JOSH GREEN, M.D. GOVERNOR OF HAWAI'I KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAI'I



### DEPARTMENT OF HEALTH

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# Testimony in SUPPORT of SB1438 SD1 RELATING TO HOME CARE AGENCIES.

# REPRESENTATIVE SCOT Z. MAYAYOSHI, CHAIR HOUSE COMMITTEE ON CONSUMER PROTECTION & COMMERCE

Hearing Date: Tuesday, March 25, 2025 Room Number: 329

- 1 **Department Testimony:** The Department of Health (DOH) strongly supports SB1438 SD1,
- which is part of Governor Green's Administrative Package, to clarify that the scope of services
- authorized to be provided under a home care agency (HCA) license does not include services
- 4 that otherwise require a license pursuant to chapter 457, Hawaii Revised Statutes (HRS).
- This bill is needed to clarify that the Department may take enforcement action against
- 6 HCAs that provide services outside of the scope of their license. Some operators of HCAs
- 7 provide skilled nursing services to clients that are not rendered by a nurse licensed pursuant to
- 8 chapter 457, HRS. Because the State Board of Nursing may not have the authority to regulate
- 9 unlicensed providers of nursing care employed by HCAs, providing the Department with the
- authority to ensure appropriate services are provided will more effectively protect patient safety.
- Thank you for the opportunity to testify.



Members of the Committee,

The Libertarian Party of Hawaii <u>opposes</u> HB1119/SB1438. This would confine home care agencies to operating exclusively within the confines of their facility licenses, limiting their ability to cater to the diverse needs and preferences of clients. This measure impinges on personal freedom and hampers healthy competition, intensifying harm on the very individuals they aim to safeguard.

Why should some agencies obtain special privileges to operate under a separate paradigm while others are shackled by unnecessary constraints? Such selective regulation creates a potent breeding ground for inconsistencies in service delivery and accountability. It is our firm belief that all providers should be free from the imposition of heavy-handed governmental oversight.

Clients and families deserve the autonomy to make informed decisions regarding their health care choices based on individual needs and preferences, rather than succumb to the mandates of governmental authorities. Clients should have the freedom to use the services that align with their standards and expectations, without undue regulatory barriers.

Rather than afflicting the sector with regulations that curtail liberty and impede competition, we urge lawmakers to prioritize the protection of individual rights and personal freedoms. This proposal is a misguided detour from the principles of liberty and rightful autonomy.

Im unwavering commitment to inherent freedom,

The Libertarian Party of Hawaii <u>LPHIsecretary@gmail.com</u>

#### SB-1438-SD-1

Submitted on: 3/21/2025 8:29:32 PM

Testimony for CPC on 3/25/2025 2:00:00 PM

Submitted By	Organization	<b>Testifier Position</b>	Testify
Nicholas Zehr	Individual	Oppose	Written Testimony Only

#### Comments:

Honorable Chair, Vice Chair, and Members of the Committee,

I respectfully submit my testimony in opposition to SB1438, which proposes the imposition of additional licensing requirements on home care agencies. While I understand the intention behind this bill—to ensure the health, safety, and welfare of individuals receiving home care services—I believe that it represents an unnecessary overreach of government power and undermines the principles of personal liberty and free-market solutions. Rather than improving care, it risks reducing access to services, increasing costs, and limiting consumer choice.

It is important to recognize that the state does have a role in protecting vulnerable populations, such as the elderly and those with disabilities, from harm. However, this bill goes too far in imposing a **one-size-fits-all solution to a complex problem**. While government regulation can address certain concerns, it must not come at the expense of individual freedoms and the ability of families and individuals to make informed choices about their own care. The state should not assume that individuals are incapable of assessing care providers on their own.

Instead of mandating full-scale licensing, we could explore alternative solutions that address safety and quality concerns while preserving individual liberty. For example, implementing transparent systems, such as public databases with verified reviews or voluntary accreditation programs, would empower consumers to make informed decisions without imposing burdensome licensing requirements.

The testimony in favor of licensing often argues that consumers need protection from substandard care or exploitation. While these concerns are valid, they can be addressed through more market-friendly mechanisms. Consumers are capable of choosing care providers based on a variety of factors, such as reputation, experience, and reviews, particularly when these factors are easily accessible. By creating voluntary industry standards and certification processes, we can empower consumers to assess care quality and make decisions that best meet their needs. This approach would protect consumers without restricting their choices.

Moreover, licensing requirements tend to drive up the cost of services, making them less accessible, particularly for those who need affordable home care. In a market driven by competition and innovation, providers will be incentivized to offer better care at lower prices, which is more effective than increasing the regulatory burden on small businesses and independent providers. Excessive regulation can often lead to the concentration of care services

in larger, less flexible agencies that may not be as responsive to the unique needs of the community.

An often-overlooked consequence of mandatory licensing is the potential harm it can cause to small businesses and volunteers, who play an important role in the home care system. Many families rely on independent providers or volunteers for their loved ones' care. **The licensing requirements in this bill could push these providers out of the market, reducing the options available to consumers.** In rural areas or underserved communities, this could result in a significant reduction in access to care.

Rather than imposing mandatory licensing, we should consider fostering a more flexible system that allows for the recognition of qualified providers without shutting out smaller providers and volunteers. A certification process could be implemented that allows home care providers to demonstrate their commitment to quality care while avoiding the bureaucratic burden of full-scale licensing.

Rather than an outright mandate for licensing, I propose that the legislature explore alternative solutions that ensure the safety and quality of home care services without infringing on personal freedoms and stifling competition. One such alternative could be the creation of a voluntary certification process, where providers can opt to meet certain standards of care, which would be clearly communicated to consumers. This would allow families to make informed choices while preserving the ability of smaller providers and volunteers to offer services.

In conclusion, while the intention behind SB1438 may be to protect the public, it ultimately infringes upon individual liberties and the free market. There are more effective and less intrusive ways to address the concerns raised by the bill. A competitive, transparent market driven by consumer choice will better serve the residents of Hawai'i and ensure high-quality care without the need for burdensome regulation.

Thank you for your time and consideration.

Sincerely, Nicholas Zehr