

STAND. COM. REP. NO.

258

Honolulu, Hawaii

FEB 10, 2025

RE: H.B. No. 702
H.D. 1

Honorable Nadine K. Nakamura
Speaker, House of Representatives
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Madame:

Your Committee on Human Services & Homelessness, to which was referred H.B. No. 702 entitled:

"A BILL FOR AN ACT RELATING TO HUMAN SERVICES,"

begs leave to report as follows:

The purpose of this measure is to appropriate funds to increase the funding for Medicaid in-home services, conditioned on the Department of Human Services obtaining the maximum federal matching funds.

Your Committee received testimony in support of this measure from the State Council on Developmental Disabilities; Executive Office on Aging; and three individuals. Your Committee received comments on this measure from the Department of Human Services.

Your Committee finds that many of Hawaii's kupuna prefer to age in place, relying on in-home services for essential support such as meal preparation, cleaning, personal care, and mobility assistance. A 2021 study found that eighty-three percent of residents aged forty-five and older consider staying in their homes as they age to be extremely or very important. However, low Medicaid reimbursement rates for in-home care services make it difficult for providers to sustain operations, limiting access to care for Medicaid clients. To address this issue, this measure increases Medicaid reimbursement rates for in-home services,

2025-1362 HB702 HD1 HSCR HMSO



ensuring fair compensation for providers and improving access to critical care for those in need.

Your Committee has amended this measure by:

- (1) Changing the appropriation to an unspecified amount;
- (2) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

Your Committee respectfully respects your Committee on Finance, should it deliberate on this measure, to consider that the amount of general funds needed to reach the "high" level of compensation for in-home services is \$16,530,000, which is \$6,790,000 more than in the Governor's budget request.

As affirmed by the record of votes of the members of your Committee on Human Services & Homelessness that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 702, as amended herein, and recommends that it pass Second Reading in the form attached hereto as H.B. No. 702, H.D. 1, and be referred to your Committee on Finance.

Respectfully submitted on
behalf of the members of the
Committee on Human Services &
Homelessness,



LISA MARTEN, Chair



