

Honolulu, Hawaii

FEB 14 2025

RE: S.B. No. 1564  
S.D. 1

Honorable Ronald D. Kouchi  
President of the Senate  
Thirty-Third State Legislature  
Regular Session of 2025  
State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred S.B. No. 1564 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAID,"

begs leave to report as follows:

The purpose and intent of this measure is to appropriate funds to the Department of Human Services to increase the funding of certain Medicaid home- and community-based services, including adult day programs and residential services offered in community care foster family homes and expanded adult residential care homes.

Your Committee received testimony in support of this measure from AARP Hawai'i and seven individuals.

Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that there is a strong demand for community-based care options for kupuna in the State since receiving care close to home makes it easier for kupuna to maintain connection with family and friends and continue to visit familiar health care providers. Your Committee further finds that community-based services providers face significant wage pressures when hiring registered nurses and certified nursing assistants and are competing with other facilities, which are reimbursed at



higher rates by Medicaid and private pay services for the same labor force. This measure increases the long-term care reimbursement rates from Medicaid to fund certain Medicaid home- and community-based services to attract, retain, and properly compensate the appropriate health care professionals so that they can continue to care for the State's most vulnerable populations, including kupuna.

Your Committee has amended this measure by:

- (1) Inserting an effective date of December 31, 2050, to encourage further discussion; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

Your Committee notes that this measure contains an unspecified appropriation amount. Should your Committee on Ways and Means choose to deliberate on this measure, your Committee respectfully requests that it consider inserting an appropriation amount that would total \$35,000,000, comprised of \$14,300,000 in state funds and \$20,700,000 in matching federal funds, to increase the funding of certain Medicaid home- and community-based services, including adult day programs and residential services offered in community care foster family homes and expanded adult residential care homes.

As affirmed by the record of votes of the members of your Committee on Health and Human Services that is attached to this report, your Committee is in accord with the intent and purpose of S.B. No. 1564, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 1564, S.D. 1, and be referred to your Committee on Ways and Means.

Respectfully submitted on  
behalf of the members of the  
Committee on Health and Human  
Services,




JOY A. SAN BUENAVENTURA, Chair



The Senate  
Thirty-Third Legislature  
State of Hawai'i

**Record of Votes**  
**Committee on Health and Human Services**  
**HHS**

Bill / Resolution No.:* <div style="text-align: center; font-family: cursive; font-size: 1.2em;">SB 1564</div>	Committee Referral: <div style="text-align: center; font-family: cursive; font-size: 1.2em;">HHS, WAM</div>	Date: <div style="text-align: center; font-family: cursive; font-size: 1.2em;">2/5/25</div>																		
<input type="checkbox"/> The Committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____																				
The Recommendation is: <div style="display: flex; justify-content: space-around; align-items: flex-start;"> <div style="text-align: center;"> <input type="checkbox"/> Pass, unamended 2312         </div> <div style="text-align: center;"> <input checked="" type="checkbox"/> Pass, with amendments 2311         </div> <div style="text-align: center;"> <input type="checkbox"/> Hold 2310         </div> <div style="text-align: center;"> <input type="checkbox"/> Recommit 2313         </div> </div>																				
Members	Aye	Aye (WR)	Nay	Excused																
SAN BUENAVENTURA, Joy A. (C)	✓																			
AQUINO, Henry J.C. (VC)	✓																			
HASHIMOTO, Troy N.	✓																			
KEOHOKALOLE, Jarrett	✓																			
FEVELLA, Kurt				✓																
<b>TOTAL</b>	4			1																
Recommendation: <div style="display: flex; justify-content: space-around; margin-top: 5px;"> <input checked="" type="checkbox"/> Adopted         <input type="checkbox"/> Not Adopted         </div>																				
Chair's or Designee's Signature: <div style="text-align: center; font-family: cursive; font-size: 1.5em; margin-top: 10px;">  </div>																				
<table style="width: 100%; font-size: 0.8em;"> <tr> <td style="width: 25%;"><b>Distribution:</b></td> <td style="width: 25%;">Original</td> <td style="width: 25%;">Yellow</td> <td style="width: 25%;">Pink</td> </tr> <tr> <td></td> <td>File with Committee Report</td> <td>Clerk's Office</td> <td>Drafting Agency</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Goldenrod</td> </tr> <tr> <td></td> <td></td> <td></td> <td>Committee File Copy</td> </tr> </table>					<b>Distribution:</b>	Original	Yellow	Pink		File with Committee Report	Clerk's Office	Drafting Agency				Goldenrod				Committee File Copy
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\*Only one measure per Record of Votes