



STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
January 30, 2024

The Honorable Representative Lisa Marten, Chair
House Committee on Health and Human Services
The Thirty-Second Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Representative Lisa Marten and Committee Members:

SUBJECT: HB2539 RELATING TO HUMAN SERVICES

The Hawaii State Council on Developmental Disabilities **supports HB2539**, which appropriates funds to increase the funding for medicaid in-home services, conditioned on the Department of Human Services obtaining the maximum federal matching funds and pursuing all other funding sources.

This measure if passed will set a precedent for aging in place for kupuna and people with disabilities in Hawai'i. Aging in place is considered the best practice across the nation when providing care for our kupuna and individuals with developmental disabilities. Aging in place allows for our individuals to stay as independent as possible for as long as possible.

In a recent study¹ it was found that in-home services are more cost-effective than their facility counterparts. Not only were they as cost-effective but also just as effective in providing care. Aging in place is cost-effective, provides effective care, and is the preferred method of care for our aging population.

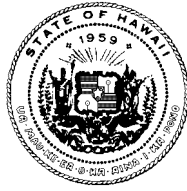
Thank you for the opportunity to submit testimony in **support of HB2539**.

Sincerely,

Daintry Bartoldus
Executive Administrator

¹ Curioni C, Silva AC, Damião J, Castro A, Huang M, Barroso T, Araujo D, Guerra R. The Cost-Effectiveness of Homecare Services for Adults and Older Adults: A Systematic Review. *Int J Environ Res Public Health*. 2023 Feb 15;20(4):3373. doi: 10.3390/ijerph20043373. PMID: 36834068; PMCID: PMC9960182.

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



CATHY BETTS
DIRECTOR
KA LUNA HO'ŌKELE

JOSEPH CAMPOS II
DEPUTY DIRECTOR
KA HOPE LUNA HO'ŌKELE

TRISTA SPEER
DEPUTY DIRECTOR
KA HOPE LUNA HO'ŌKELE

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

January 29, 2024

To: The Honorable Representative Lisa Marten, Chair
House Committee on Human Services

FROM: Cathy Betts, Director

SUBJECT: **HB 2539 – RELATING TO HUMAN SERVICES.**

Hearing: January 30, 2024, 9:00 a.m.
Conference Room 329, State Capitol & Video Conference

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the intent of this bill as long as it does not displace or reduce the priorities of the Governor's budget. DHS prefers that any appropriation be made via the executive budget bill as a recurring appropriation so that the increase will be ongoing.

PURPOSE: The purpose of this bill is to appropriate funds to increase funding of Medicaid in-home services.

DHS appreciates the intent of this bill to appropriate funds to increase reimbursement for Medicaid in-home based services. Such services do assist kupuna and people with disabilities to age in their own homes and be active and integrated in their community.

The appropriation amount has been left blank. The executive budget bill includes the department's request for \$5,750,000 in general funds and \$9,775,000 in federal funds to increase rates for other types of Home and Community-Based Services (HCBS). The department's budget request was based on a rate study.

Phase I of an HCBS rate study commissioned by Med-QUEST Division (MQD) and completed by Milliman in December 2022 provided three scenarios (low, medium, and high) to increase home and community-based (HCBS) rates, including for in-home services. The In-home service scenarios are included in the table below. For comparison purposes only, increases for other types of HCBS services were included in the Governor’s Supplemental Budget request at the “Low Scenario” level.

Scenarios	Low			Medium			High		
	Est. Pymt Change	Est. A Funds	Est. N Funds	Est. Pymt Change	Est. A Funds	Est. N Funds	Est. Pymt Change	Est. A Funds	Est. N Funds
In-home services	\$23.80	\$9.86	\$13.94	\$34.70	\$14.38	\$20.32	\$40.40	\$16.74	\$23.66

In Millions

All federally approved Medicaid services, such as the HCBS In-home services, would receive the appropriate federal match rate.

Thank you for the opportunity to testify on this measure.



1001 Bishop Street | Suite 625 | Honolulu, HI 96813-2830
1-866-295-7282 | Fax: 808-536-2882
aarp.org/hi | aarphi@aarp.org | twitter.com/AARPHawaii
facebook.com/AARPHawaii

**The State Legislature
House Committee on Human Services
Tuesday, January 30, 2024
Conference Room 329, 9:00 a.m.**

TO: The Honorable Lisa Marten, Chair
FROM: Keali'i Lopez, State Director, AARP Hawai'i
RE: Support for H.B. 2539 Relating to Human Services

Aloha Chair Marten 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. 2539 appropriating funding for Medicaid in-home services, conditioned on the Dept. of Human Services obtaining the federal matching funds.

Most people prefer to age in their homes as long as possible. However, caring for a dependent loved one 24 hours/7 days a week can be overwhelming and challenging for many families without additional help. Fortunately, Hawaii has in-home services that are funded by Medicaid. For many in need of long term care, Medicaid is their safety net coverage if they are unable to pay for services out of pocket or lack private long term care insurance. These in home service providers are the backbone of the state's long term care delivery system – their services are cost-effective, high quality and support people's preference to age in place. Hawaii is already facing an acute shortage of health care providers. We need to attract, retain, and compensate them properly so that they can continue to care for our most vulnerable populations including kūpuna. Increasing the Medicaid payments will help improve the overall access to care for all people in need.

Thank you very much for the opportunity to testify in strong support of H.B. 2539.

Testimony on House Bill No. 2539
RELATING TO RELATING TO HUMAN SERVICES
Tuesday, January 30, 2024 at 9:00 am
Conference Room 329 & Videoconference
State Capitol
415 South Beretania Street

Aloha Chair Lisa Marten, Vice Chair Terez Amato, and Members of the Committee:

My name is Dolores Foley and in SUPPORT of HB 2539. This bill appropriates funds to increase the Medicaid funding for in-home services which are greatly needed to help support family caregivers who are caring for loved ones in their homes. This increase in the Medicaid funding is long overdue. Please provide the necessary funding so that more workers can be hired and retained to help provide the care for people who wish to age in their homes.

An overwhelming number of individuals expressed a desire to remain in their homes and community as they age. But caring for a person who is frail and dependent can be challenging and overwhelming for a family caregiver without additional help. Having in-home service providers to assist in the care can make a big difference in keeping a loved one at home versus placing them in an institutional facility which is more costly and not the preferred option. There is already an acute shortage of in-home service staff who are underpaid and overworked.

Thank you for the opportunity to testify in support HB 2539

Dolores Foley
Kailua Oahu
dolores@hawaii.edu

HB-2539

Submitted on: 1/29/2024 2:03:33 AM

Testimony for HUS on 1/30/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
BERNADETTE FIRME	ILWU / AFHA	Support	Written Testimony Only

Comments:

IN SUPPORT RELATING HUMAN SERVICES APPROPRIATE FUNDS TO INCREASE
THE FUNDING FOR MEDICAID IN HOMES SERVICES

Testimony on House Bill No. 2539

RELATING TO HUMAN SERVICES

Aloha Chair Lisa Marten, Vice Chair Terez Amato, and Members of the Committee

My name is Sharmen Graydon and I SUPPPORT HB 2539 which appropriates funds to increase the Medicaid funding for in-home services for elders who desire to age at home. So much of the in-home care for kupuna is done by family members, who want to make sure their loved ones are well cared for at home but do so at great expense to their own physical, mental and even financial well-being. It is estimated that 154,000 family caregivers put in 144 million hours of unpaid care valued at \$2.6 billion if they were paid. Furthermore, about \$7,200 spent on the care comes out of the caregiver's own pocket. I watched my dear friend who cared for her husband with Alzheimer's' at home until his death. Now she cares for her father with a broken hip and is bed-ridden, and her mother who has dementia. She is exhausted when we talk, and has no time to care for her own health. She needs trained help to care for the medical and emotional needs of both parents but such help is very hard to find. A badly needed increase in funding for such help is critical to recruit and retain those who could help my friend keep her parents at home and not in an institution.

Please support this bill. And thank you for the opportunity to testify in support of HB 2539.

Submitted by Sharmen Graydon, Haiku, Maui

HB-2539

Submitted on: 1/29/2024 9:45:51 AM

Testimony for HUS on 1/30/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dan Gardner	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Lisa Marten, Vice Chair Terez Amato, and Members of the Committee:

My name is Dan Gardnere and my wife and I are in SUPPORT of HB 2539. This bill appropriates funds to increase the Medicaid funding for in-home services. This support is very necessary to help support family caregivers caring for loved ones in their homes. Most people want to age in their own homes. However, caring for a person who is frail and dependent can be challenging and overwhelming for a family caregiver without additional help. Having in-home service providers assist in this care makes a big difference in keeping a loved one at home. The choice of placing them in an institutional facility is more costly and not the preferred option. There is already an acute shortage of in-home service staff who are underpaid and overworked. Increasing the Medicaid funding is long overdue. Please provide the necessary funding so that more workers can be hired and retained to help provide the care for people who wish to age in their homes. Thank you for the opportunity to testify in support HB 2539.

Dan Gardner, Honolulu

HB-2539

Submitted on: 1/29/2024 12:05:31 PM

Testimony for HUS on 1/30/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Shana Metsch	Individual	Support	Written Testimony Only

Comments:

I wholeheartedly endorse Bill HB2539, which seeks to increase funding for Medicaid in-home services in Hawaii. This essential legislation is a testament to our commitment to the well-being and independence of our kupuna and individuals with disabilities.

The findings within the bill shed light on a pressing issue within our community—the strong desire of our kupuna to age in place. As emphasized in the 2021 research study among Hawaii residents aged forty-five and older, 65% express concerns about aging in place, while 83% consider it extremely or very important to stay in their homes as they age. These statistics underline the significant impact that in-home services can have on the quality of life for these individuals.

Furthermore, the bill appropriately underscores the economic advantage of in-home services over institutional nursing facilities. Beyond aligning with the majority's preferences, investing in in-home services is a prudent and cost-effective solution that benefits the individuals receiving care and the state's financial resources.

One critical aspect that deserves emphasis is the potential negative consequences for communities without the funding outlined in this bill. Without adequate support for Medicaid in-home services, those in communities lacking the resources to age or live at home with disabilities will face increased challenges. This could lead to a strain on community resources, potential overcrowding in institutional facilities, and an overall decline in the quality of life for these individuals.

Moreover, the bill aptly acknowledges the wage pressures experienced by direct care workers in home settings. The current median direct care wages falling below the United States Department of Labor Bureau of Labor Statistics percentiles highlight the urgent need to address this issue. Proper funding for in-home services is crucial to attracting and retaining skilled professionals and ensuring care delivery.

The appropriation of funds outlined in Section 2 to increase Medicaid in-home service funding is a vital step toward meeting the needs of our community. By obtaining maximum federal matching funds and exploring additional funding sources, the state can significantly impact the reimbursement received by service providers, thus enhancing the overall quality of care provided.

I implore you to support and pass this essential legislation, recognizing its potential to not only improve the lives of our kupuna and individuals with disabilities but also prevent adverse effects on communities lacking the ability to support those in need.

Thank you for your attention to this matter, and I eagerly anticipate the positive impact that increased funding for Medicaid in-home services will bring to our communities.

Sincerely,

Shana Metsch

shanametsch@yahoo.com

LATE

LATE

HB-2539

Submitted on: 1/29/2024 10:59:22 PM

Testimony for HUS on 1/30/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Stephanie Kouba	Individual	Support	Written Testimony Only

Comments:

I strongly support this bill. I have been working in home health care for 7 years, as cost of living continues to rise it's becoming for difficult to stay in home health. The reimbursement rates are significantly lower than clinical and hospital settings. It's getting harder and harder to staff cases, especially for PAB workers. This is leaving our community members without care, possibly forcing them into institutions. Please support this bill.