

JAN 24 2024

A BILL FOR AN ACT

RELATING TO CARE HOMES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Adult residential care homes are facilities
2 providing twenty-four hour living accommodations for a fee to
3 adults unrelated to the family, who require at least minimal
4 assistance in the activities of daily living, personal care
5 services, protection, and health care services, but do not need
6 the professional health services of an intermediate, skilled
7 nursing, or acute care facility. Adult residential care homes
8 are a key component in Hawaii's long-term care system providing
9 care to impoverished elderly and disabled residents who cannot
10 rely on anyone else to take care of them. This twenty-four hour
11 supervision serves preventative care needs and keeps the
12 residents' health conditions from developing into crises that
13 require acute care, emergency room usage, or hospitalization.

14 Studies by the American Association of Retired Persons show
15 that Hawaii needs to improve efforts to provide lower cost long-
16 term care services to the community under Hawaii's med-QUEST



1 medicaid program rather than the more expensive care in nursing
2 homes.

3 Despite their essential services to the community, adult
4 residential care homes have received no rate increase for
5 medicaid recipients for fifteen years. In 2022, the senate
6 adopted S.R. No. 4, S.D. 1 (2022) which requested the department
7 of human services to study the feasibility of increasing the
8 medicaid reimbursement rates of adult residential care homes.
9 The study suggested higher rates at all levels were appropriate.

10 Equally essential, adult day programs, including adult day
11 care centers and adult day health centers, enable seniors to age
12 in place, socialize, and enjoy planned activities in a group
13 setting, while still receiving needed care and health services.
14 At the same time, adult day programs offer family caregivers
15 respite from caregiving duties while knowing that their loved
16 one is in a safe place.

17 Accordingly, the purpose of this Act is to:

- 18 (1) Increase the medicaid reimbursement rates of adult
19 residential care homes, licensed developmental
20 disabilities domiciliary homes, community care foster
21 family homes, certified adult foster homes, and adult



1 day programs, including adult day care centers and
2 adult day health centers; and

3 (2) Make appropriations to fund expanded-adult residential
4 care homes, community care foster family homes, and
5 adult day programs, including adult day care centers
6 and adult day health centers,

7 to improve efforts of providing lower cost long-term and day
8 care services statewide.

9 SECTION 2. Section 346-53, Hawaii Revised Statutes, is
10 amended by amending subsection (c) to read as follows:

11 "(c) The director, pursuant to chapter 91, shall determine
12 the rate of payment for domiciliary care, including care
13 provided in licensed developmental disabilities domiciliary
14 homes, community care foster family homes, and certified adult
15 foster homes, to be provided to recipients who are eligible for
16 federal [~~supplementary~~] supplemental security income or public
17 assistance, or both. The director shall provide for level of
18 care payment as follows:

19 (1) Beginning on July 1, [~~2008~~] 2024, for adult
20 residential care homes classified as facility type I,
21 licensed developmental disabilities domiciliary homes



1 as defined under section 321-15.9, community care
2 foster family homes as defined under section 321-481,
3 and certified adult foster homes as defined under
4 section 321-11.2, the state supplemental payment shall
5 not exceed [~~\$651.90;~~] \$767; [and]

6 (2) Beginning on July 1, [~~2008;~~] 2024, for adult
7 residential care homes classified as facility type II,
8 the state supplemental payment shall not exceed
9 [~~\$759.90.~~] \$857; and

10 (3) Beginning on July 1, 2024, for adult day programs, the
11 state supplemental payment shall not exceed \$63.06 per
12 diem for adult day care centers and \$87.21 per diem
13 for adult day health centers.

14 If the operator does not provide the quality of care
15 consistent with the needs of the individual to the satisfaction
16 of the department, the department may remove the recipient to
17 another facility.

18 The department shall handle abusive practices under this
19 section in accordance with chapter 91.

20 Nothing in this subsection shall allow the director to
21 remove a recipient from an adult residential care home or other



1 similar institution if the recipient does not desire to be
2 removed and the operator is agreeable to the recipient
3 remaining, except where the recipient requires a higher level of
4 care than provided or where the recipient no longer requires any
5 domiciliary care."

6 SECTION 3. In accordance with section 9 of article VII of
7 the Hawaii State Constitution and sections 37-91 and 37-93,
8 Hawaii Revised Statutes, the legislature has determined that the
9 appropriations contained in Act 164, Regular Session of 2023,
10 and this Act will cause the state general fund expenditure
11 ceiling for fiscal year 2024-2025 to be exceeded by
12 \$ or per cent. This current declaration takes
13 into account general fund appropriations authorized for fiscal
14 year 2024-2025 in Act 164, Regular Session of 2023, and this Act
15 only. The reasons for exceeding the general fund expenditure
16 ceiling are that:

- 17 (1) The appropriation made in this Act is necessary to
18 serve the public interest; and
19 (2) The appropriation made in this Act meets the needs
20 addressed by this Act.



1 SECTION 4. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$5,590,000 or so much
3 thereof as may be necessary for fiscal year 2024-2025 for the
4 funding of expanded adult residential care homes and community
5 care foster family homes.

6 The sum appropriated shall be expended by the department of
7 human services for the purposes of this Act.

8 SECTION 5. There is appropriated out of the general
9 revenues of the State of Hawaii the sum of \$170,000 or so much
10 thereof as may be necessary for fiscal year 2024-2025 for the
11 funding of adult day programs, including adult day care centers
12 and adult care health centers.

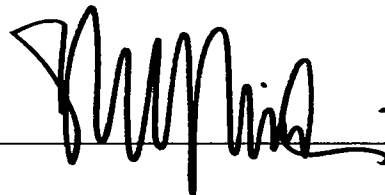
13 The sum appropriated shall be expended by the department of
14 human services for the purposes of this Act.

15 SECTION 6. Statutory material to be repealed is bracketed
16 and stricken. New statutory material is underscored.

17 SECTION 7. This Act shall take effect on July 1, 2024.

18

INTRODUCED BY: _____

A handwritten signature in black ink, appearing to be 'D. M. ...', written over a horizontal line.

S.B. NO. 3224

Report Title:

Adult Residential Care Homes; Department of Human Services; Medicaid; Med-QUEST; State Supplemental Payments; Adult Foster Homes; Adult Day Programs; Adult Day Care Centers; Adult Day Health Centers; Expenditure Ceiling; Appropriations

Description:

Beginning on 7/1/2024, 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 7/1/2024, requires the state supplemental payment for type II adult residential care homes not exceed \$875. Beginning on 7/1/2024, requires that the state supplemental payment for adult day care centers and adult day health centers not exceed \$63.06 and \$87.21 per diem, respectively. Declares that the general fund expenditure ceiling is exceeded. Makes appropriations.

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