

Honolulu, Hawaii

January 30, 2008

RE: H.B. No. 2136

Honorable Calvin K.Y. Say
Speaker, House of Representatives
Twenty-Fourth State Legislature
Regular Session of 2008
State of Hawaii

Sir:

Your Committee on Human Services & Housing, to which was referred H.B. No. 2136 entitled:

"A BILL FOR AN ACT RELATING TO CARE HOMES,"

begs leave to report as follows:

The purpose of this bill is to provide increases in supplemental payments for care home recipients eligible for Federal Supplementary Security Income or public assistance as follows:

- (1) From \$641.90 to \$686.83 for adult residential care homes classified as facility type I, licensed development domiciliary homes, community care foster family homes, and certified adult foster homes; and
- (2) From \$749.90 to \$802.39 for adult residential care homes classified as facility type II.

The State Council on Developmental Disabilities, Arc in Hawaii, Big Island ARCH, Hawaii Coalition of Caregivers, Kauai Care Home Operators, Big Island Adult Foster Home Association, and many concerned individuals testified in support of this bill. The Department of Human Services (DHS) provided comments.

Your Committee recognizes the concerns of caregivers who have faced increased costs over the years, without a concomitant increase in revenue. Caregivers have received only three



increases over the past 11 years, totaling a maximum of \$170. Up until 2006, there was no increase in nine years. DHS noted that the increase proposed by this bill would cost approximately \$1,304,818.80 for fiscal year 2009.

However, many of the testifiers stated that it costs the State approximately \$90,000,000 per year to provide bed space for the elderly and disabled. Care homes can help to alleviate this financial cost to the State, and adequately funding supplemental payments could result in cost savings in other areas.

As affirmed by the record of votes of the members of your Committee on Human Services & Housing that is attached to this report, your Committee is in accord with the intent and purpose of H.B. No. 2136 and recommends that it pass Second Reading and be referred to the Committee on Finance.

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



MAILE SHIMABUKURO, Chair



