

JAN 15 2025

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# A BILL FOR AN ACT

RELATING TO HUMAN SERVICES.

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

1           SECTION 1. The legislature finds that most of the State's  
2 kupuna would prefer to live in their own homes for as long as  
3 possible. In-home services are key to ensuring kupuna and  
4 people with disabilities stay in their own homes. These  
5 services include helping with activities of daily living such as  
6 meal preparation, cleaning, bathing, mobility support, and other  
7 forms of personal care. In a 2021 quantitative research study  
8 among Hawaii residents forty-five years of age and older,  
9 sixty-five per cent were extremely or very concerned about being  
10 able to age in place, and eighty-three per cent of those  
11 surveyed said it was extremely or very important to them to stay  
12 in their homes as they get older. Helping individuals remain in  
13 their own homes instead of in institutional nursing facilities  
14 is also far less costly.

15           The legislature further finds that reimbursement rates that  
16 do not have medicare rates for equivalent services, such as  
17 in-home care services, are reviewed and determined by the



1 department of human services at least every five years. The  
2 last review of home and community-based reimbursement rates for  
3 residential services by the department of human services'  
4 med-QUEST division was conducted through a third-party study by  
5 the actuarial firm Milliman, and reported on December 30, 2022.  
6 The study developed benchmark comparison rates for in-home  
7 services, including "homemaker/companion/chore (PA1)," "personal  
8 care/personal assistance/attendant care (PA2)," and private duty  
9 nursing by a registered nurse or a licensed practical nurse.

10 The rate studies found tremendous wage pressure for direct  
11 care workers in home settings, given the highly competitive  
12 labor market in the State for similar-paying jobs. For all  
13 in-home provider types included in the study, current median  
14 direct care wages paid by the operators fell below the United  
15 States Department of Labor Bureau of Labor Statistics  
16 twenty-fifth percentile for those occupation codes and titles,  
17 except for licensed practical nurses, who fell just below the  
18 fiftieth percentile.

19 Accordingly, the purpose of this Act is to make an  
20 appropriation to increase funding of medicaid in-home services.  
21 The corresponding federal matching funds will also increase,



1 resulting in a larger impact on reimbursements received by  
2 service providers.

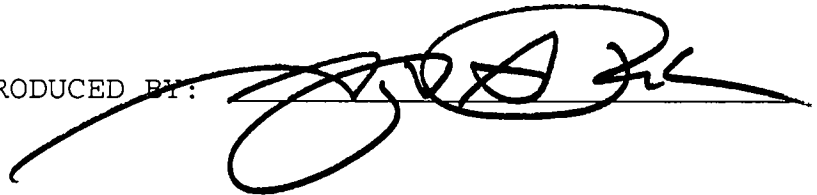
3 SECTION 2. There is appropriated out of the general  
4 revenues of the State of Hawaii the sum of or so much  
5 thereof as may be necessary for fiscal year 2025-2026 and the  
6 same sum or so much thereof as may be necessary for fiscal year  
7 2026-2027 to increase funding for medicaid in-home services;  
8 provided that the department of human services shall obtain the  
9 maximum federal matching funds available for this expenditure;  
10 provided further that the department of human services shall  
11 pursue all funding sources known to the State, including private  
12 grants, prior to expending any general revenues appropriated  
13 pursuant to this Act.

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

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

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INTRODUCED BY:

A large, stylized handwritten signature in black ink, written over a horizontal line. The signature is highly cursive and difficult to decipher, but appears to consist of several loops and a long tail.

# S.B. NO. 298

**Report Title:**

DHS; Medicaid; In-Home Services; Appropriation; Expenditure Ceiling

**Description:**

Appropriates funds to increase funding for Medicaid in-home services, conditioned on the Department of Human Services obtaining maximum federal matching funds and pursuing all other funding sources.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

