



**STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
STATE COUNCIL ON DEVELOPMENTAL DISABILITIES
'A'UNIKE MOKU'ĀPUNI NO KA NĀ KĀWAI KULA**

PRINCESS VICTORIA KAMĀMALU BUILDING
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543

February 24, 2025

The Honorable Representative Kyle T. Yamashita, Chair
House Committee on Finance
The Thirty-Third Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Representative Yamashita, and Committee members

SUBJECT: HB1477 HD1 Relating to Social Services

The Hawai'i State Council on Developmental Disabilities **SUPPORTS HB1477 HD1**, which clarifies that the monthly needs allowance afforded to individuals living in certain long-term care facilities is not intended to replace or affect funds received as a state supplemental payment for domiciliary care and shall be supplemental to any funds provided to a recipient as a state supplemental payment for domiciliary care.

For individuals with intellectual and developmental disabilities (I/DD), the monthly needs allowance is a critical source of support that promotes autonomy, dignity, and inclusion within their communities. These funds enable individuals to meet essential personal expenses, including communication services, hygiene products, and transportation costs, all of which contribute significantly to their quality of life and ability to participate meaningfully in daily activities. By clarifying that the needs allowance is supplemental to state payments, HB1477 HD1 will prevent unintended reductions in support, thereby empowering individuals to make decisions about their own lives.

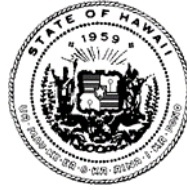
Recent legislative increases to the needs allowance and state supplemental payments were intended to enhance support for these individuals. However, due to the current administration structure of these payments, the increase in the needs allowance is being offset against the state supplemental payment. HB1477 HD1 corrects this discrepancy, ensuring that the full intended benefit reaches those who need it most. For many residents in long-term care settings, financial autonomy can directly impact their ability to engage in activities that support their personal growth, social connections, and overall well-being. Ensuring that these allowances remain intact and supplemental is a step toward fostering inclusive communities where people with developmental disabilities have the resources they need to thrive.

Thank you for the opportunity to submit testimony in **support of HB1477 HD1**.

Sincerely,

Daintry Bartoldus,
Executive Administrator

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



RYAN I. YAMANE
DIRECTOR
KA LUNA HO'OKELE

JOSEPH CAMPOS II
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

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

TRISTA SPEER
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

February 23, 2025

TO: The Honorable Representative Kyle T. Yamashita, Chair
Committee on Finance

FROM: Ryan I. Yamane, Director

SUBJECT: **HB1477 HD1 – RELATING TO SOCIAL SERVICES.**

Hearing: February 24, 2025, 12:00 p.m.
Conference Room 308 & Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the intent of this bill and agrees with the proposed statutory amendments in Sections 2 and 3 of the HD1. However, DHS respectfully requests further amendments to Section 1 to clarify the purpose of the bill.

PURPOSE: Clarifies that the monthly needs allowance afforded to individuals living in certain long-term care facilities is not intended to replace or affect funds received for the domiciliary care rate; together, the monthly needs allowance and the domiciliary care rate make up the State Supplemental Payment. Effective 7/1/3000.

DHS appreciates the Committee on Human Services and Homelessness' amendments,

- (1) Removing the specific statutory reference to the starting date for the increase in needs allowance and state supplemental payment;
- (2) Deleting as unnecessary the appropriation for the Department of Human Services' Community-Based Residential Support Program;
- (3) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (4) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

However, DHS respectfully notes an error in the House Committee Report Number 266, page 2, stating that the measure proposes an increase of the needs allowance. This bill proposes to increase the domiciliary care rate by \$45; as drafted, it does not propose an increase in the needs allowance.

Additionally, DHS requests that Section 1 be revised to clarify that the purposes of the Act:

- (1) Increases the domiciliary care rates;
- (2) Clarifies that the State Supplemental Payment ceiling amounts in section 346-53(c)(1) and (2), Hawaii Revised Statutes, include both the personal needs allowance to individuals receiving care in these facilities and the domiciliary care rate for providers; and
- (3) Adds the statutory reference of the State Supplemental Payment in section 346D-4.5 that addresses the needs allowance.

As drafted, Section 1 is confusing and subject to misunderstanding. Alternatively, DHS proposes the following:

SECTION 1. The Social Security Administration issues one monthly payment to eligible recipients receiving care, or their representative payee, that includes supplemental security income and the State supplemental payment. The State supplemental payment includes the personal needs allowance for the individual receiving care and a domiciliary care rate for the provider.

The purpose of this Act is to increase the domiciliary care rates for certain providers and clarify that the needs allowance and the domiciliary care rates are included in the State supplemental payment ceiling amounts.

DHS agrees with the current draft of Sections 2 and 3.

DHS requests an effective date of October 1, 2025, to give the Social Security Administration time to implement the new domiciliary care rate amount. However, the time frame is based on the prior federal administration. If DHS learns of a different time frame as this bill progresses, DHS will update the Legislature.

February 23, 2025

Page 3

Thank you for the opportunity to provide comments and proposed amendments to this measure.



February 21, 2025

House Committee on Finance

Rep. Kyle T. Yamashita, Chair

Rep. Jenna Takenouchi, Vice Chair

Rep. Tina Nakada Grandinetti, Rep. Daniel Holt, Rep. Ikaika Hussey, Rep. Sue L. Keohokapu-Lee Loy, Rep. Lisa Kitagawa, Rep. Matthias Kusch, Rep. Rachele F. Lamosao, Rep. Mike Lee, Rep. Tyson K. Miyake, Rep. Dee Morikawa, Rep. Shirley Ann Templo, Rep. David Alcos III, Rep. Julie Reyes Oda, Rep. Gene Ward, Committee Members

RE: HB 1477 RELATING TO SOCIAL SERVICES – SUPPORT

Dear Chair Yamashita, Vice Chair Takenouchi, and Committee Members,

I am submitting this letter in support of HB 1477 on behalf of Easterseals Hawaii. Easterseals Hawaii served 2,025 Hawaii community members with intellectual and developmental disabilities (I/DD) in 2024. Our purpose is to create a more equitable world where people with I/DD can choose their own path.

HB 1477 aims to improve financial support for individuals with I/DD living in long-term care facilities, as well as their service providers. It ensures that funds are properly allotted and resolves discrepancies in existing law by preventing the needs allowance increase enacted last year for individuals in such facilities from being deducted from the state supplemental payment increase. This bill is an imperative step in ensuring that recipients receive the entirety of the financial relief they need and are entitled to.

Easterseals Hawaii supports HB 1477 and respectfully requests your “aye” vote.

Mahalo for the opportunity to submit this letter.

A handwritten signature in black ink, appearing to read "Rachel Liebert Lewis".

Rachel Liebert Lewis
Director, Public Policy and Advocacy
Easterseals Hawaii
PublicPolicyAndAdvocacy@eshawaii.org

HB-1477-HD-1

Submitted on: 2/21/2025 7:27:09 PM

Testimony for FIN on 2/24/2025 12:00:00 PM

Submitted By	Organization	Testifier Position	Testify
Rosemarie S. Sebastian	ILWU LOCAL 1000 / SEBASTIAN'S ARCH LLC	Support	Written Testimony Only

Comments:

Dear Rep. Kyle Yamashita, Chair, and all Members of the Finance Committee:

On behalf of ILWU Local 1000 and all other Caregivers, I support HB1477 HD1. First, we are thankful to Rep. Lisa Marten and all other Representatives for introducing this bill--as it clarifies/corrects the underpayment of \$25 from HB2166 (\$132.10 increase in room & board payments effective October 1, 2024). We also appreciate the additional \$20 increase from DHS. I have to reiterate that even with this additional increase of \$45 to our room & board effective 10/1/25, caregivers are still underpaid with their room & board. Our room & board should align with the current cost of living in Hawaii today--which is ranging from \$1,900 to \$2,700 per individual. We haven't had an increase for the last 16 years except for last year. With the increase we received last year, we are currently getting paid \$1,676 per client per month. We need, at least, \$2,200 per client per month to operate our operations feasibly over the long term. We hope that you can find it in your hearts to help caregivers by giving us more increase next year.

Your kind support of this bill would be greatly appreciated. Thank you!

Respectfully submitted,

Rose Sebastian, Treasurer/Legislative Committee, Chair

ILWU Local 1000 / SEBASTIAN'S ARCH LLC

P.O. BOX 2064

Pearl Ciity, HI 96782

Cell. (808) 220-0824

Email: rose.sebastian808@gmail.com

HOUSE OF REPRESENTATIVES
THE THIRTY-THIRD LEGISLATURE

COMMITTEE OF FINANCE
Chair Kyle T. Yamashita and Vice Chair Jenna Takenouchi

BILL NO. HB1477 H.D.1 RELATING TO SOCIAL SERVICES

NOTICE OF HEARING

DATE: Monday, February 24, 2025
TIME: 12:00 p.m.
PLACE: VIA VIDEOCONFERENCE
State Capitol
415 South Beretania Street

RE: Testimony in Support of HB1477 H.D.1

Dear Chair Yamashita, Vice Chair Takenouchi, and Members of the Committee,

My name is Mary Elaine Buccat, and I am testifying in strong support of H.B. 1477, which aims to clarify that the monthly needs allowance given to individuals in certain long-term care facilities should be supplemental to – rather than deducted from – the state supplemental payment for domiciliary care. This bill ensures that the legislative intent of increasing the needs allowance and the state supplemental payment is fully realized without administrative deductions, providing much-needed financial stability for vulnerable individuals in long-term care facilities.

The financial well-being of residents in long-term care facilities is a pressing issue that requires immediate attention. The cost of long-term care in Hawaii is alarmingly high, with nursing home room rates ranging from \$583 to \$2,500 per day. Assisted living costs are equally steep, with the average monthly price of care in 2024 reaching \$9,340, a staggering 73.77% increase since 2021. Many residents rely on Supplemental Security Income (SSI), which averages just \$654.14 monthly in Hawaii, with a maximum of \$943. The gap between the financial resources available to residents and the actual cost of care leaves many individuals vulnerable to economic hardship.

The passage of H.B. 1477 will ensure that individuals in long-term care facilities receive the full benefit of both the \$25 increase in their monthly needs allowance and their state supplemental payment without it being offset, providing them with greater financial flexibility to cover essential needs like hygiene products, clothing, and recreational activities. This adjustment aligns with the state's commitment to fairly and adequately supporting its most vulnerable citizens, ensuring that long-term care residents are not left in a position where their basic needs are compromised.

Furthermore, this bill will benefit care providers, such as adult residential care homes and foster family homes, by stabilizing the supplemental payments they receive. The complete and timely

allocation of these funds helps ensure the sustainability of these care homes, which is critical to providing quality care for residents.

As a student currently completing a field placement at the Hawaii State Hospital, I have seen firsthand the challenges residents face when discharged. Many patients are unable to find appropriate long-term care placements because of financial barriers, discrimination, and a lack of available facilities that accept Medicaid or DSS. This situation only underscores the need for a transparent, consistent system that provides residents with the financial support they need to access care. The adjustments proposed in H.B. 1477 will help bridge these gaps by ensuring that the needs allowance and supplemental payment are fully received without administrative offsets.

In conclusion, I urge the Committee to support H.B. 1477. This bill is not just a piece of legislation, but a lifeline for individuals in long-term care. By ensuring that they receive the full financial support they are entitled to, we can take a significant step towards greater fairness and economic security for our most vulnerable residents. I wholeheartedly support the passage of this bill and hope that you will too.

Sincerely,
Mary Elaine Buccat
maryelainebuccat@gmail.com
(808) 356-9446

Mary E Buccat