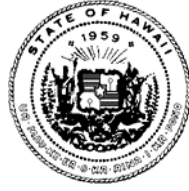


JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



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 11, 2023

TO: The Honorable Senator Joy A. San Buenaventura, Chair  
Senate Committee on Health & Human Services

FROM: Cathy Betts, Director

SUBJECT: **HB 914 HD1 – RELATING TO HEALTH**

Hearing: Monday, March 13, 2023, 1:00 p.m.  
Conference Room 225 & Via Videoconference, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) provides comments and defers to the Department of Health.

**PURPOSE:** The purpose of the bill requires the Department of Health to prioritize complaint allegations based on severity for inspections of state-licensed or state-certified care facilities. Clarifies who is prohibited from knowingly referring or transferring patients to an uncertified or unlicensed care facility. Repeals the landlord exclusion. Effective 6/30/3000. (HD1)

The HD1 amended the measure by defecting the effective date and making technical amendments.

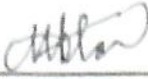

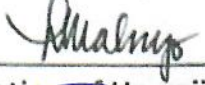

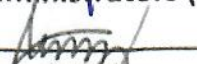
For the Legislature's information, when DHS receives a report of alleged abuse in a suspected uncertified or unlicensed home or facility, the DHS procedure is to cross-report to the Department of Health, Office of Health Care Assurance, who then make their assessment about any appropriate action. As drafted, the passage of this bill would not change the delivery

of services provided by DHS, Adult Protective and Community Services Branch (APCSB) involving a report received of alleged abuse that may have occurred in a home or facility that is uncertified or unlicensed.

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

TESTIMONY ON HB914 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, Providers Helping Hands of Hawaii, (PH3)

We submit testimony as a coalition in support to HB914. We are the Presidents from five organizations representing nearly 85% of the community caregiver industry.

We support HB914, because this bill will provide stronger language to help the department of health to close down the 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 HB914.



**Alliance of Professional Primary Care Administrators**  
P.O. Box 572 Pearl City HI 96782

**Re: HB914 HD1 – Testimony in Support**

NOTICE OF HEARING

DATE: Wednesday, March 13, 2023

TIME: 1:00 p.m.

PLACE: Conference Room 225

State Capitol

415 South Beretania Street

Aloha, my name is **Elma V. Tierra**. I am a Community Care Foster Family Home operator, president of the **Alliance of Professional Primary Care Administrators**. I am in support of the **HB914 HD 1**.

The Community-based care homes are a vital part of the State's long term health care continuum that provide round the clock care over twelve thousand patients, many of whom are Medicaid patients. Unfortunately, a significant number of illegal, unlicensed, uncertified community care homes have opened in Hawaii. These illegal care homes are not licensed by the state, do not pay any liability insurance for their patients on illegal care homes, do not have criminal background checks - which is mandatory for all legal community care homes ( thus a murderer or rapist could be running these illegal care homes), fail to pay taxes as a licensed and certified care homes under state law, and charged these patients \$6,000.00 to \$15,000.00 per month. Many of these unlicensed illegal care homes make over \$60,000.00 to \$70,000.00 per month without paying taxes. These illegal care homes make millions of dollars illegally in Hawaii every year and are not subject to unannounced visits by the State Department of Health. Because consumer protection must be a top priority of the State, we support **HB914 HB1** to ensure the Department of Health can legally investigate and close down these illegal and unlawful community care homes in Hawaii.

I strongly support that all operators of any community- care homes providing healthcare to the elderly or disabled who are un-related to the caregiver family shall be licensed to ensure the health, safety, and welfare of the individuals placed therein. In behalf of the members of APPCA organization, we thank you for the opporunity to provide our testimony in support of HB914 HD1.

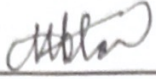
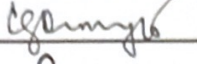
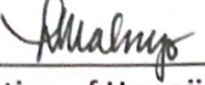
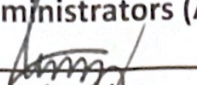
Elma V. Tierra

President, Alliance of Professional Primary Care Administrators

TESTIMONY ON HB914 IN SUPPORT

**LATE**

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)
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We submit testimony as a coalition in support to HB914. We are the Presidents from five organizations representing nearly 85% of the community caregiver industry.

We support HB914, because this bill will provide stronger language to help the department of health to close down the 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 HB914.



**LATE**

**HB914 HD1 (S) Refer to Unlicensed Facility, Fine for Counselors**  
COMMITTEE ON HEALTH AND HUMAN SERVICES  
Senator Joy A. San Buenaventura, Chair  
Senator Henry J.C. Aquino, Vice Chair  
Monday, Mar 13, 2023: 1:00: Room 225 Videoconference

## **Hawaii Substance Abuse Coalition Opposes HB914 HD1:**

### **Recommends Changes**

*ALOHA CHAIR, VICE CHAIR AND DISTINGUISHED COMMITTEE MEMBERS. My name is Alan Johnson. I am the current chair of the Hawaii Substance Abuse Coalition (HSAC), a statewide organization for substance use disorder and co-occurring mental health disorder treatment, prevention, and recovery services.*

*We agree that unlicensed facilities should be closed.*

**With respect to Special Treatment Facilities, we humbly recommend changing the bill to be Long Term Care Facilities only.**

- 1. We agree with the last committee reports: Your Committee notes that it has concerns that the term "health care or human services community" may be overly broad. Should this measure advance through the legislative process, further consideration should be given to a more narrowly tailored term.**

**We request to remove STF licensed residential substance abuse treatment centers.**

- 1. Treatment agencies and staff are not in a position to make a difference here because we don't refer to long term care.**
  - As licensed facilities lose or gain licensure, agencies and especially staff would not know.
  - In regard to licensing, the state issues temporary licensures and even then it takes months before the paperwork is done.
  - Sometimes licensures are about to expired because the state hasn't monitored yet so the state issues extensions, but the formal paperwork can take months, which puts a facility at risk.

2. **The term “knowingly” about our staff referring is not clearly defined as who determines that.** Best to explain it well so as not to be subject to different state worker’s interpretation
  
2. **The state doesn’t inform providers who are licensed or not.**
  - The state could start by informing all providers about which ones are required to be licensed, what are the licensed care facilities, and keep the website updated.
  - A communication plan would help to inform everyone to go to a website to look at an updated list of licensed providers. This is a better compassionate start than a punitive plan.

## SUMMARY

Closing down unlicensed facilities that are required to be licensed is a good idea,

But please provide much more clarity by removing STF treatment residential to be focused on long term care facilities..

We appreciate the opportunity to provide testimony and can answer any questions.

**HB-914-HD-1**

Submitted on: 3/12/2023 1:29:54 PM

Testimony for HHS on 3/13/2023 1:00:00 PM



Submitted By	Organization	Testifier Position	Testify
Jasmine Ramos	Individual	Support	Written Testimony Only

Comments:

I support HB914, HD1, because it will provide stronger consumer protection laws to close down illegal, unlicensed community care homes in Hawaii.

These illegal - unlicensed community care homes:

1. Pay no taxes for their business
2. Charge private pay patients between \$6,000 to \$15,000 per month
3. Do not have background checks - thus a murderer or rapist could be running these illegal care homes
4. Do not have liability insurance - as all legally licensed and certified community care homes must have liability insurance to protect their patients under State law
5. No inspections by the Department of Health, in fact these illegal care homes have no annual or unannounced visits by the Department of Health, wherein all legally licensed and certified community care homes are subjected to any annual or unannounced visits by the Department of Health or Department of Human Services.
6. Once these private pay patients run out of money to pay these illegal care homes, they are forced to leave these illegal care homes and file for Medicaid and later subjected to be placed in a legal Medicaid Community Care Home.

For the foregoing reasons, I support the passage of HB914, HD1



**LATE**

**HB-914-HD-1**

Submitted on: 3/12/2023 1:50:30 PM

Testimony for HHS on 3/13/2023 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Tiffany Sims	Individual	Support	Written Testimony Only

Comments:

In support of HB914, HD1

The purpose of this bill is to protect the public and, specifically, vulnerable consumers of long-term health care services in residential care facilities throughout the state by expanding the Department of Health's ability to more thoroughly investigate complaints of unlicensed care home activities and to take appropriate enforcement action on bad actors.

These unlicensed, illegal care homes do not pay taxes, have no liability insurance, do not have annual inspections by the Department, do not have to abide by fire code standards or room/patient size safety standards, and have no criminal background checks. The legal care homes are mandated to have all of the above.

This is a consumer protection bill to stop these illegal care homes.

TESTIMONY IN STRONG SUPPORT OF HB914-HD1-UNLICENSED CARE HOMES

**LATE**

Hearing date: March 13, 2023 – 9:30AM – Room 225

Please support HB914-HD1

Dear Senate,

Unlicensed care facilities have no regulation oversights, there are no training or education requirements for individuals operating these facilities. Because there are no regulated requirements patients are not provided the same type of care as certified facilities. Patients are paying out a lot of money and are not being taken care of properly, unless requirements are put in place there is no way to regulate who takes care of the patient. The unlicensed facilities are basically elderly rentals and there is no daily documentation as required by licensed facilities. This can lead to wrong or misinformation when there is an emergency or medical situation with a patient. Caregiving requires specialized knowledge and skills, there should always be oversight because the elderly and disabled are very vulnerable and need the state's protection to ensure they are receiving proper care.


The same standards should apply to landlords. Landlords should not be exempt; they still need training, skills and oversight to ensure the elderly and disabled are properly protected and cared for. Regardless of whether someone is a landlord, they must maintain minimum care standards. Please discontinue this exemption because the unlicensed care facilities will try to use this to not get regulated or not be held to proper care requirements.

Is it going to take something bad happening to a patient in an unlicensed care facility due to lack or proper care, inadequate documentation, neglect or improper follow up for something to be done?

Please help us maintain minimum standards to help protect the elderly and disabled to prevent harm.

Thank you for your time, assistance and consideration regarding this matter

Cynthia A Gimig  
PRINT NAME  
1320 Angora Street, Han 96812  
ADDRESS

  
SIGNATURE  
808 271-0557 3/11/23  
TELEPHONE NUMBER DATE

**LATE**

**HB-914-HD-1**

Submitted on: 3/12/2023 11:54:44 PM

Testimony for HHS on 3/13/2023 1:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Mylin R. Smith	Individual	Oppose	Written Testimony Only

Comments:

Maybe the state can speed up the process for licensing instead of taking a long time to issue one, hopefully illegal care homes will be prevented!