

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

**Testimony COMMENTING on HB1356 HD1 SD1  
RELATING TO MEDICAID PATIENT CARE**

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

Hearing Date: 3/30/23

Room Number: 211

**1 Department Testimony:**

2 The Department of Health (DOH) offers comments on HB1356 HD1 SD1.  
3 HB1356 HD1 SD1 appropriates funds for enhanced payments to providers of state-licensed adult  
4 residential care homes (ARCH) and developmental disabilities domiciliary homes (DD Dom) to  
5 address costs and lost revenue related with the COVID-19 pandemic. The Department of Health,  
6 Developmental Disabilities Division (DOH-DDD) operates the 1915(c) Waiver for Individuals  
7 with Intellectual and Developmental Disabilities on behalf of the Department of Human  
8 Services, Med-QUEST Division.

9 During the COVID-19 Pandemic, the DOH-DDD implemented a number of measures to  
10 mitigate potential loss of revenue by its programs. This included implementing one-time retainer  
11 payments that allowed providers to bill at historic payment levels for three-to-four months,  
12 regardless of whether they were able to deliver services, using §9817 of the American Rescue  
13 Plan Act (ARPA). On July 1, 2021, using the ARPA authority, rates were increased by one-half  
14 of the difference between the existing rates and the DOH-DDD 2020 rate study  
15 recommendations. On October 1, 2022, rates were increased to 100 percent of the 2020 rate  
16 study recommendations. The service delivered by some ARCH providers and all DD Dom  
17 providers are paid through a service called Residential Habilitation in the 1915(c) Waiver.  
18 Fortunately, very few DDD participants in these settings were lost during the COVID-19  
19 pandemic so providers experienced little if any loss in revenue during this period as the service

1 utilization remained constant during this time. Additional costs for items such as personal  
2 protective equipment (PPE) and cleaning products during the pandemic were mitigated by wide-  
3 scale distribution by DOH-DDD.

4 **Fiscal Implications:** Because the state would not be able to retroactively request enhanced  
5 payments from CMS as described in this measure, it is likely the state would fully bear costs.

6 Thank you for the opportunity to testify.



**STATE OF HAWAII**  
STATE COUNCIL  
ON DEVELOPMENTAL DISABILITIES  
1010 RICHARDS STREET, Room 122  
HONOLULU, HAWAII 96813  
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543

March 30, 2023

The Honorable Senator Donovan M. Dela Cruz, Chair  
Senate Committee on Ways and Means  
The Thirty-Second Legislature  
State Capitol  
State of Hawai'i  
Honolulu, Hawai'i 96813

Dear Senator Dela Cruz and Committee Members:

SUBJECT: HB1356 HD1 SD1 RELATING TO MEDICAID PATIENT CARE.

The Hawaii State Council on Developmental Disabilities **SUPPORTS HB1356 HD1 SD1**, which appropriates funds to provide enhanced payments for coronavirus disease 2019-related costs and lost revenues to adult residential care homes and developmental disabilities domiciliary homes that are caring for residents who receive Medicaid benefits, under certain conditions.

We would like to thank the legislator for changing the word "patients" to "residents" in this measure.

Currently, according to the Department of Health Office of Health Care Assurance's website, there are 40 domiciliary homes and over 500 Type 1 residential care homes in Hawai'i. Covid-19 and recent increases in inflation have hit our local care homes. These homes were a key step in the Hawai'i deinstitutionalization movement and allowed individuals with Intellectual/Developmental Disabilities (I/DD) who need care to live in a community-based setting. Any financial support that can be provided to these homes helps keep our I/DD population closer and more integrated into our communities and helps to improve their quality of life.

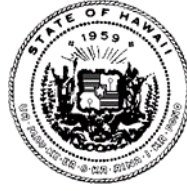
Thank you for the opportunity to submit testimony in **support of HB1356 HD1 SD1**.

Sincerely,

Daintry Bartoldus  
Executive Administrator

**LATE**

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



CATHY BETTS  
DIRECTOR  
KA LUNA HO'OKELE

JOSEPH CAMPOS II  
DEPUTY DIRECTOR  
KA HOPE LUNA HO'OKELE

STATE OF HAWAII  
KA MOKU'ĀINA O HAWAI'I  
**DEPARTMENT OF HUMAN SERVICES**  
KA 'OIHANA MĀLAMA LAWELAWE KANAKA  
Office of the Director  
P. O. Box 339  
Honolulu, Hawaii 96809-0339

March 29, 2023

TO: The Honorable Senator Donovan Dela Cruz, Chair  
Senate Committee on Ways & Means

FROM: Cathy Betts, Director

SUBJECT: [HB 1356 HD1 SD1](#) - RELATING TO MEDICAID PATIENT CARE.

Hearing: March 30, 2023, 10:05 a.m.  
Conference Room 211 & Via Videoconference, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) comments on this measure and defers to the Department of Health on relevant parts. DHS respectfully requests that any appropriation not replace or reduce priorities identified in the executive budget and Governor's Messages.

**PURPOSE:** This bill appropriates funds to provide enhanced payments for coronavirus disease 2019-related costs and lost revenues to adult residential care homes and developmental disabilities domiciliary homes that are caring for residents who receive Medicaid benefits, under certain conditions. Effective 6/30/3000. (SD1)

The HD1 amended the measure by:

- (1) Changing the effective date to June 30, 3000, to encourage further discussion; and
- (2) Making a technical, nonsubstantive amendment for the purposes of clarity, consistency, and style.

The SD1 amended the measure by:

- (1) Clarifying that the appropriated funds shall be for enhanced payments to providers of state-licensed adult residential care homes and developmental disabilities domiciliary homes that are caring for residents, rather than patients, who receive Medicaid benefits;
- (2) Clarifying that either the Department of Human Services or the Developmental Disabilities Division of the Department of Health, whichever is applicable, shall obtain the maximum amount of federal matching funds available for the appropriated funds; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

DHS does not set the rates nor directly reimburse Developmental Disability Domiciliary Homes. The Department of Health's Developmental Disabilities Division determines those reimbursement rates and payments. If there is an appropriation, it should be directed to the DOH program.

Second, this measure denotes enhanced payments for Adult Residential Care Homes. There are different types of Adult Residential Care Homes, and DHS Med-QUEST programs only reimburse for services provided at Expanded- Adult Residential Care Homes (E-ARCH). Per Act 254, Session Laws of Hawaii 2022 (Act 254), DHS already provided one-time “enhanced” payments to help mitigate some of the impacts of the pandemic to E-ARCHs along with nursing facilities and Community Care Foster Family Homes (CCFFHs).

However, while there may be residents receiving Medicaid benefits in ARCH-Type 1 and Type II care homes, ARCHs do not qualify for Medicaid payments for their residents since, by definition, they do not meet the level of care criteria for professional health services provided in an intermediate care facility or skilled nursing facility. Therefore, DHS cannot meet the proviso (section 1, lines 9-13) to obtain the maximum amount of federal matching funds available for this expenditure as no federal matching funds are available for these expenditures.

Thank you for the opportunity to testify on this measure.

**HB-1356-SD-1**

Submitted on: 3/28/2023 6:57:41 PM

Testimony for WAM on 3/30/2023 10:05:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Rosemarie S. Sebastian	Testifying for ILWU LOCAL 1000	Support	Written Testimony Only

Comments:

Hello.

We are health care contractors for the State of Hawaii, We care for the impoverished and the Medicaid benefit recipients--who are unable to care for themselves. We provide for their housing, meals and snacks, daily needs, 24/7, 365 days a year supervision, and in some cases, we also bring patients to their doctors' appointments and provide medicine monitoring.

The Type I Adult Residential Care Homes and DD Domiciliary Homes were not awarded any Covid Relief reimbursements--just like Community care foster family homes and Expanded adult residential care homes. Our Type I ARCH has been in operation for over 50 years. Our pay (medicaid) is barely enough and just like all other facilities, we were also affected by the consequences of the Covid pandemic; therefore, we ask that you kindly support/vote approval of this bill.

Thank you for your kind support.

Sincerely,

Rosemarie S. Sebastian, Treasurer

ILWU LOCAL 1000

99-079 Kauhale St., #101, Aiea, HI 96701

**HB-1356-SD-1**

Submitted on: 3/28/2023 8:59:28 PM

Testimony for WAM on 3/30/2023 10:05:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Susan Quinabo	Testifying for ILWU Local 1000	Support	Written Testimony Only

Comments:

My name is Jesusa Quinabo, a liscensed CareHome Administrator for 29 years, and the Presedent of ILWU Local 1000, an affiliation of all Hawaii State liscensed community care givers.

I strongly **SUPPORT HB 1356**, which gives appropriate funds to provide enhamced payments to Type 1 Adult Residential Care Home Operators( ARCH ) and Developmental Dissabilities Domicillary Home(DDDom) Operators that are caring for Medicaide Clients.

There are over 500 liscensed Type 1 ARCH and 50 DDDom Homes in the State. Covid 19, the recent inflation and increasing hourly rate of our substitute caregivers have hit these community Care Homes. And these Homes are the essential gradual relocation of residents/clients with intellectual development disabilities who need care in the community base setting.

With any financial support that can be provided to these Homes will help to improve their quality of life.

# ILWU Local 1000

99-079 Kauhale Street, Aiea HI 96701

March 25, 2023

Honorable Chair, Sen. Donovan Dela Cruz  
Honorable Vice-Chair, Gilbert Keith-Agaran  
and

Hawaii Senate Ways and Means Committee Members:

Sen. Henry Aquino	Sen. Michelle Kidani	Sen. Glenn Wakai
Sen. Lynn DeCoite	Sen. Donna Mercado Kim	Sen. Maile Shimabukuro
Sen. Lorraine Inouye	Sen. Chris Lee	Sen. Kurt Fevella
Sen. Dru Mamo Kanuha	Sen. Sharon Moriwaki	

**Re: Support for Bill(s) HB1356, HB1357, SB1474 HAWAII**

Aloha! We are writing to you today to support House Bill(s) which supports fairness for licensed home operators/providers in Hawaii. Licensed home operators/providers give daily care for the most vulnerable population in our State, the medicaid benefit recipient clients. We provide medicaid clients with their essential daily needs, as well as comfort, companionship, and supervision. Licensed home providers have received no significant pay increases for medicaid recipient clients under our care for fourteen years (2008-2022). Many of the medicaid recipient clients would have nowhere else to go except the streets or beaches.

Investment by the State in the improved compensation and fair treatment for our licensed home operators/providers will draw more interest in this profession and result in more new home operators/providers which will relieve some stress on hospital ER usage and reduce homelessness.

The licensed caregivers/home operators are also a good investment for the State as they are a much cheaper and high quality alternative to a skilled nursing facility (nursing home) or hospital. In fact, care for medicaid recipients at licensed home operators saves the State millions of dollars per month.

On behalf of our members, we, the executive board of ILWU Local 1000, ask for your support of the aforementioned Bills that promote fair treatment and compensation for all licensed home operators/providers in Hawaii.

Respectfully yours,

*Susan Quinabo*

President

*Helen Sapla*

1st Vice President

*Esther Pascual*

2nd Vice President

*Rosemarie Sebastian*

Treasurer

*Joenalyn Solmerin*

Secretary

*Delia Cabingabang*

Trustee

*Juanita Ulep*

Trustee

*Levy Vargas*

Trustee

*Maria Corazon Cariaga*

Trustee

*Marilyn Villar*

Trustee

ILWU Local 1000 represents licensed Community Care Foster Family Home (CCFFH) operators, Adult Residential Home Operators, Expanded ARCH and (EARCH) operators and Developmentally Disabled Domiciliary Home operators.



**LATE**

**HB-1356-SD-1**

Submitted on: 3/29/2023 5:01:32 PM

Testimony for WAM on 3/30/2023 10:05:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Juanita	Testifying for Local 1000 ILWU	Support	Written Testimony Only

Comments:

Chair Senator Donavan Dela Cruz

Co Chair Gilbert-Keith Agara

Members of the Committee

WAM 2023

I am in support of HB1356 relating to legislative SB3236 was passed (2023 act 254).

My name is Juanita A. Ulep, Type 1 ARCH care provider for thirty eight (38) years. I have been caring for medicaid clients for thirty eight (38) years. I am hoping to receive a portion from the \$18 million allocated for covid expenses.

Chair, vice chair, and members of the committee, please help us support the bill for us to survive.

Thank You.

Juanita A. Ulep

Local 1000 ILWU

Trustee

**HB-1356-SD-1**

Submitted on: 3/29/2023 9:35:43 AM

Testimony for WAM on 3/30/2023 10:05:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Delia Cabingabang	Individual	Support	Written Testimony Only

Comments:

My name is Delia Cabingabang, 70 years old, ILWU Local 1000 Trustee, and a licensed care home administrator for 40 years.

I STRONGLY SUPPORT HB1356.

My care home residents have had chromosomal deficiencies, blind, and schizophrenia. They have been with me for the last 44 years. I admitted them when they were teenagers, 2 of them were abandoned, and some have their own family but cannot take care of them because they also had to work for their own growing families.

Ever since they came to my care home, I became the Jane of all trades. I have served them like a mother, cooked and fed them three times a day, have taken them to their doctor's appointment as needed, administered their medications as ordered by their physicians, assist them in their daily activities, housekeeping and all day monitoring.

It is a big responsibility as a caregiver. I also want to retire one day. I am looking for someone who has the right attitude and passion to take over my facility and care for my residents. This job does not attract the younger generations due to the long hours and commitment necessary to take on this role. The current pay is not enticing either at \$50.50 per patient per day, \$1,515.50 per month.

This is a challenge for all of us. The future of the care home industry is diminishing, considering the high numbers of the elderly population, plus the incoming baby boomers, as well as the existing clients in our facilities. I kindly ask for your support of this bill that will increase compensation for the care of medicaid patients.

Thank you for your consideration

Mrs. Delia Cabingabang

Care Home Administrator

ILWU Local 1000 Trustee