Child and Family Service 91-1841 Ft. Weaver Road Ewa Beach, Hawaii 96706

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| Bill No: SB 821 | Title: Relating to Elder Care |
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| Committee: Committee on Human Services, Committee on Health | Hearing Date/Time: Tuesday, February 10, 2009 1:15pm Place: State Capitol, Room 016 |
| Submitted by: Name: Howard Garval Title: CEO, Child and Family Service | Contact Information: Phone: 681-3500 Fax: 681-1449 |
| Testimony in: (X) SUPPORT () OPPOS | ITION of proposed bill. |

Child and Family Service supports SB 821 in relation to the Elder Care.

The mission of Child and Family Service is to Strengthen Families and foster the healthy development of children. We do this by providing services from Keiki to Kupuna. A strong family is the backbone of our society which includes our elders. Hawaii's strength comes from it's 'Ohana, we recognize the purpose of out Kupuna is to lead the family and to then be supported by them. We believe that supporting our seniors will also help us to stabilize our economy by preventing premature institutionalization which in turn will increase the state dollars needed to pay for long term care for our Kupuna.

Our agency continues to strive towards sustainability in our programs. We do this by offering the Kupuna we serve an opportunity to contribute to their care. By doing this we empower them and allow them to give back so that others may also receive the same services. Due to the growing senior population we have noted a growing waitlist for services. We manage the lists based on our funders' guidelines of serving our target population and those in most need first. The waitlists are a direct result of not having enough funds to cover the costs of more staff to address this growing need.

In spite of having monies set aside by the legislature to allow us to care for those on the waitlist, the money has not been released. We have put measures into place to assist us to stretch the dollars we do get further such as using volunteers, in-kind donations and contributions. It is now clear that the answer to meet the needs of our Kupuna is to increase the base budget for the Kupuna Care Program. This will allow us to care for our seniors with stable funding rather than a base plus supplemental funds that are uncertain.

The State's population is growing older faster than any other state, according to DBET. In 2005, 18.7% of Hawaii's population is 60 years of age and older (seventh in the nation), and 28.7% of Hawaii's households has at least one person 65 years of age and older (2nd in the nation). Life expectancy nationally is 77.5 years, while the age for Hawaii is 79.8 years (1st in the nation).

In the 2008 State of Hawaii, Older Adult Needs Assessment, a report prepared for the Joint Legislative Committee on Family Caregiving, those sampled had a higher percentage of individuals with Activities of Daily Living (Eating, Dressing, Personal Hygiene, Bathing, Toileting, Transferring and Mobility) and Instrumental Activities of Daily Living (Prepare Meals, Shopping, Take Medications, Manage Money, Use Telephone, Housework, Use Public Transport) impairments. Over half required assistance with personal care and other ADLs and almost the same amount (51.5%) needed assistance with arranging for their own care.

In 2008 Kupuna Care Services assisted 9,253 individuals in Hawaii. On average a senior may receive 2-3 meals a week (121 meals per year), 1-2 hours per week of personal care (68 hours per year), 1 round trip transport per week (56 one way trips per year), 4 hours of chore service per year or 17 hours of case management per year. As you can see the assistance provided falls short of the need but is enough to supplement other sources of support to help seniors stay at home.

The Kupuna Care Program is cost effective. In 2008 voluntary contributions accounted for almost 16% of the Kupuna Care expenditures. Kupuna Care Programs expand services by utilizing volunteers. For example Lanakila MOW uses 1,344 volunteers who provide 24,543 hours of service delivering meals. The value of this service is \$184,075 and without it a full 2/3 of the meals would not be delivered.

By caring for our Kupuna we are in turn caring for their family members. The economic impact of family caregiving is significant. In *Valuing the Invaluable: The Economic Value of Family Caregiving, 2008 Update*, a study conducted by the AARP Public Policy Institute, found the value of caregiving at \$1.25 billion in Hawaii. The cost of this care continues to rise as the number of individuals needing care increase. If these costs were shifted to health insurers, including Medicare and Medicaid, it would dramatically increase health care costs and this increase would impact us all. Caregivers who do not have access to adequate relief from their duties and who lack knowledge of the aging process and their reactions to caregiving can suffer from emotional and physical exhaustion. In many situations, such exhaustion can lead to inadequate care, abuse or neglect of the senior and sometimes premature institutionalization.

Evidence-based studies have reported that early intervention is the key to better outcomes for seniors requiring supportive services to remain in their community. A 2002 study reported in The Gerontologist, "Effects of a Community-Based Early Intervention Program on the Subjective Well-Being, Institutionalization, and Mortality of Low-Income Elders", "those elders who received the intervention (case management) had significantly higher subjective well-being and were less likely to be institutionalized or die than those in a comparison group (remained on waiting lists for case management) across the 18-month period." The study states that the implications of the results are that they "make a strong case for the importance of community-based programs to the well-being of elders".

TO: SENATE COMMITTEE ON HUMAN SERVICES AND PUBLIC HOUSING

Sen. Suzanne Chun Oakland, Chair Sen. Les Ihara, Jr., Vice Chair

FROM: Eldon L. Wegner, Ph.D.,

PABEA (Policy Advisory Board for Elder Affairs)

LATE

SUBJECT: SB 821 Relating to Eldercare

HEARING: 1:15 pm Tuesday, February 10, 2009

Conference Room 016, Hawaii State Capitol

JRPOSE: Requests the EOA to cooperate with the county offices of aging to create

a plan to increase voluntary contributions

procedures for managing waitlists

policies for implementing a cash and counseling model for service

delivery

The bill also makes an appropriation for Kupuna Care.

OSITION: PABEA STRONGLY SUPPORTS THE PROVISIONS OF THIS BILL.

ATIONALE:

I am offering testimony on behalf of PABEA, the Policy Advisory Board for Elder Affairs, which is an appointed board tasked with advising the Executive Office on Aging (EOA). My testimony does not represent the views of the EOA but of the Board. I am also a professor of medical sociology at UH-Manoa who has worked with elderly services in Hawaii for more than 20 years.

The provisions of this bill are important components of building an efficient and effective infrastructure of home and community based care to support family caregivers, making possible "aging in place" and delaying entry into expensive long-term care institutions.

- \$ Kupuna Care is the safety-net care for our frail elderly and thus appropriation is necessary in order to preserve very basic assistance.
- \$ The program is only able to provide for a portion of those in need, and wait-lists for services are often long. The provisions of this bill which would create procedures for managing the waitlists and for increasing the voluntary contributions would enable the program to more efficiently allocate its resources to serve those in need.
- \$ Finally, this bill provides for further preparation for a cash and counseling service delivery model, which has been shown to have very positive results in a Medicaid waiver program in other states. Plans in Hawaii are moving forward towards a demonstration project with external funding to develop a program for the non-Medicaid disabled.

Thank you for allowing me to testify