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KE KIA'ĀINA



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DIRECTOR
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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 1357 HD1 SD1](#) - RELATING TO CARE HOMES.

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

DEPARTMENT'S POSITION: The Department supports the SD 1 amendments to this measure.

PURPOSE: Beginning on July 1, 2023, the bill requires that the State Supplemental Payment for type 1 adult residential care homes, licensed developmental disabilities domiciliary homes, community care foster family homes, and certified adult foster homes not exceed \$767. Beginning on July 1, 2023, requires that the State Supplemental Payment for type II adult residential care homes not exceed \$875. (SD1).

The HD1 amended the measure by:

- (1) Amending the appropriation to provide enhanced payments to certain care home providers, rather than back payments; and
- (2) Changing the effective date to July 30, 3000, to encourage further discussion.

The SD1 amended the measure by:

- (1) Deleting its contents and inserting the contents of House Bill No. 1309, H.D. 1, a measure that:

- (A) Beginning on July 1, 2023, requires that the state supplemental payment for type I adult residential care homes, licensed developmental disabilities domiciliary homes, community care foster family homes, and certified adult foster homes increase from \$651.90 to \$772; and
- (B) Appropriates funds to provide state supplemental payments in the amount of \$772 to certain care home providers for each resident under the provider's care who is eligible for federal Supplemental Security Income or public assistance, or both;
- (2) Further amending House Bill No. 1309, H.D. 1, by:
 - (A) Increasing the maximum state supplemental payment for type I adult residential care homes, licensed developmental disabilities domiciliary homes, community care foster family homes, and certified adult foster homes to \$767, beginning on July 1, 2023;
 - (B) Increasing the maximum state supplemental payment for type II adult residential care homes from \$759.90 to \$857, beginning on July 1, 2023; and
 - (C) Deleting language that would have appropriated funds to the Department of Human Services;
- (3) Making it effective upon its approval; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

DHS appreciates the SD1 amendments as they will allow increased payments to the care homes to be accomplished by increasing the amounts of the State Supplemental Payments, as outlined in sections 346-53(c) and (d), Hawaii Revised Statutes (HRS). These amendments will increase payments up to \$1380 per year for domiciliary care per resident who receives State Supplemental Payments.

The Legislature last updated these amounts in 2008 (i.e., the 14 years that the many supporters of the bill have cited). The Social Security Administration makes the payments to the care homes on behalf of the resident from the residents' Supplemental Security Income and, if the resident qualifies, the State Supplemental payments. The State Supplemental Payment program assists individuals residing in domiciliary care (Dom Care), such as the care homes named in this measure, to help cover various costs, such as their room and board. The residents must be eligible for federal supplementary income (SSI), public assistance, or both. The State Supplemental Payment (SSP) is used for the following:

- Domiciliary care payments, as specified in section 346-53(c), HRS;
- Personal Needs Allowance (PNA) for individuals residing in settings as specified in section 346D-4.5, HRS; and

- Administrative fees paid to the Social Security Administration (SSA) to add the SSP amounts to each individual's monthly Supplemental Security Income (SSI) check.

Notably, there already is an appropriation to DHS for SSP payments. Additionally, under the Code of Federal Regulation (C.F.R.) 416.2096, there are Maintenance of Effort (MOE) expenditure requirements for the SSP. However, the past several years' expenditures did not reach the required MOE levels for the past several years, and additional "shortfall" payments had to be made per 346-53(d), HRS,

"(d) On July 1, 2006, and thereafter, as the department determines a need, the department shall authorize a payment, as allowed by federal law, for resident clients receiving supplemental security income in adult residential care home type I and type II facilities, licensed developmental disabilities domiciliary homes as defined under section 321-15.9, community care foster family homes as defined under section 321-481, and certified adult foster homes as defined under section 321-11.2, when state funds appropriated for the purpose of providing payments under subsection (c) for a specific fiscal year are not expended fully within a period that meets the requirements of the department's maintenance of effort agreement with the Social Security Administration."

This past year, the shortfall payments totaled \$3,764,504. Therefore, if the monthly amounts for the SSP were increased by \$115, no additional state appropriation would be needed since the increase is already accounted for in the SSP budget allocation. The increase would be about \$2,930,020, which can be accommodated in the current state budget.

Finally, although the measure is effective upon approval, it may take some time to make these changes due to needing to work with the federal Social Security Administration to make all necessary administrative changes.

Thank you for the opportunity to provide testimony on this measure.

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.

TESTIMONY FOR HB 1357

My name is Jesusa Quinabo, ILWU Local 1000 President, and a licensed care home administrator for 29 years now.

I STRONGLY SUPPORT HB 1357

The inflation cost to maintain a care home facility is very difficult. Aside from the rising prices for grocery shopping, gasoline, electric, water, and for activities of daily living maintenance, staffing usage costs are soaring at \$25- \$35/hr per patient.

My patients are Medicaid recipients, I receive \$50/day per patient, \$1515.50 per month. I would like to kindly ask you to consider the merit of increasing the monthly rate for room and board to keep us afloat.

Thank you so much for this opportunity.

Mrs. Jesusa Quinabo
Care Home Administrator
ILWU Local 1000 President
1805 Hookupa St.
Pearl City, Hawaii 96782

HB-1357-SD-1

Submitted on: 3/28/2023 9:55:29 PM

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

Submitted By	Organization	Testifier Position	Testify
Rosemarie	Testifying for ILWU LOCAL 1000	Support	Written Testimony Only

Comments:

Hello.

I am writing to you to ask for your support for the licensed home operators in Hawaii. 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; we bring the patients to their medical appointments, and also provide medicine monitoring.

Our care home is a Type I ARCH, we get paid through SSI/Medquest for room & board (\$1,515.90/mo. effective January 2023), and although, there are some levels of burden of care costs, we don't get extra pay for it. Just like any other business, we also incur business expenses--such as DOH Annual fees, GE taxes, mortgage, utilities, professional liability insurance premiums, automobile & car insurance, gas, continuing education, substitute caregiver, business lic. renewal, fire inspection, office & cleaning supplies, house cleaning, dues, laundry & paper supplies. FYI: there are some patients using toilet almost every 15 minutes-- so water bill is overwhelming, and worst of all, inflation in cost to provide care for and feed our clients/patients has skyrocketed that our pay is barely enough.

So I--along with other caregivers humbly ask that you consider giving us a fair and respectable raise. Caregiving is not an easy job. It is very hard--especially when patient has complex medical conditions and/or having behavior issues. There are so many hardships involved in caring for all types of patients. We were told before that we choose to do this job; therefore, we should accept whatever pay there is! I think this is so disrespectful to Caregivers who are caring for the most vulnerable populations. Caregiving goes beyond a regular job, and as a caregiver, myself, I am proud to be able to work a job that makes a difference in people's lives. Now, this doesn't mean that the State should take advantage of the hardworking caregivers for without caregivers, our patients don't have anyone to love and care for them. No amount of money will suffice for the hardwork of caregivers but at least, pay us what is appropriate and just.

In Hawaii, there's a big hype about caring for the kupuna/elderly, or the homeless or the disabled and it makes me proud to be a part of the Hawaiian community because, I thought, we have so much Aloha. There are so many advocating for these people--as it should be. But how compassionate can we be as a community if we can't provide fairness to the hardworking caregivers--who are tirelessly serving the less fortunate individuals in our State. No one is

advocating for caregivers--that's why some of us finally joined ILWU. We have to come to the State Capitol to ask for a minimal raise which we never had for the last 14 years. Fyi: Today, it's very difficult to hire a substitute that our pay can afford.

Again, I ask this Committee to find it in your hearts to be more compassionate to us, Caregivers. We would greatly appreciate your kind support by giving us what's fair, what's appropriate because it's the right thing to do. Thank you!

Sincerely yours,

Rosemarie S. Sebastian, Treasurer

ILWU LOCAL 1000

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

HB-1357-SD-1

Submitted on: 3/29/2023 9:36:20 AM

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

Submitted By	Organization	Testifier Position	Testify
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

HB-1357-SD-1

Submitted on: 3/28/2023 6:06:45 PM

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

Submitted By	Organization	Testifier Position	Testify
Jonathan Hanks	Testifying for ILWU Local #1000	Support	Written Testimony Only

Comments:

Aloha Senator Donovan M. Dela cruz Chair, Senator Gilbert S.C. Keith- Agaran Vice Chair and committee members.

PLEASE SUPPORT HB1357 HD1 SD1 !

Mahalo,

Jonathan Hanks

ILWU Local #1000

LATE

HB-1357-SD-1

Submitted on: 3/29/2023 4:59:40 PM

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

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

Comments:

Chair Senator Donovan Dela Cruz

Co Chair Gilbert-Keith Agara

Members of the Committee

WAM 2023

I am in support of HB1357 relating to room and board increase for medicaid recipient clients.

My name is Juanita A. Ulep, license for Type 1 ARCH and I have been a caregiver for thirty eight (38) years.

I am in support for HB1357 for the following reasons;

- 1. For the past fourteen (14) years, we never had an increase**
- 2. Within the fourteen (14) years, cost of living has increased**
- 3. Cost and expenses of living for one person monthly are as follows;**

Room \$700.00

Food \$550.00

Utilities \$100.00

GE Tax \$68.21

Toiletries \$15.00
Misc. \$35.00
Total \$1468.21

4. From our payment of \$1515.90 - \$1468.21 = \$46.69

What is left for us is nothing as for the burden of care, we work for our residents, care for special diets, care for incontinent patients. Some of us also have dialysis patients. We give extra time, attention, and TLC to our psychiatric residents when they get agitated to avoid hospitalization.

So please support us to pass this bill to survive.

Thank You

JUANITA A. ULEP

Local 1000 ILWU

Trustee