

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



GOV. MSG. NO. 1293

EXECUTIVE CHAMBERS  
KE KE'ENA O KE KIA'ĀINA

June 6, 2025

The Honorable Ronald D. Kouchi  
President of the Senate,  
and Members of the Senate  
Thirty-Third State Legislature  
State Capitol, Room 409  
Honolulu, Hawai'i 96813

The Honorable Nadine Nakamura  
Speaker, and Members of the  
House of Representatives  
Thirty-Third State Legislature  
State Capitol, Room 431  
Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on June 6, 2025, the following bill was signed into law:

H.B. NO. 713, H.D. 1,  
S.D. 1, C.D. 1

RELATING TO A RATE STUDY FOR HOME HEALTH  
SERVICES.  
**ACT 193**

Mahalo,

A handwritten signature in black ink that reads "Josh Green M.D.".

Josh Green, M.D.  
Governor, State of Hawai'i

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# A BILL FOR AN ACT

RELATING TO A RATE STUDY FOR HOME HEALTH SERVICES.

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

1       SECTION 1. The legislature finds that home health services  
2 are a crucial part of the health care system. Home health  
3 services include higher-level skilled care such as physical  
4 therapy, occupational therapy, speech therapy, wound care, and  
5 health management of complex chronic conditions. These services  
6 are typically provided by nurses and therapists to homebound  
7 individuals recovering from surgery or acute illnesses who need  
8 ongoing medical support but do not need to be hospitalized or  
9 institutionalized.

10       The legislature additionally finds that reimbursement for  
11 home health services is declining, which is affecting patient  
12 access to care. The Partnership for Quality Home Healthcare  
13 projects that medicare will cut federal funding for home health  
14 services by \$25,000,000,000 between 2020 and 2029.

15 Additionally, a survey conducted by the Healthcare Association  
16 of Hawaii found that Hawaii's medicare-certified home health  
17 agencies lost an average of \$1,186 per medicaid patient served.



1 As a result of decreases in reimbursement from these two major  
2 payment sources, the proportion of medicaid patients treated by  
3 these surveyed home health agencies decreased from twenty-five  
4 per cent to sixteen per cent between 2020 and 2024.

5 The legislature also finds that these losses are similarly  
6 attributable to increasing costs, particularly the cost of  
7 labor, and are making it difficult for home health agencies to  
8 adequately recruit and retain their workforce. The Healthcare  
9 Association of Hawaii's 2022 workforce report found that the  
10 vacancy rate for health care positions in the home health  
11 services setting was thirty-nine per cent, the highest  
12 percentage of vacancies across professions. The high vacancy  
13 rate reflects reimbursement that is insufficient to make home  
14 health a competitive setting for nurses, therapy providers, and  
15 aides.

16 The legislature further finds that it has considered  
17 increasing medicare reimbursement rates for other home and  
18 community-based services providers, such as home care agencies,  
19 which provide services primarily focused on assistance with the  
20 activities of daily living, such as bathing, dressing, and meal  
21 preparation. However, home health agencies were not included as



1 part of the rate studies conducted by the United States  
2 Department of Health and Human Services and therefore have not  
3 had their rates reviewed or updated as part of those legislative  
4 efforts.

5 Accordingly, the purpose of this Act is to provide funding  
6 for the department of human services to conduct a rate study for  
7 medicaid home health services in Hawaii, which will serve as a  
8 foundation for future informed decision-making and support the  
9 continued delivery of high-quality, accessible home health  
10 services to medicaid recipients in the State.

11 SECTION 2. There is appropriated out of the general  
12 revenues of the State of Hawaii the sum of \$250,000 or so much  
13 thereof as may be necessary for fiscal year 2025-2026 to conduct  
14 a rate study on medicaid home health services in the State.

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

17 SECTION 3. This Act shall take effect on July 1, 2025.



H.B. NO. 713  
H.D. 1  
S.D. 1  
C.D. 1

APPROVED this 6th day of June, 2025

A handwritten signature in black ink, appearing to read "Josh Green". The signature is fluid and cursive, with a large initial "J" and a long, sweeping underline.

GOVERNOR OF THE STATE OF HAWAII

HB No. 713, HD 1, SD 1, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: April 30, 2025  
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2025.



Nadine K. Nakamura  
Speaker  
House of Representatives

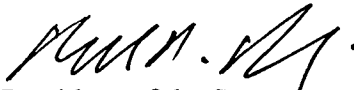



Brian L. Takeshita  
Chief Clerk  
House of Representatives

**THE SENATE OF THE STATE OF HAWAI‘I**

Date: April 30, 2025  
Honolulu, Hawai‘i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate  
of the Thirty-Third Legislature of the State of Hawai‘i, Regular Session of 2025.

  
President of the Senate

  
Clerk of the Senate