

EXECUTIVE CHAMBERS

HONOLULU

June 18, 2001

STATEMENT OF OBJECTIONS TO SENATE BILL NO. 927

Honorable Members
Twenty-First Legislature
State of Hawaii

Pursuant to Section 16 of Article III of the Constitution of the State of Hawaii, I am returning herewith, without my approval, Senate Bill No. 927, entitled "A Bill for an Act Relating to Adult Day Health Care Centers."

The purpose of this bill is to appropriate \$300,000 in general funds each year for fiscal years 2001-2002 and 2002-2003, to allow the Research Corporation of the University of Hawaii (RCUH) to negotiate for the development of a program to provide for the development of adult day health care centers for the frail and elderly and for physically and mentally disabled adults. The bill will also require that a research center be included to collect data, research equipment, and test material.


While the need for health care centers is unquestioned, it is the Department of Health, not the RCUH, that should be undertaking such responsibility with the considerable funds that are already appropriated to the Department of Health. In 1991, the Legislature provided about \$2,000,000 to establish a program for all-inclusive care for the elderly (PACE) demonstration project at Maluhia Hospital, which now has about ninety participants who are served by an interdisciplinary team of professionals. The PACE budget is currently about \$2,200,000 and is self-sufficient. Revenues come from a monthly fee of about \$2,100 per participant. Of the \$2,200,000 in revenues, about \$1,980,000 is from Medicaid payments and the balance from private paying individuals and Medicare payments. Statistical data is collected that can be shared with researchers. Because there already are successful programs in existence, there is no need to attempt to develop a program to provide for the

STATEMENT OF OBJECTIONS
SENATE BILL NO. 927
Page 2

development of adult day health care centers.

For the foregoing reasons, I am returning Senate Bill
No. 927 without my approval.

Respectfully,


BENJAMIN J. CAYETANO
Governor of Hawaii