



STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3378
HONOLULU, HAWAII 96801-3378

In reply, please refer to:
File:

HOUSE COMMITTEES ON HUMAN SERVICES AND HEALTH

HB0704, RELATING TO HOME CARE AGENCIES

**Testimony of Chiyome Leinaala Fukino, M.D.
Director of Health**

February 5, 2009

10:30 a.m.

1 **Department's Position:** The department appreciates the intent of this bill, but must respectfully
2 oppose.

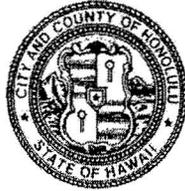
3 **Fiscal Implications:** At least one registered nurse (RN V) position would be required. Along with
4 travel cost (mileage and neighbor island travel), annual expenses are expected to be approximately
5 \$120,000.

6 **Purpose and Justification:** A new program cannot be added at the same time that established programs
7 are being cut and other funding cuts may be required. A similar bill was supported by the department in
8 the past, but the state's financial climate has changed requiring a rethinking of priorities and of
9 establishing new programs.

10 Thank you for the opportunity to testify.

DEPARTMENT OF COMMUNITY SERVICES
CITY AND COUNTY OF HONOLULU

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MUFI HANNEMANN
MAYOR

DEBORAH KIM MORIKAWA
DIRECTOR

ERNEST Y. MARTIN
DEPUTY DIRECTOR

February 4, 2009

The Honorable John M. Mizuno, Chair
and Members of the Committee on Human Services
The Honorable Ryan I. Yamane, Chair
and Members of the Committee on Health
The House of Representatives
State Capitol
Honolulu, Hawaii 96813

Dear Chair Mizuno, Chair Yamane, and Members:

**Subject: House Bill No. 704
Relating to Home Care Agencies**

The City and County of Honolulu's Elderly Affairs Division is Honolulu's designated Area Agency on Aging and operates in accordance with the Older Americans Act of 1965 to coordinate, advocate, and improve or expand our services to assist older persons in leading independent, meaningful, and dignified lives in their own homes and communities for as long as possible. We strongly urge the committee to consider amending H.B. 704 to exclude the service provider agencies contracted under the Elderly Affairs Division from the licensure requirements included in H.B. 704.

The Elderly Affairs Division contracts with non-profit agencies to provide home and community-based services including Kupuna Care services such as personal care, case management, chore, home delivered meals, transportation, and attendant care services as well as other supportive services such as caregiver, congregate meals and health maintenance services. These services allow Hawaii's senior citizens to live in the environment of their choice for as long as possible. Without such services our seniors are at risk for possible neglect and/or premature institutionalization.

Although the Elderly Affairs Division supports the intent of licensing home care agencies, H.B. 704 would appear to also include the agencies with which we contract for the provision of home and community based services. This licensure requirement may compromise the ability of our contracted service provider agencies to deliver these much needed and cost effective services to Hawaii's rapidly increasingly aging population. Many of our contracted service providers rely on volunteer workers and donations to supplement the funding they receive from the Elderly Affairs Division and

The Honorable John M. Mizuno, Chair
and Members of the Committee on Human Services
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licensure would dramatically increase the cost of delivering these services. Further, the Elderly Affairs Division closely monitors its contracted home and community-based agencies on a monthly basis and also conducts a formal on-site assessment annually.

Thank you for the opportunity to submit this testimony.

Sincerely,



Deborah Kim Morikawa
Director

CY:ab
hb 704



**Testimony to the House Committees on Human Services and Health
Thursday, February 5, 2009 at 10:30 a.m.
Conference Room 329, State Capitol**

RE: HOUSE BILL NO. 704 RELATING TO HOME CARE AGENCIES

Chairs Mizuno and Yamane, Vice Chairs Brower and Nishimoto, and Members of the Committees:

My name is Jim Tollefson and I am the President and CEO of The Chamber of Commerce of Hawaii ("The Chamber"). The Chamber supports House Bill 704 relating to Home Care Agencies.

The Chamber is the largest business organization in Hawaii, representing more than 1,100 businesses. Approximately 80% of our members are small businesses with less than 20 employees. As the "Voice of Business" in Hawaii, the organization works on behalf of its members, which employ more than 200,000 individuals, to improve the state's economic climate and to foster positive action on issues of common concern.

This measure requires the Department of Health to license home care agencies.

Quality health care is critical to the people and economy of Hawaii. As one of the largest private industries in Hawaii, the health care industry plays an important role in our economy, particularly through attractive, well-paying jobs and through the purchase of goods and services that contribute to our state's economy. As such, the health care industry plays a crucial role in the economic development and sustainability of our state and all of Hawaii's businesses. Also, Hawaii's healthcare system provides quality care for our families and serves to attract and retain a professional workforce, new companies, and even tourists to our state.

However, the quality healthcare that Hawaii has enjoyed for years is now in jeopardy. It is on the verge of declining because healthcare providers are no longer being paid for essential services at a level sufficient to cover annually increasing costs. The health care system must be maintained and challenges must be addressed.

Therefore, The Chamber supports prescriptions of improvements of the quality of our health care system that will increase long term care capacity and access statewide. Implementing a license requirement of home care agencies is the first step in the right direction in ameliorating the current state of health care in Hawaii.

In light of the above, The Chamber of Commerce of Hawaii supports HB 704. Thank you for the opportunity to testify.

HOUSE COMMITTEE ON HUMAN SERVICES
Rep. John M. Mizuno, Chair

HOUSE COMMITTEE ON HEALTH
Rep. Ryan I. Yamane, Chair

Conference Room 329
February 5, 2009 at 10:30 a.m.

Testimony in support of HB 704.

I am Coral Andrews, Vice President of the Healthcare Association of Hawaii which represents the entire spectrum of health care, including acute care hospitals, two-thirds of the long term care beds in Hawaii, as well as home care and hospice providers.

Thank you for this opportunity to testify in strong support of support of HB 704, which requires all home care agencies to be licensed.

The mandatory licensure of home care agencies is designed to assure the public that the services provided by such agencies comply with appropriate standards. Without mandatory licensure, these assurances cannot be given.

Home care is a rapidly growing sector of the health care continuum. It is a cost-effective service for many individuals who are recuperating from a hospital stay and also for many who, because of a functional or cognitive disability, are unable to take care of themselves.

Elderly and disabled people increasingly prefer to remain living in their homes rather than being institutionalized. Home care reinforces and supplements care provided in the home by family members and friends, maintaining the recipient's dignity and independence.

Unfortunately, home care is often confused with other types of health care. Home health agencies are currently licensed by the Department of Health. Home health is directed by a physician and focuses on services provided by licensed professionals, such as registered nurses, physical and occupational therapists, and speech therapists.

On the other hand, the Department of Health does not license home care agencies. Home care services are consumer directed, focusing primarily on services provided by non-medical personnel, often called custodial care. Home care services include assistance with tasks of daily living such as bathing and meal preparation, laundry, light housekeeping, errands, shopping, transportation, and companionship.

Also, the similarity between the terms "home care" and "care homes" may be confusing. Since care homes are licensed, many people incorrectly believe that home care agencies are also licensed.

Without licensure, the safety of those who receive home care is at risk, especially since home care is in many cases provided to frail and elderly consumers. Unlike in an institutional setting, the home care worker is often alone with the consumer of services.

The State has an obligation to protect consumers from improper care, exploitation, and abuse. At a minimum, the competence of home care agency employees should be established, and criminal background checks should be performed.

This bill directs the Department of Health (DOH) to establish a licensure system that protects the health and safety of clients receiving services from home care agencies. Any home care agency that is not licensed would not be allowed to operate.

This bill has been needed for some time now to protect the many elderly and disabled people who receive home care. Any delay will only extend the potential for abuse at a time when the demand for home care is increasing.

For the foregoing reasons, the Healthcare Association of Hawaii strongly supports
HB 704.

Representative John M. Mizuno, Chair
Committee on Human Services
Representative Ryan I. Yamane, Chair
Committee on Health
Helen French
1246 15th Ave. Honolulu, HI. 96816
Thursday, February 5, 2009

Support of HB 704 Relating to Home Care Agencies

I strongly support the HB No. 704 requiring home care agencies in Hawaii to be licensed and monitored by the Department of Health for the following reasons. After Florida, the Hawaiian Islands have the second oldest population in the United States, sitting at about 17.1%. The most current data on adult abuse in Hawaii is from fiscal year 2006-2007. That year, Hawaii Dependent Adult Services (DAPS) received 1,387 reports of abuse on dependent adults. Of that number, 575 reports or 41% were accepted for investigation. Of the reports investigated, 118 reports were confirmed as abuse. In one year's time, 118 of our precious parents, our mentors, our kupuna were injured in some way. This is just not acceptable.

It has been well documented that as the "baby boom" generation ages, the aging population and the demand for elderly care will continue to grow. Many seniors prefer to stay in the comfort of their own homes and the need for home care is in increasing demand. In order to insure the safety of Hawaii's senior citizens, as well as many non-elderly who are ill, have injuries or are disabled, I feel that it is imperative for these home care givers to be licensed and monitored by the Hawaii State Department of Health.

As a graduate student of social work with an emphasis in gerontology at the University of Hawaii at Manoa, I have found that working with the elderly is my life's passion. I feel that this bill is crucial to the future of our senior citizens here in Hawaii. I am here to fight for the rights of our aging population who for whatever reason are unable to speak for themselves. It is essential that licensure be required for home care workers, including background checks and monitoring of home care agencies so the aged can spend the last of their years living safely and with the dignity and respect they deserve.

Thank you for this opportunity to testify,
Helen French