state should do more aggressive measures to stop them.

### TESTIMONY ON HB1081 IN SUPPORT

The Presidents of:

1.  Maribel B. Tan, President, Adult Foster Homecare Association of Hawaii (AFHA of HI)
2.  Carina Ocampo, President, United Caregivers of Hawaii (UCH)
3.  Lemmy Maluyo, President, Community Homecare Association of Hawaii (CHCAH)
4.  Elma Tierra, President, Alliance of Professional Primary Care Administrators (APPCA)
5.  Menchie Dawang, President, Provider/Helping Hands of Hawaii, (PH3)

We submit testimony as a coalition in support to HB 1081. We are the Presidents from five organizations representing nearly 85% of the community caregiver industry.

We support HB1081, because this bill will provide stronger penalties to be assessed on any person who intentionally operates a care facility without a certificate or license.

We need to support the department of health in closing down these illegal, unlicensed, and uncertified care homes in Hawaii. These illegal care homes do not pay taxes, and their operators do not have background checks, they have no insurance, no review from the department of health, no inspections, and charge private patients over \$10,000 to \$15,000 per month. Important to provide that once these private pay patients spend down their life saving, they are kicked out of these illegal care homes and are forced to become qualified under Medicaid.

For the reasons provided, we request that you pass HB1081.

February 7, 2023

Dear Legislator,

I strongly support the HB1081 and HB 914. As a PCG of adult Foster Home, we are only allowed to have 1 private client. In the meantime, there are other care homes that are operating illegally with multiple private clients (as many as 5). In these facilities, these clients are not safe. The Department of Health are not actively involved with these illegal care homes. For safety reasons, we support this bill so that the clients are put in safer facilities.

I humbly ask the legislator to support us by reviewing HB1081 and HB 914 and granting our request.

Thank you,

**Mercy Esteban**

CCFFH PCG\_CNA

Email: [babypandan63@yahoo.com](mailto:babypandan63@yahoo.com)

**Betty Vera Cruz**

3611 Aliamanu St.

Honolulu, Hawaii 96818

**Mari Angelene D.Maluyo**

PCG,CNA

2215 Auhuhu St PC Hi,96782

Email: Angiedumal@yahoo.com

**Janeth Dulig PCG,CNA**

Email: Janethdulig@yahoo.com

**HB-1081**

Submitted on: 2/7/2023 6:53:51 PM

Testimony for HLT on 2/8/2023 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Carina Ocampo	United Caregivers of Hawaii	Support	Written Testimony Only

Comments:

I am in support of HB1081 pertaining to the increase in penalty for unlicensed care homes.

**HB-1081**

Submitted on: 2/7/2023 7:40:46 PM

Testimony for HLT on 2/8/2023 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Myungsuk	Individual	Comments	Written Testimony Only

Comments:

We want fair legal action. We should work with a license rightfully and legally.

**HB-1081**

Submitted on: 2/7/2023 9:16:27 PM

Testimony for HLT on 2/8/2023 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
roma magnaye	afha	Support	Remotely Via Zoom

Comments:

Madam/Sir,

I Roma M Robles,I strongly support HB1081 to have the illegal carehome or foster to be closed,and have the person/s get a penalized.

Having these illegal operator running the business without a proper paperwork is not fair for those operator that we have to go in a legal process and pay to get certification.

The most affected are our KUPUNAs, kupunas have the right to get a better care and safe place.

We hope that this bill will be heard.

Respectfully,

ROMA M ROBLES

To: Representative Della Au Belatti  
Health and Homelessness Committee Chair  
Representative Jenna Takenouchi  
Health and Homelessness Committee Vice Chair

From: Wannette Gaylord  
ARCA President

Date: February 8, 2023

Re: **HB 1081** – Relating to Health **IN STRONG SUPPORT**

I humbly request that your committee pass HB 1081 to maintain the safety and wellbeing of our disabled and frail kupuna by penalizing any person who intentionally operates a care facility without a certificate or license.

Any facility that performs any type of hands on care should be required to be licensed by the State of Hawaii, Department of Health to maintain the necessary standards of care for everyone. I am in strong SUPPORT of HB 1081 that will clarify the penalties and prevent those operators from financially benefiting from operating a care home without a license or certificate.

Mahalo for allowing me to submit my testimony in **STRONG SUPPORT of HB 1081**.

**HB-1081**

Submitted on: 2/8/2023 9:07:04 AM

Testimony for HLT on 2/8/2023 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
MYRIAM TABANIAG	APPCA	Support	Written Testimony Only

Comments:

The organization as a whole strongly support the intent of the Bill HB1081. The caregiving industry is a regulated industry in the State of Hawaii, which means that all carehome facilities should be either licensed or certified. Therefore, any operator of an unlicensed home or facility is violating the law. And any penalties assessed to these unlicensed homes and operators should be \$1000 or more a day. The amount is only peanuts for them as they DO NOT report all income, not paying taxes to the State and Federal; not providing medical and dental benefits for their employees and other needed benefits for them. These unlicensed care home operators are building 8-16 bedroom homes to put more frail, vulnerable to abuse elderly in to these homes without oversight from the Department of Health, Office of Health Care Assurance. Thank you for allowing me to testify.



**HB-1081**

Submitted on: 2/8/2023 10:58:44 AM

Testimony for HLT on 2/8/2023 9:45:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
bernadette firme	united caregiver of hawaii- uch	Support	Written Testimony Only

Comments:

IM IN SUPPORT OF HB1081 TO CHANGE THE PENALTY OF UNLICENSE/ILLEGAL CAREHOME BECAUSE ITS UNFAIRE TO THOSE LEGAL CAREHOME AND ALSO ALL PRIVATE CLIENTS GOES ALL TO THEM. THEY ARE GETTING PAID HIGHER AND NOT FOLLOWING ANY RULES. ALSO REPEAL THE LANDLORD EXCLUSION SO THAT THEY ARE ALSO LIABLE IF THEY RENT THEIR HOMES. HOPE THIS WILL BE GRANTED.

THANK YOU