
A BILL FOR AN ACT

RELATING TO HUMAN SERVICES.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

PART I

1
2 SECTION 1. Section 346-53, Hawaii Revised Statutes, is
3 amended by amending subsection (b) to read as follows:

4 "(b) The director shall determine the allowance for
5 general assistance to households without minor dependents based
6 upon the total amount appropriated for general assistance to
7 households with minor dependents, and other funds appropriated
8 to the department of human services, among other relevant
9 factors."

10 SECTION 2. Section 346-71, Hawaii Revised Statutes, is
11 amended by amending subsection (e) to read as follows:

12 "(e) Within the limitations of this section, the
13 department shall by rules adopted pursuant to chapter 91,
14 determine:

- 15 (1) The allowance for general assistance to households
16 without minor dependents [~~based upon the total amount~~
17 ~~appropriated for general assistance to households~~



1 The purpose of this part is to appropriate moneys to
2 maintain the levels of programs determined to be essential to
3 public welfare.

4 SECTION 4. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$250,000 or so much
6 thereof as may be necessary for fiscal year 2012-2013 to provide
7 funding for grants pursuant to chapter 42F, Hawaii Revised
8 Statutes, to the Blueprint for Change for neighborhood place
9 walk-in centers.

10 The sum appropriated shall be expended by the department of
11 human services for the purposes of this part.

12 SECTION 5. There is appropriated out of the general
13 revenues of the State of Hawaii the sum of \$550,000 or so much
14 thereof as may be necessary for fiscal year 2012-2013 to provide
15 funding for grants pursuant to chapter 42F, Hawaii Revised
16 Statutes, to the Hawaii Primary Care Association for the Hawaii
17 immigrant health initiative program provided at federally
18 qualified health centers.

19 The sum appropriated shall be expended by the department of
20 human services for the purposes of this part.

21 SECTION 6. There is appropriated out of the general
22 revenues of the State of Hawaii the sum of \$1,500,000 or so much



1 thereof as may be necessary for fiscal year 2012-2013 for youth
2 service centers.

3 The sum appropriated shall be expended by the department of
4 human services for the purposes of this part.

5 SECTION 7. There is appropriated out of the general
6 revenues of the State of Hawaii the sum of \$210,000 or so much
7 thereof as may be necessary for fiscal year 2012-2013 to provide
8 funding for grants pursuant to chapter 42F, Hawaii Revised
9 Statutes, to Hale Mahaolu for personal care services.

10 The sum appropriated shall be expended by the department of
11 human services for the purposes of this part.

12 SECTION 8. There is appropriated out of the general
13 revenues of the State of Hawaii the sum of \$200,000 or so much
14 thereof as may be necessary for fiscal year 2012-2013 for the
15 shelter plus care program.

16 The sum appropriated shall be expended by the department of
17 human services for the purposes of this part.

18 SECTION 9. There is appropriated out of the general
19 revenues of the State of Hawaii the sum of \$1,900,000 or so much
20 thereof as may be necessary for fiscal year 2012-2013 to provide
21 funding for grants pursuant to chapter 42F, Hawaii Revised
22 Statutes, to the Hawaii Primary Care Association for adult



1 dental care provided at federally qualified health centers;
2 provided that the funds shall not be used for any other purpose.
3 The governor is authorized to utilize enhanced federal medical
4 assistance percentages funds to offset the amount appropriated;
5 provided that the total amount shall not exceed \$2,000,000. The
6 department of human services shall report to the legislature on:

- 7 (1) The number of adults receiving these benefits;
- 8 (2) The cost per person;
- 9 (3) Total breakdown of administrative costs and other
10 overhead costs; and
- 11 (4) Statistics, if available, on how this dental program
12 is reducing the number of emergency dental-related
13 medical procedures;

14 provided that the department of human services shall submit its
15 report no later than twenty days prior to the convening of the
16 2013 regular session.

17 The sum appropriated shall be expended by the department of
18 human services for the purposes of this part.

19 SECTION 10. There is appropriated out of the general
20 revenues of the State of Hawaii the sum of \$100,000 or so much
21 thereof as may be necessary for fiscal year 2012-2013 for Maui



1 community college, University of Hawaii, for the adult dental
2 care program.

3 The sum appropriated shall be expended by the department of
4 human services for the purposes of this part.

5 SECTION 11. There is appropriated out of the general
6 revenues of the State of Hawaii the sum of \$30,000 or so much
7 thereof as may be necessary for fiscal year 2012-2013 for
8 outstationed eligibility worker services provided at federally
9 qualified health centers.

10 The sum appropriated shall be expended by the department of
11 human services for the purposes of this part.

12 SECTION 12. There is appropriated out of the general
13 revenues of the State of Hawaii the sum of \$80,000 or so much
14 thereof as may be necessary for fiscal year 2012-2013 to provide
15 funding for grants pursuant to chapter 42F, Hawaii Revised
16 Statutes, to the Hawaii Primary Care Association for outreach
17 services provided at federally qualified health centers.

18 The sum appropriated shall be expended by the department of
19 human services for the purposes of this part.

20 SECTION 13. There is appropriated out of the general
21 revenues of the State of Hawaii the sum of \$44,636 or so much
22 thereof as may be necessary for fiscal year 2012-2013 to provide



1 funding for grants pursuant to chapter 42F, Hawaii Revised
2 Statutes, to the Hawaii Primary Care Association for outreach
3 services to locate uninsured children for services at federally
4 qualified health centers.

5 The sum appropriated shall be expended by the department of
6 human services for the purposes of this part.

7 SECTION 14. There is appropriated out of the general
8 revenues of the State of Hawaii the sum of \$300,000 or so much
9 thereof as may be necessary for fiscal year 2012-2013 to provide
10 funding for grants pursuant to chapter 42F, Hawaii Revised
11 Statutes, to Adult Friends for Youth for youth gang prevention
12 and intervention services.

13 The sum appropriated shall be expended by the department of
14 human services for the purposes of this part.

15 SECTION 15. There is appropriated out of the general
16 revenues of the State of Hawaii the sum of \$800,000 or so much
17 thereof as may be necessary for fiscal year 2012-2013 for child
18 care subsidies.

19 The sum appropriated shall be expended by the department of
20 human services for the purposes of this part.

21 SECTION 16. There is appropriated out of the general
22 revenues of the State of Hawaii the sum of \$450,000 or so much



1 thereof as may be necessary for fiscal year 2012-2013 to provide
2 funding for grants pursuant to chapter 42F, Hawaii Revised
3 Statutes, to Hawaii Centers for Independent Living for statewide
4 independent living services.

5 The sum appropriated shall be expended by the department of
6 human services for the purposes of this part.

7 SECTION 17. There is appropriated out of the general
8 revenues of the State of Hawaii the sum of \$500,000 or so much
9 thereof as may be necessary for fiscal year 2012-2013 to the
10 office of youth services for a youth gang response system.

11 The sum appropriated shall be expended by the department of
12 human services for the purposes of this part.

13 SECTION 18. There is appropriated out of the general
14 revenues of the State of Hawaii the sum of \$1,000,000 or so much
15 thereof as may be necessary for fiscal year 2012-2013 to provide
16 funding for grants pursuant to chapter 42F, Hawaii Revised
17 Statutes, to the united peer learning integrated new knowledge
18 program for statewide non-school hour programs.

19 The sum appropriated shall be expended by the office of
20 youth services of the department of human services for the
21 purposes of this part.



1 SECTION 19. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$600,000 or so much
3 thereof as may be necessary for fiscal year 2012-2013 to provide
4 funding for grants pursuant to chapter 42F, Hawaii Revised
5 Statutes, to the Partners in Development Foundation to:

- 6 (1) Provide comprehensive family training (early
7 childhood, parent, adult education, and intensive
8 child-caregiver activities) and transitional services
9 to sheltered and unsheltered homeless families on the
10 leeward coast of Oahu;
- 11 (2) Offer early screening, assessment, and referral
12 services for homeless children from birth to age five;
13 and
- 14 (3) Prepare homeless children for kindergarten by
15 providing developmentally appropriate social,
16 emotional, and cognitive activities in a child-
17 caregiver interactive learning environment.

18 The sum appropriated shall be expended by the department of
19 human services for the purposes of this part.

20 SECTION 20. There is appropriated out of the general
21 revenues of the State of Hawaii the sum of \$3,200,000 or so much

1 thereof as may be necessary for fiscal year 2012-2013 for the
2 preschool open doors program.

3 The sum appropriated shall be expended by the department of
4 human services for the purposes of this part.

5 SECTION 21. There is appropriated out of the general
6 revenues of the State of Hawaii the sum of \$150,000 or so much
7 thereof as may be necessary for fiscal year 2012-2013 to provide
8 funding for grants pursuant to chapter 42F, Hawaii Revised
9 Statutes, to The Children's Alliance of Hawaii, Inc., to provide
10 child sex assault services.

11 The sum appropriated shall be expended by the department of
12 human services for the purposes of this part.

13 **PART III**

14 SECTION 22. There is appropriated out of the general
15 revenues of the State of Hawaii the sum of \$ or so
16 much thereof as may be necessary for fiscal year 2012-2013 for
17 the creation of positions under the department of human
18 services for the supplemental nutrition assistance program.

19 The sum appropriated shall be expended by the department of
20 human services for the purposes of this part.

21 **PART IV**



1 SECTION 23. Section 412:3-114.5, Hawaii Revised Statutes,
2 is amended to read as follows:

3 "[+]§412:3-114.5[+] **Mandatory reporting of suspected**
4 **financial abuse of an elder.** (a) A financial institution shall
5 report suspected financial abuse that is directed towards,
6 targets, or is committed against an elder to the [~~department of~~
7 ~~human services~~] appropriate local law enforcement agency if:

8 (1) In connection with providing financial services to the
9 elder, the officer or employee of a financial
10 institution:

11 (A) Has direct contact with the elder; or

12 (B) Reviews or approves the elder's financial
13 documents, records, or transactions; and

14 (2) The officer or employee, within the scope of
15 employment or professional practice:

16 (A) Observes or has knowledge of an incident the
17 officer or employee believes in good faith
18 appears to be financial abuse; or

19 (B) In the case of officers or employers who do not
20 have direct contact with the elder, has a good
21 faith suspicion that financial abuse has occurred
22 or may be occurring, based solely on the



1 information present at the time of reviewing or
2 approving the document, record, or transaction.

3 (b) Suspected financial abuse shall be reported
4 ~~[immediately]~~ to the ~~[department]~~ appropriate local law
5 enforcement agency immediately by telephone and followed by a
6 written report sent ~~[within five business days.]~~ via electronic
7 mail immediately thereafter or as soon as practicable.

8 ~~[(c) Upon notification by a financial institution of~~
9 ~~suspected financial abuse, the department, in a timely manner,~~
10 ~~shall determine whether the department has jurisdiction over the~~
11 ~~elder involved; and if not, shall notify the financial~~
12 ~~institution, which shall then notify the proper local law~~
13 ~~enforcement agency immediately by telephone and forward the~~
14 ~~written report to the agency within three business days. A~~
15 ~~financial institution shall not be liable for failing to report~~
16 ~~suspected financial abuse to a local law enforcement agency in~~
17 ~~cases in which the department fails to notify the institution of~~
18 ~~the department's lack of jurisdiction.~~

19 ~~(d)]~~ (c) Notwithstanding any other state law to the
20 contrary, including but not limited to laws concerning
21 confidentiality, any person, including the financial
22 institution, who:



1 (1) Participates in the making of a report pursuant to
2 this section; and
3 (2) Believes, in good faith, that the action is warranted
4 by facts known to that person,
5 shall have immunity from any liability, civil or criminal, that
6 might be otherwise incurred or imposed by or as a result of the
7 making of the report. Any person making the report shall have
8 the same immunity with respect to participation in any judicial
9 proceeding resulting from the report.

10 ~~[(e)]~~ (d) For the purposes of this section:

11 ~~["Department" means the department of human services.]~~

12 "Elder" means a person who is ~~[sixty-two]~~ sixty years of
13 age or older.

14 "Financial abuse" means financial abuse or economic
15 exploitation."

16 **PART V**

17 SECTION 24. The legislature finds that homelessness is a
18 complex and multifaceted issue requiring planning, coordination,
19 implementation, and funding across federal, state, local,
20 business, and community lines. Locally, many government
21 agencies, nonprofit organizations, and other private sector
22 organizations have worked diligently and successfully to assist



1 homeless persons. Regardless, Hawaii has experienced an
2 increase in the number of homeless individuals and families.

3 According to 2007 data, Hawaii has twice as many people who
4 are homeless per 100,000 people than the national average. The
5 2011 Statewide Point-in-Time Count indicated a six per cent
6 increase in homelessness throughout the State. Further, 2010
7 data indicate that almost one-third of the sheltered homeless
8 population are children; more than ten per cent are veterans;
9 over sixty per cent have lived in Hawaii for more than ten
10 years; almost half of the families who are homeless include
11 someone who is employed; and almost thirty per cent are Hawaiian
12 or part Hawaiian. This data shows that there is no single
13 profile of a homeless person.

14 In January 2011, the governor pronounced the elimination of
15 homelessness as a "moral imperative" and appointed the first
16 governor's coordinator on homelessness to lead the effort to
17 prevent and eliminate homelessness in Hawaii through the use of
18 strategic approaches, structural changes, and unprecedented
19 collaborative and civic involvement. On March 4, 2011, the
20 governor hosted, with the United States Department of Veterans
21 Affairs, an interagency leadership forum on homelessness that
22 was attended by leaders from government, business, the



1 community, and the faith community, to advocate for the
2 development of a collaborative strategy to end homelessness in
3 Hawaii.

4 On June 22, 2010, the United States Interagency Council on
5 Homelessness, comprised of nineteen cabinet members, agency
6 heads, and local and state partners in the public and private
7 sectors, released "*Opening Doors: Federal Strategic Plan to*
8 *Prevent and End Homelessness*", the nation's first comprehensive
9 strategic plan to prevent and end homelessness. "*Opening Doors*"
10 identified ambitious goals of:

- 11 (1) Finishing the job of ending chronic homelessness in
12 five years;
- 13 (2) Preventing and ending homelessness among veterans in
14 five years;
- 15 (3) Preventing and ending homelessness for families,
16 youth, and children in ten years; and
- 17 (4) Setting a path to ending all types of homelessness.

18 The governor has found it to be imperative and in the
19 public interest to capitalize on the opportunities and momentum
20 generated by the United States Interagency Council on
21 Homelessness, to provide leadership for the prevention and
22 elimination of homelessness, and to keep Hawaii at the forefront



1 of providing care to its residents in the spirit of the Law of
2 the Splintered Paddle (Ke Kanawai Mamalahoe), as expressed in
3 article IX, section 10, of the Hawaii constitution.

4 Consequently, on July 19, 2011, Governor Neil Abercrombie,
5 through the issuance of Executive Order No. 11-21, pursuant to
6 the provisions of section 26-41, Hawaii Revised Statutes,
7 temporarily established the Hawaii interagency council on
8 homelessness.

9 The purpose of this part is to establish the Hawaii
10 interagency council on homelessness in the Hawaii Revised
11 Statutes, which will further enhance the ability of the council
12 to provide solutions for ending homelessness in Hawaii. By
13 establishing the interagency council on homelessness in the
14 Hawaii Revised Statutes, the importance of ending homelessness
15 will be highlighted, and continuity through future
16 administrations will be strengthened.

17 SECTION 25. Chapter 346, Hawaii Revised Statutes, is
18 amended by adding a new part to be appropriately designated and
19 to read as follows:

20 "PART . HAWAII INTERAGENCY COUNCIL ON HOMELESSNESS

21 §346- Hawaii interagency council on homelessness;

22 establishment. (a) There is established the Hawaii interagency



1 council on homelessness, which shall be an advisory body exempt
2 from section 26-34. The Hawaii interagency council on
3 homelessness shall be established within the department of human
4 services for administrative purposes.

5 (b) The Hawaii interagency council on homelessness shall:

- 6 (1) Serve as the statewide homelessness planning and
7 policy development entity with broad representation
8 from state and county government and the community;
- 9 (2) Formulate, and advise the governor on the
10 implementation of, a unified ten-year statewide plan
11 to address homelessness in all Hawaii counties;
- 12 (3) Facilitate the acquisition of funding and resources
13 for state and county homeless programs;
- 14 (4) Recommend policy, regulatory, and statutory changes,
15 and identify resource strategies for the successful
16 execution of the ten-year plan;
- 17 (5) Assemble accurate fiscal and demographic information
18 to support policy development and track outcomes;
- 19 (6) Consider collaborative homelessness initiatives of
20 other states that have demonstrated positive
21 measurable outcomes as possible models for state and
22 local programs;



- 1 (7) Promote systems integration of social, health,
2 training, and housing services to reduce duplication
3 among homeless assistance programs;
- 4 (8) Advise on the development and implementation of a
5 public education program on homelessness in Hawaii and
6 disseminate information including data and best
7 practices; and
- 8 (9) Report annually to the governor, the legislature, and
9 the mayor of each county on the progress of its
10 activities, including formulation and progress of the
11 ten-year plan no later than twenty days prior to the
12 convening of each regular session.
- 13 (c) The ten-year statewide plan developed by the Hawaii
14 interagency council on homelessness shall:
- 15 (1) Assist individuals who are homeless or facing
16 homelessness;
- 17 (2) Prioritize the needs of the most vulnerable
18 individuals and families;
- 19 (3) Encourage and promote partnerships between public and
20 private entities to identify, renovate, and secure
21 dignified transitional and permanent housing options;



- 1 (4) Promote development and utilization of support
- 2 services, including job training, mental health, and
- 3 substance abuse treatment, that will enhance the
- 4 transition out of homelessness;
- 5 (5) Increase access to public areas for all members of the
- 6 community;
- 7 (6) Support efforts to obtain accurate statistics on
- 8 homeless persons; and
- 9 (7) Activate, coordinate, and maintain responsive action
- 10 among the public, business, and faith-based
- 11 communities to become part of the homelessness
- 12 solution strategy.

13 §346- Membership. (a) The Hawaii interagency council
14 on homelessness shall be composed of the following members or
15 the member's designee:

- 16 (1) Governor's coordinator on homelessness, who shall
- 17 serve as chair;
- 18 (2) Director of human services;
- 19 (3) Administrator of the homeless programs office of the
- 20 department of human services;
- 21 (4) Director of health;
- 22 (5) Director of labor and industrial relations;



- 1 (6) Director of public safety;
- 2 (7) Director of business, economic development, and
3 tourism;
- 4 (8) Chairperson of the Hawaiian homes commission;
- 5 (9) Adjutant general;
- 6 (10) Chairperson of the board of trustees of the office of
7 Hawaiian affairs;
- 8 (11) Attorney general;
- 9 (12) Superintendent of education;
- 10 (13) One member of the house of representatives to be
11 designated by the speaker of the house of
12 representatives;
- 13 (14) One member of the senate to be designated by the
14 president of the senate;
- 15 (15) The mayor of each county;
- 16 (16) A representative of the continuum of care programs in
17 each county, to be designated by the respective
18 mayors;
- 19 (17) A representative of the United States Department of
20 Veterans Affairs who shall be requested to serve by
21 the governor;



1 (18) A representative from the Office of Community Planning
2 and Development, United States Department of Housing
3 and Urban Development, who shall be requested to serve
4 by the governor;

5 (19) A representative of a faith-based organization with
6 interfaith relationships, to be designated by the
7 governor; and

8 (20) A representative of the business community, to be
9 designated by the governor.

10 (b) The non-governmental members of the Hawaii interagency
11 council on homelessness shall serve without compensation but
12 shall be reimbursed for expenses, including travel expenses,
13 necessary for the performance of their duties.

14 (c) If a Hawaii interagency council on homelessness member
15 is unable to attend a meeting, that member may appoint a
16 designee to attend and to act on the member's behalf during the
17 meeting.

18 (d) Chapter 84 shall not apply to the members of the
19 Hawaii interagency council on homelessness.

20 §346- Meetings; quorum. (a) The Hawaii interagency
21 council on homelessness shall meet quarterly, or more frequently
22 as it deems necessary.



1 (b) A majority of the members of the Hawaii interagency
2 council on homelessness shall constitute a quorum to do business
3 and to validate any decision or act of the council."

4 SECTION 26. There is appropriated out of the general
5 revenues of the State of Hawaii the sum of \$ or so much
6 thereof as may be necessary for fiscal year 2012-2013 for
7 administrative expenses of the Hawaii interagency council on
8 homelessness.

9 The sum appropriated shall be expended by the department of
10 human services for the purposes of this part.

11 **PART VI**

12 SECTION 27. Chapter 346, Hawaii Revised Statutes, is
13 amended by adding a new section to be appropriately designated
14 and to read as follows:

15 "§346- National Human Trafficking Resource Center
16 hotline; printable poster. (a) The department may make
17 available on its public website information on the National
18 Human Trafficking Resource Center hotline and an electronic
19 version of the National Human Trafficking Resource Center
20 hotline poster for establishments to print. The poster shall be
21 no smaller than eight and one-half inches by eleven inches in
22 size that states the following:



1 SECTION 28. The purpose of this part is to alleviate the
2 current gap in service for survivors of human trafficking by
3 establishing a task force to develop a comprehensive plan to
4 coordinate services for survivors of human trafficking.

5 SECTION 29. (a) There is established a task force within
6 the department of human services to develop a comprehensive
7 state plan to coordinate services for survivors of human
8 trafficking.

9 (b) The director of human services or the director's
10 designee shall oversee the task force and shall coordinate the
11 development of the state plan on services for survivors of human
12 trafficking. The task force shall consist of the following
13 members or their designee:

- 14 (1) The director of human services;
- 15 (2) One senate member to be selected by the senate
16 president;
- 17 (3) One house member to be selected by the speaker of the
18 house of representatives;
- 19 (4) Two representatives of human trafficking victims'
20 organizations; one to be selected by the senate
21 president and one to be selected by the speaker of the
22 house of representatives;



- 1 (5) Two victims of human trafficking; one to be selected
2 by the senate president and one to be selected by the
3 speaker of the house of representatives; and
- 4 (6) Any other members as the director of human services or
5 the director's designee, as chair of the task force,
6 deems appropriate.
- 7 (c) The task force shall create a state plan on the
8 coordination of services for survivors of human trafficking.
9 The activities of the task force shall include but not be
10 limited to:
- 11 (1) Gathering and disseminating information to law
12 enforcement agencies and the offices of the
13 prosecuting attorney in each county, the department of
14 the attorney general, the department of human
15 services, the office of community services, nonprofit
16 organizations, and the public on available services
17 for survivors of human trafficking. Services for
18 survivors of human trafficking shall include but not
19 be limited to:
- 20 (A) Case management;
- 21 (B) Emergency temporary housing;
- 22 (C) Health care;



- 1 (D) Mental health counseling;
- 2 (E) Drug addiction screening and treatment;
- 3 (F) Language interpretation and translation services;
- 4 (G) English language instruction;
- 5 (H) Job training and placement assistance;
- 6 (I) Post-employment services and job retention;
- 7 (J) Transportation services; and
- 8 (K) Services to assist the individual and any of the
- 9 individual's family members to establish
- 10 permanent residency in the State of Hawaii or
- 11 other localities in the United States;
- 12 (2) Identifying a single point of access for individuals
- 13 or organizations that need assistance or guidance in
- 14 navigating the processes and regulations of state
- 15 agencies to services for survivors of human
- 16 trafficking or projects that promote services for
- 17 survivors of human trafficking;
- 18 (3) Designating the department of human services as the
- 19 appropriate agency to provide services to income-
- 20 qualified, United States citizens and "qualified
- 21 immigrants" who are survivors of human trafficking and
- 22 the office of community services as the appropriate



1 agency to provide services to "disadvantaged, refugee,
2 and immigrant" survivors of human trafficking;

3 (4) Identifying a single executive department or a
4 division within a department to establish a program
5 for coordinating services for survivors of human
6 trafficking; and

7 (5) Proposing legislation and making recommendations to
8 the governor regarding human trafficking.

9 (d) The director of human services shall submit a report
10 of the task force's activities, including recommendations and
11 proposed legislation, if any, to the legislature no later than
12 twenty days prior to the convening of the regular session of
13 2014. The working group shall dissolve on June 30, 2014.

14 (e) For the purposes of this part, "survivor of human
15 trafficking" means a person:

16 (1) Who has had or now has the condition or status of debt
17 bondage, involuntary servitude, severe forms of
18 trafficking in persons, or sex trafficking, as those
19 terms are defined in title 22 United States Code
20 section 7102;



1 (2) Whose prostitution was promoted or advanced by any of
2 the means set forth in section 712-1202(1), Hawaii
3 Revised Statutes; or

4 (3) Who was subject to performing labor or services by any
5 of the means described in section 707-781(1), Hawaii
6 Revised Statutes.

7 (f) The members of the task force shall not receive
8 compensation for their services.

9 (g) No member shall be made subject to chapter 84, Hawaii
10 Revised Statutes, solely because of that member's participation
11 as a member of the task force.

12 **PART VIII**

13 SECTION 30. The legislature finds that medicaid is the
14 cornerstone of health care for the most needy within Hawaii.
15 Furthermore, the legislature has previously recognized that it
16 is in the public interest to ensure that health care payments
17 made with state funds or controlled by the State are sufficient
18 to cover the actual costs of care. However, inadequate payment
19 and reimbursement from medicaid have compromised access to
20 medical care not only for the uninsured and those covered by
21 medicaid but also for individuals who are covered by private
22 employer-based health insurance.



1 According to numerous media reports, there is an inadequacy
2 of medical care services that has reached a critical level,
3 especially in specialty-care coverage in rural areas and on the
4 neighbor islands. Hawaii's physicians serving medicaid-eligible
5 persons have also been adversely affected by the inadequacy of
6 medicaid reimbursements and payments.

7 The legislature also finds that for a two-year period
8 beginning January 1, 2013, the Patient Protection and Affordable
9 Care Act of 2010 mandates that states reimburse primary care
10 providers at one hundred per cent of medicare rates for primary
11 care services provided to medicaid recipients. This increased
12 reimbursement will be one hundred per cent federally funded.
13 However, under the Patient Protection and Affordable Care Act,
14 reimbursement for primary care services provided to children's
15 health insurance program recipients, namely children and
16 pregnant women, will not be increased.

17 The purpose of this part is to increase the payment for
18 primary care physician services provided to children and
19 pregnant women covered under the children's health insurance
20 program to be equal to such reimbursement provided to medicaid
21 recipients.



1 SECTION 31. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$2,800,000 or so much
3 thereof as may be necessary for fiscal year 2012-2013 to
4 increase the payment for primary care physician services
5 provided to children and pregnant women covered under the
6 children's health insurance program.

7 The sum appropriated shall be expended by the department of
8 human services for the purposes of this part; provided that:

- 9 (1) The sum is equitably distributed among the fee-for-
10 service, QUEST, and QUEST expanded access health plans
11 based on enrollment of children's health insurance
12 program recipients, so that payment for these
13 physician services can be increased;
- 14 (2) The department of human services shall include in its
15 budget request for the year 2013-2015 fiscal biennium
16 a sum at least equal to the sum appropriated pursuant
17 to this section, in addition to its baseline request
18 under HMS 401, that will allow for increased moneys to
19 be paid out for primary care services provided by
20 primary care physicians to children's health insurance
21 program recipients; and



1 (3) The department of human services shall report the
2 amount of the baseline medicaid sum and the additional
3 funds to be paid out for physician services, to the
4 legislature no later than twenty days prior to the
5 convening of the regular sessions of 2013 and 2014.

6 **PART IX**

7 SECTION 32. The department of human services shall
8 collaborate with the Healthcare Association of Hawaii, the
9 Hawaii Long Term Care Association, nursing facility providers,
10 and home- and community-based service providers, including adult
11 residential care homes and foster family homes, to develop a
12 revised methodology for determining the level of acuity of
13 nursing facility residents who are medicaid recipients,
14 including those with complex medical conditions, to set
15 reimbursements at levels that are fair and equitable. The
16 department of human services and the collaborating organizations
17 and providers shall submit to the legislature a joint report
18 containing recommendations and an implementation plan no later
19 than twenty days prior to the convening of the regular session
20 of 2013.

21 SECTION 33. The department of human services shall work
22 with the department of health to develop an equitable referral



1 system relating to the discharge of patients from hospitals,
2 nursing homes, and long-term care facilities based on the
3 patient's acuity level for proper placement in either an adult
4 residential care home, community care foster family home, or an
5 expanded adult residential care home.

6 **PART X**

7 SECTION 34. When Congress passed the Deficit Reduction Act
8 of 2005, P.L. 109-171, it made a number of amendments to the
9 Social Security Act intended to strengthen states' ability to
10 identify and collect from liable third party payors that are
11 legally responsible to pay claims primary to medicaid.

12 To ensure the State's compliance with the requirements of
13 P.L. 109-171, the legislature passed Senate Bill No. 917,
14 enacted as Act 103, Session Laws of Hawaii 2009, and codified in
15 chapter 431L, Hawaii Revised Statutes.

16 Federal and state statutes require that medicaid be the
17 payor of last resort for health insurance. To meet this
18 obligation, the department of human services, as the state
19 medicaid agency, requires information on medicaid recipients who
20 also have commercial health insurance.

21 Section 431L-2.5, Hawaii Revised Statutes, requires the
22 health care insurer to share information on an individual basis



1 at the State's request. This Act will require all commercial
2 health care insurers operating in Hawaii to also share with the
3 department of human services a listing of their members on a
4 quarterly basis. Quarterly reports will allow the department to
5 determine on a timely basis the eligibility of persons who apply
6 for medicaid and to determine the continuing eligibility for
7 persons receiving health care insurance through the medicaid
8 program.

9 Medicaid allows passive renewal and self-declaration to
10 facilitate eligibility, which makes it difficult for the
11 department to determine when a recipient's eligibility status
12 has changed because of employment, increased income, or being
13 provided health coverage under the prepaid health care act.

14 In the current economic climate of decreased state revenues
15 and the unfortunate necessity of reducing medical assistance
16 benefits, identifying areas to decrease expenditures with
17 minimal impact on the public becomes increasingly important.
18 The senate committee on ways and means stated in Standing
19 Committee Report No. 3033, Regular Session of 2010, that "the
20 State's economic difficulties threaten the provision of human
21 services under many state programs. Your Committee finds that,
22 despite budget cuts and realignments, it is important to



1 maintain the level of services that are provided to the neediest
2 populations in the State."

3 The purpose of this part is to require all commercial
4 health care insurers operating in Hawaii to share with the
5 department of human services, on a timely basis, a listing of
6 their members for medicaid eligibility determination. This will
7 improve medicaid program integrity and ensure that medicaid is
8 the payor of last resort and that funding for the medicaid
9 program is used to provide health insurance coverage to those
10 who really need it.

11 SECTION 35. Section 431L-2.5, Hawaii Revised Statutes, is
12 amended to read as follows:

13 "~~§~~431L-2.5~~§~~ **Insurer requirements.** Any health insurer
14 as identified in section 431L-1 shall:

15 (1) Provide, with respect to individuals who are eligible
16 for, or are provided, medical assistance under Title
17 42 United States Code section 1396a (section 1902 of
18 the Social Security Act), as amended, upon the request
19 of the State, information to determine during what
20 period the individual or the individual's spouse or
21 dependents may be or may have been covered by a health
22 insurer and the nature of the coverage that is or was



1 provided by the health insurer, including the name,
2 address, and identifying number of the plan in a
3 manner prescribed by the State;

4 (2) Provide to the State a quarterly report listing its
5 members for a cross-reference check of prospective and
6 current medicaid beneficiaries. To ensure the
7 validity of beneficiary matches, the minimum data
8 required to be included in each report may include
9 first and last name, date of birth, and social
10 security number. The data fields and electronic
11 format of the member listing shall be determined by
12 the department of human services;

13 [~~2~~] (3) Accept the State's right of recovery and the
14 assignment to the State of any right of an individual
15 or other entity to payment from the party for a health
16 care item or service for which payment has been made
17 for medical assistance under Title 42 United States
18 Code section 1396a (section 1902 of the Social
19 Security Act);

20 [~~3~~] (4) Respond to any inquiry by the State regarding a
21 claim for payment for any health care item or service
22 that is submitted not later than three years after the



1 date of the provision of the health care item or
2 service; and
3 ~~[(4)]~~ (5) Agree not to deny a claim submitted by the State
4 solely on the basis of the date of submission of the
5 claim, the type or format of the claim form, or a
6 failure to present proper documentation at the point-
7 of-sale that is the basis of the claim, if:
8 (A) The claim is submitted by the State within the
9 three-year period beginning on the date on which
10 the health care item or service was furnished;
11 and
12 (B) Any action by the State to enforce its rights
13 with respect to the claim is commenced within six
14 years of the State's submission of the claim."

15 **PART XI**

16 SECTION 36. Statutory material to be repealed is bracketed
17 and stricken. New statutory material is underscored.

18 SECTION 37. This Act shall take effect on July 1, 2012;
19 provided part V shall be repealed on June 30, 2022, and part
20 VIII shall take effect on July 1, 2050.



Report Title:

Department of Human Services; Public Safety, Health, Education, and Welfare; Omnibus; Appropriation

Description:

Allows DHS to draw from other funds appropriated to DHS in the event the general assistance appropriation is insufficient to meet General Assistance benefits payments. Appropriates moneys to maintain funding levels of programs for public welfare. Creates an unspecified amount of positions under DHS for the supplemental nutrition assistance program. Requires financial institutions to report suspected financial abuse of an elder to appropriate law enforcement, to take effect upon approval. Establishes the Hawaii interagency council on homelessness, to be repealed on 6/30/2022. Authorizes DHS to place on its public website information and printable posters on the National Human Trafficking Resource Center hotline. Creates a task force on human trafficking and specifies members. Appropriates funds to increase payments for physician services to medicaid-eligible persons, up to a certain per cent of the current medicare rate. Requires DHS to report to the legislature baseline medicaid and additional funds needed for fiscal years 2013-2014 and 2014-2015. Requires DHS to seek an appropriation in an amount equal to at least the amount appropriated in 2012-2013 for additional payments for physician services during the 2013-2015 fiscal biennium; to take effect 7/1/2050. Allows for a fair and equitable reimbursement system for all clients under the medicaid program for community based caregiver services. Allows for a fair and equitable referral system for clients transferring from hospitals to community-based care homes. Requires all commercial health care insurers operating in Hawaii to share with DHS a listing of their members for medicaid eligibility determination. (SD1)

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

