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Testimony in SUPPORT of HB2224 HD1
RELATING TO LONG-TERM CARE

REP. KYLE T. YAMASHITA, CHAIR
REP. LISA KITAGAWA, VICE CHAIR
COMMITTEE ON FINANCE

Testimony of Caroline Cadirao
Director, Executive Office on Aging
Attached Agency to the Department of Health

Hearing: Monday, February 26, 2024, 10:00 A.M., Conference Room 308

- 1 **EOA Position:** The Executive Office on Aging (EOA), an attached agency to the Department of
- 2 Health (DOH) **supports** this measure.
- 3 **Fiscal Implications:** Appropriates funds. Declares that the general fund expenditure ceiling is
- 4 exceeded to establish a long-term care planner position within the EOA.
- 5 **Purpose and Justification:** Requires EOA to create a comprehensive long-term care master plan
- 6 to accomplish long-term care policy goals that, when implemented, ensure the availability of a
- 7 full continuum of institutional and community-based services. Establishes a long-term care
- 8 planner position within the EOA to oversee the development and implementation of the long-
- 9 term care master plan. Requires the EOA to submit a report to the Legislature.

1 The Executive Office on Aging is in strong support of this measure as it is in alignment with our
2 functional statement for the Policy, Planning, Evaluation and Communication (PPEC) section of
3 EOA. PPEC coordinates, guides, and provides support for planning, policy development and
4 evaluation, data management, revenue maximization, and public communication. During a
5 reorganization of EOA in 2005, EOA's LTC planner was deleted from the organizational chart
6 causing a gap in the ability to fully execute and implement long-term care policies.

7 **Recommendation:** EOA supports the intent of this measure provided that its enactment does
8 not reduce or replace priorities with the Administration's budget request.

9 Thank you for the opportunity to testify.



Monday, February 26, 2024 at 10:00 am
Conference Room 308

House Committee on Finance

To: Chair Kyle T. Yamashita
Vice Chair Lisa Kitagawa

From: Paige Heckathorn Choy
Associate Vice President, Government Affairs
Healthcare Association of Hawaii

Re: **Testimony in Support**
HB 2224 HD 1, Relating to Long-Term Care

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 member organizations who represent almost every aspect of the healthcare continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high-quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 30,000 people statewide.

Thank you for the opportunity to provide **support** for on-going measures to create a strong, comprehensive long-term care system in the state. We have worked extensively with our partners at the Executive Office on Aging, the MedQUEST division, the Department of Health, and others to ensure that long-term care providers are receiving adequate reimbursement for services provided, and support in resolving a critical workforce shortage that is compromising access to care for residents across the state.

There are many different providers, stakeholders, advocates, and agencies who must work together to ensure that we have an equitable, affordable, and available long-term care system. This work is tremendous in both importance and difficulty. We are grateful that the legislature is considering this measure to support efforts to focus on the needs of long-term care providers, and look forward to continuing our work in improving access to quality care.

Thank you for your consideration of this important matter.



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**The State Legislature
House Committee on Finance
Monday, February 26, 2024
Conference Room 308, 10:00 a.m.**

TO: The Honorable Kyle Yamashita, Chair
FROM: Keali'i Lopez, State Director, AARP Hawai'i
RE: Support for H.B. 2224 HD1 Relating to Long Term Care

Aloha Chair Yamashita and Members of the Committee:

My name is Keali'i Lopez, and I am the State Director for AARP Hawai'i. AARP is a nonpartisan, social mission organization that advocates for individuals age 50 and older. We have a membership of nearly 38 million nationwide and nearly 140,000 in Hawaii. We advocate at the state and federal level for the issues that matter most to older adults and their families.

AARP supports H.B. 2224 HD1 requiring the Executive Office on Aging (EOA) to create a comprehensive long term care master plan that will ensure the availability of a full continuum of institutional and community based services. It also includes the establishment of a long term care planner within EOA.

Back in 2008, AARP played a key role in establishing the initial Hawaii long term care commission that was tasked to address the state's long term care system. A report was submitted to the legislature in 2012 with recommendations to improve and strengthen it. Since then, the state long term care system has evolved over the last 12 years, particularly with the expansion of home and community based services (HCBS), and the impact of COVID has certainly revealed new challenges and opportunities. We are also facing a health care workforce shortage especially in the long term care industry that continues to be challenging as the demand for more care increases with our aging population. We support this initiative that will provide an updated and comprehensive master plan of Hawaii's long term care system, look at new trends and explore more options in long term financing and home and community based services, and recommend additional system improvements that are needed.

Thank you very much for the opportunity to testify in strong support of H.B. 2224, HD1.



February 26, 2024
Conference Room 308

House Committee on Finance

To: Chair Kyle T. Yamashita
Vice Chair Lisa Kitagawa

From: Wesley Lo
Chief Executive Officer
Ohana Pacific Management Company/Hale Makua Health Services

Re: **Support**
HB 2224 HD 1, Relating to Long Term Care

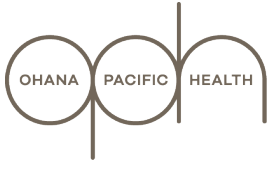
Ohana Pacific Health (OPH) / Hale Makua Health Services (HMHS) is the largest provider of post-acute care services in the State of Hawai'i and also, the largest provider of Medicaid nursing facility services. Our organization employs almost 1,500 healthcare workers and manages approximately 950 nursing home beds that provide short-term rehab and long-term care, adult day health services and home health care, and Care Management/Navigation Services on all four major islands.

Thank you for the opportunity to provide **SUPPORT for HB 2224 HD1** and the creation of a long term care master planner to help create a comprehensive long-term care system in the State.

Our current healthcare system while adequate and working hard to support our community is struggling to be sustainable. Our hospitals are reaching record census, and our long-term care system is significantly affected by a lack of workers, particularly in the Long-Term Care industry, particularly for CNA's and Licensed Nurses. The effect of this shortage is that many of our facilities are unable to admit patients from the acute care hospitals due to the lack of workforce, which has exacerbated our financial situation. This situation is causing record high census in the hospitals to a "crisis point". Additionally, the lack of workforce and the resulting drop in census has severely affected our industry, as evidenced by the recent closure of Wahiawa Hospital's long term care facility, and several mainland operators are choosing to leave the market.

In addition, the State's demographics' reflect the "tsunami of aging" where we will have an increasing number of aging adults.





There are opportunities to revamp the system to deliver more patient centered care and to create new reimbursement models to redistribute funds to create a more sustainable financial model for our healthcare system. However, this will take significant planning and data analysis.

This bill and the position and funding is critical for us to control our futures to create a patient centered quality health care system that can be financially sustainable as we as a State population “age”

Thank you for the opportunity to testify in support of this program.

Wesley Lo
Chief Executive Officer
Ohana Pacific Health / Hale Makua Health Services



KĀLELE



LUANA LIVING



THE VILLAS



Ann Pearl



Garden Isle



Hale Kupuna



Hale Makua



Hale O Meleana



Legacy Hilo



Pu'uwai O Makaha