



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

**Testimony in SUPPORT of H.B. 914, HD1
RELATING TO HEALTH.**

REPRESENTATIVE DAVID A. TARNAS, CHAIR
HOUSE COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS

Hearing Date: Wednesday, March 1, 2023

Room Number: 325

1 **Fiscal Implications:** None.

2 **Department Testimony:** The Department STRONGLY SUPPORTS this bill and appreciates
3 the Legislature's support in our mutual aim to safeguard the public, protect aged and vulnerable
4 consumers, and ensure quality of care by requiring and enforcing that all residential care homes
5 and other health care facilities, agencies and organizations are licensed pursuant to state law.

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

10 The Department's strategy toward unlicensed or uncertified care homes is two-fold:

11 1. investigate complaints and, if substantiated, close these homes; and 2. prevent sources of new
12 business by reducing or eliminating referrals to them by taking action against those who refer.

13 Ten (10) unlicensed homes or facilities have been closed and over \$175,000 were
14 collected or is in the process of being collected. Several other investigations are ongoing and
15 over twenty-five (25) Notices of Violation and Order (NOVO) are in draft or awaiting draft.

1 There are a number of unlicensed care homes appearing to masquerade as rental homes
2 with several unrelated tenants all requiring care services. These homes appear to meet the
3 definition of residential care homes, but persons cite the exclusion clause at HRS §321-488 and
4 refuse entry by investigators and avoid the state's enforcement of licensing requirements. One
5 such unlicensed care home refused entry of the Department's investigators who were attempting
6 to conduct a complaint investigation. With the help of the Office of the Attorney General, the
7 Department took the unprecedented step of obtaining and serving a search warrant on the home
8 and gathered sufficient evidence to substantiate the allegation of the home being an unlicensed
9 care home. A NOVO was issued, and the case is currently on appeal.

10 At a minimum, repealing HRS §321-488 would allow the Department to more thoroughly
11 and timely investigate complaints of unlicensed care home activity. It would also send a
12 powerful message that bad actors cannot hide behind an exclusion clause. Without this repeal,
13 the state is concerned that more of these homes will open or that current licensed care homes will
14 surrender their license and claim the exclusion, thereby increasing the risk of substandard quality
15 of care or living conditions on consumers and our vulnerable populations. The home is the
16 environment of care and should be inspected along with the caregiver services to ensure optimal
17 health outcomes for consumers. This would prevent consumers who require care from being in
18 accommodations which could be hazardous to their health, safety, or welfare, such as homes or
19 bedrooms without smoke or fire detectors, or inadequate ingress or egress points for persons in
20 wheelchairs or with walkers or other assistive devices to escape in case of fire or other
21 emergency, or cramped and overcrowded bedrooms, or dilapidated living conditions, or home or
22 bedrooms that don't meet county codes for occupancy, or have inadequate utilities.

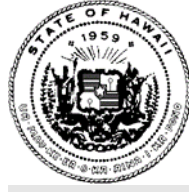
1 In addition, taking enforcement action on any person who refers patients to unlicensed
2 homes will eliminate or reduce the sources of referrals and cut off business to these unlicensed
3 homes. These persons could be other unlicensed or uncertified operators themselves or persons
4 formerly licensed or certified by the state or unlicensed care finders.

5 Enforcement activities are a critical component of the state's regulatory efforts to ensure
6 the health, safety, and welfare of consumers and our *kupuna*, and such actions deserve our
7 support.

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

9 **Offered Amendments:** None.

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

February 28, 2023

TO: The Honorable Representative David A. Tarnas, Chair
House Committee on Judiciary & Hawaiian Affairs

FROM: Cathy Betts, Director

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

Hearing: Wednesday, March 1, 2023, 2:00 p.m.
Conference Room 325 & Videoconferencing, 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.



HB914 HD1 Refer to Unlicensed Facility, Fine for Counselors
COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS
Rep. David A. Tarnas, Chair
Rep. Gregg Takayama, Vice Chair
Wednesday, Mar 1, 2023: 2:00: Room 325 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 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.**

Why 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.

THE KŪPUNA CAUCUS



JHA_03-01-23 2:00 PM Submitted 02-28-23

TO: THE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Rep. David A. Tarnas, Chair

Rep. Gregg Takayama, Vice Chair

CONCERNING: HB914 HD1 (HSCR733) - RELATING TO HEALTH

POSITION: STRONG SUPPORT

ALOHA, Chair Tarnas, Vice Chair Takayama, and Members of the Judiciary and Hawaiian Affairs 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, and requests that you approve it for a vote by the entire legislature.

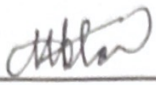
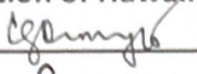
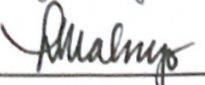
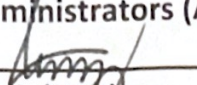
HB914 would enforce and strengthen procedures for investigating abuses or other inadequacies in licensed care homes reported to the Department of Health. Speeding up investigations of complaints will save lives, as would have been so when care homes were hit with COVID outbreaks which spread far too quickly due to inadequate protection procedures for the residents.

It will also go further and protect Kūpuna from being unlawfully sent to an unlicensed home especially by persons who have no authority to do so. This bill is a perfect companion bill to HB1081 which we have also supported in the committees where it received hearings

Martha E. Randolph, for the
Kūpuna Caucus of the Democratic Party of Hawai'i

TESTIMONY ON HB914 IN SUPPORT

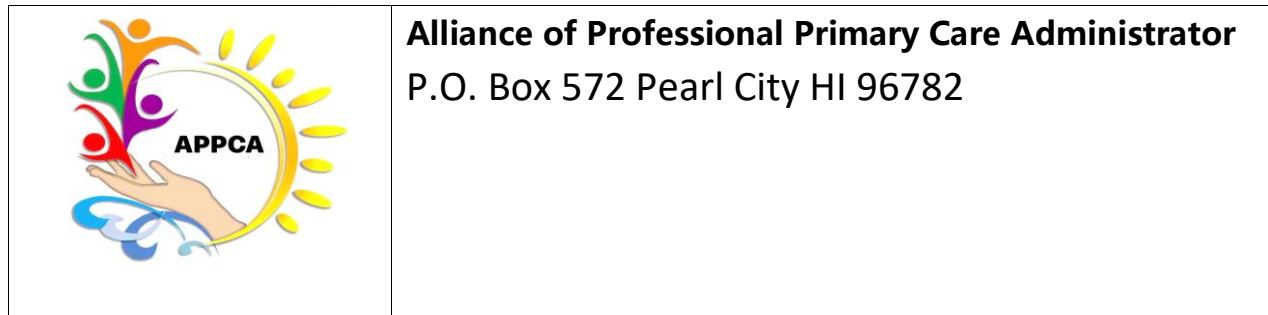
The Presidents of:

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, Provider~~s~~ 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.



Re: HB914 HD1 – Testimony in Support

NOTICE OF HEARING

DATE: Wednesday, March 01, 2023

TIME: 2:00 p.m.

PLACE: Conference Room 325

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.

Istronly 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.

Thank you for the opportunity to testify.

Elma V. Tierra

President, Alliance of Professional Primary Care Administrators

HB-914-HD-1

Submitted on: 3/1/2023 8:36:32 AM

Testimony for JHA on 3/1/2023 2:00:00 PM

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

Comments:

Dear Legislators,

To be fair with the Licensed or Legal Caregiver Operators, Unlicensed carehomes and Unlicensed CCFFH should not be allowed to provide any healthcare services to our kupuna. Penalty should be increased once they are found operating not in accordance with DOH rules and regulations.

IN STRONG SUPPORT.

Sincerely,

Carina Ocampo, President

United Caregivers of Hawaii

HB-914-HD-1

Submitted on: 3/1/2023 1:29:09 PM

Testimony for JHA on 3/1/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Norma Subia Tagatac	Norma Tagatac Adult Foster Home	Support	Written Testimony Only

Comments:

I support HB914 HD1 to be pass because it is crucial specially for us that operates adult foster homes, Care homes, and Care facilities. Department of Health regulates us strictly in order for our business to run poperly but yet there are this unlicensed facilities operating illegally and benefitting from admitting private elderly clients into their care homes or rented carehomes without licence, without any regulations to follow. Those private clients would be going to licensed homes if unlicensed homes are not admitting them. So if the law is stricly enforced for us it should the same for all all operators. Landlords should abide by regulations too, and not just rent to any unlicensed operators. So i am urging that Department of Health to look into this illegal operators and the State should imposed stiffer laws and fines to those who violates.

HB-914-HD-1

Submitted on: 2/27/2023 4:12:17 PM

Testimony for JHA on 3/1/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Alan Garcia	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

February 27, 2023

To: Committee on Judiciary & Hawaiian Affairs
Representative David A. Tarnas, Chair
Representative Gregg Takayama, Vice Chair

RE: HB914 HD1 – RELATING TO HEALTH

Hearing Date: March 1, 2023
Conference Room 325 – 2:00 PM (via videoconference)

Most Honorable Chair Tarnas; Vice-Chair Takayama; and Committee Members:

I support Bill HB914 HD 1. As a consumer, and a citizen of Hawaii, I feel it is the duty of the State to protect the most vulnerable of our citizens...our kupuna. There are many news articles about unlicensed and unregulated community care homes operating without proper regulations in place – and persons (knowing or unknowingly) directing kupuna to the doorsteps of these care homes that are not properly run or not properly staffed. Unless these homes – and those who refer seniors to these homes -- are investigated many seniors may be in jeopardy. This Bill addresses the problem and provides solutions to the problem as well.

Please support Bill HB914 HD1 for the sake and safety of the most frail kupuna in our community. Thank you for the opportunity to testify on this measure.

Sincerely,
Christine Olah
Honolulu Resident

HB-914-HD-1

Submitted on: 2/28/2023 8:19:30 AM

Testimony for JHA on 3/1/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Dale A. Head	Individual	Support	Written Testimony Only

Comments:

Aloha House Committees - HLT, CPC, JHA

My name is Dale Arthur Head and I ***strongly support this measure, HB914 HD1.***

Description: 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)

While residing in a condominium complex several years ago, I became aware that our Resident Manager was taking advantage of an elderly man with dementia. Well, the old time 'disappeared' and although it was difficult to get the state to investigate, eventually they did, located the old fellow in a Care Home in Waipahu. When the state paid for a mental exam, he was found to be 'Mentally Incompetent'. The resident manager had confiscated his monies, and even sold his condominium for cash, and the Board of Directors refused to do anything about it. One day one of his elderly lady friends and I managed to find his location to pay a visit. This was the only time I ever spoke with him. His dementia was so bad he could not remember having resided in our condo complex. He was swindled, in my opinion. Later the state seized the left over funds from sale of his condominium to pay for his care in a legitimate Care Home. The Waipahu location he was at did not want to release him to state custody, so, the state social worker called the Police to help extract him. Wow, amazing, and perverse. Later the upset manager, who was not charged with a crime sued me. What a mess.

Please pass this Bill.

Respectfully, ***Dale Arthur Head*** ***[dale.head@aol.com]***

HB-914-HD-1

Submitted on: 2/28/2023 10:41:25 PM

Testimony for JHA on 3/1/2023 2:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Inam Rahman	Individual	Support	Written Testimony Only

Comments:

Aloha! I am Inam Ikeda Rahman Perreira MD. I have been a private practicing Physician in Hawaii for 30 years.

I will like to testify in support of HB 914. I strongly believe stricter penalties and awareness is needed for unlicensed Adult Home Care facilities. Illegal Adult home care facilities not only compromise care of our elderly due to lack of oversight but also cause loss of revenue to state as well more expense when the patients become more sick in a substandard environment.

I would also respectfully submit that there may be unlicensed Adult care home facilities who may qualify to be licensed but approval has been delayed for multiple reasons. I believe that their application should be expedited as we do need more licensed Adult Care home facilities for our growing elderly population.

I again request respectfully that the HB 914 should be passed to help our elderly, State and Tax payers.

Mahalo

Inam Ikeda Rahman Perreira MD