

February 1, 2017/2:45 p.m. Conference Room 016

Committee On Commerce, Consumer Protection, and Health Committee On Human Services

To: Senator Rosalyn H. Baker, Chair (CPH) Senator Clarence K. Nishihara, Vice Chair (CPH) Senator Josh Green, Chair (HMS) Senator Stanley Chang, Vice Chair (HMS)

From: Michael Robinson Vice President – Government Relations & Community Affairs

Re: SB 534 – Testimony in Support

My name is Michael Robinson, Vice President, Government Relations and Community Affairs at Hawai'i Pacific Health (HPH). Hawai'i Pacific Health is a not-for-profit health care system, and the state's largest health care provider and non-governmental employer. Hawai'i Pacific Health is committed to providing the highest quality medical care and service to the people of Hawai'i and the Pacific Region through its four hospitals, more than 50 outpatient clinics and service sites, and over 1,600 affiliated physicians. Hawai'i Pacific Health's hospitals are Kapi'olani Medical Center for Women & Children, Pali Momi Medical Center, Straub Clinic & Hospital and Wilcox Memorial Hospital.

I am writing in support of SB 534 which authorizes the executive office on aging to develop and establish the Kupuna Caregivers Program to assist community members who are providing care for elders.

Family caregivers play a major role in the State's health care system by providing longterm care to the elderly. Accordin to the AARP, there are 154,000 unpaid family caregivers in Hawai'i. Numerous studies show that caregivers report higher levels of psychological distress and that caring for elderly family members over extended peridos of time without compensation can lead to chronic stress. While family caregivers play a critical role in health care delivery, it is of equal importance that they take care of themselves and have necessary supports and services to sustain their own health as well as the health of the family member for which they are providing.

Hawai'i Pacific Health supports SB 534 which begins the process of establishing a program to provide resources to a workforce of caregivers who provide critical health care to so many elders in Hawai'i. Thank you for the opportunity to testify.

The Twenty-Ninth Legislature Regular Session of 2017

THE SENATE Committee on Commerce, Consumer Protection, and Health Senator Rosalyn H. Baker, Chair Senator Clarence K. Nishihara, Vice Chair Committee on Human Services Senator Josh Green, Chair Senator Stanley Chang, Vice Chair

State Capitol, Conference Room 016 Wednesday, February 1, 2017; 2:45 p.m.

STATEMENT OF THE ILWU LOCAL 142 ON S.B. 534 RELATING TO KUPUNA CARE

The ILWU Local 142 **supports** S.B. 534, which requires the Executive Office on Aging to establish the Kupuna Caregivers program to assist community members who are providing care for elders to stay in the workforce and clarifies the kupuna service and support options provided by Area Agencies on Aging within the Kupuna Care program. Appropriates funds for establishing and implementing the Kupuna Caregivers program.

S.B. 534 is an attempt to provide respite and financial assistance to family caregivers by establishing a Kupuna Caregivers program that will allow family caregivers and kupuna themselves to have access to funds to pay for certain services—e.g., transportation, personal care services, respite care, adult day care, chores and homemaking services. The funds, available through an appropriation, may be expended only through a voucher issued directly to a service provider, not a family caregiver.

This bill is far different than the bill introduced last year to establish a fund with a half percent surcharge on the general excise tax (GET) and would be used pay benefits to family caregivers. That proposal would have assured greater sustainability of funds, particularly since at least one-third of the GET is paid by visitors who will never claim a benefit from the fund.

We supported last year's bill—and still do. However, we can also support S.B. 534 with the hope that it is but a first step toward a program that eventually will provide meaningful help to those struggling with the costs of providing in-home care to loved ones needing long-term services and supports.

Something needs to be done to address the issue of long-term care and its costs. Hawaii's population is growing older, and many of the elderly are or will be in need of long-term care in one form or another. Most people cannot afford the cost of institutional care but, more importantly, they prefer to remain in their own homes.

Family caregivers who provide care to allow their elderly relatives to avoid institutionalization do so at great sacrifice to their own financial well-being now and into the future. They need assistance so they can continue to earn a living or, if they must stay at home with their loved ones, be provided with some financial support.

S.B. 534 provides some financial support to pay for the services provided by others. However, as with the bill last year, \$70 a day does not go very far. It may pay for adult day care or a couple of hours for a professional caregiver to come to the home, but most people need a lot more services that will cost a lot more money.

Nevertheless, we have to start somewhere to tackle the issues brought on by the "silver tsunami," and S.B. 534 is a reasonable start. The urges passage of S.B. 534.

Thank you for the opportunity to provide testimony on this measure.

Dear Senators,

I am in strong support of SB534, the Kupuna Care bill. As a 5-year caregiver for my now 98-year-old mother-in-law (Florence), I realize how difficult it can be to care for an elderly loved one at home. Although Florence is healthy now, she (and we) have been through three separate injuries (shoulder, back and hip), each requiring a different caregiving protocol. While my husband and I were working, our sons took their turns caregiving with us during the week. We have also used a combination of in-home caregivers, adult day care and, for a time, a nursing home. Home care takes planning and money as well as the right attitude and healthy, competent, caring caregivers.

Most elderly people would choose to live at home if possible. And many would-be caregivers would like to oblige their relatives; yet the many barriers (financial, logistical, medical, etc.--every situation is unique) prevent them from even trying.

The kupuna care bill could be just what the doctor ordered: cash to spend on respite care, adult day care, transportation or other services that would otherwise make home care out of reach for many of Hawaii's working families. With a daily stipend, caregivers can consider home care rather than quitting their job or stressing over daily finances. [I would also like to put in a plug for state-supported education and training programs that focus on keeping caregivers healthy and able to manage stress.]

With our aging population growing rapidly over the next few decades, we cannot afford to wait any longer to address this critical issue.

Please support SB534 and show some love to Hawaii's kupuna and those who care for them.

Sincerely, Jan Pappas Aiea, Hawaii January 31, 2017

SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH

Senator Rosalyn Baker, Chair Senator Clarence K. Nishihara, Vice Chair

SENATE COMMITTEE ON HUMAN SERVICES

Senator Josh Green, Chair Senator Stanley Chang, Vice Chair

TESTIMONY IN <u>SUPPORT</u> OF SB 534 AN APPROPRIATION TO ESTABLISH AND IMPLEMENT THE KŪPUNA CAREGIVERS PROGRAM

Dear Honorable Chairs Baker and Green, Vice-Chairs Nishimoto and Chang and members of the committees,

I am Sasha Fernandes, a physician, single mother, a daughter, and granddaughter. I wish to submit this testimony in strong support of SB 534. This bill would appropriate monies to establish and implement the Kūpuna Caregivers Program.

I support this bill for numerous reasons:

- It is pono to care for our elders well. Therefore, we need this funding to establish a statewide, insurance-covered, long-term care program for our elders.
- Elders do better with home-based long-term care, so this program would increase their wellbeing and reduce hospitalizations. This will reduce cost to our state.
- Most people want to live at home when they need long-term care because of illness, disability, or aging. We do better at home and can get help from our family. However, most people in Hawaii cannot afford the high cost of living and have difficulty paying for home care and long-term care. Thus, our tax money needs to go toward improving care to elders as well as improving our public schools.

Please support this bill to provide funding for "The Kupuna Caregivers Program".

Thank you for your kind consideration.

Mahalo nui loa,

Fernandes MD

Sasha Fernandes, MD

SB 534

Thank you for the opportunity to testify in support of Senate Bill 534. I am pleased to testify in full support of SB534, which requires the Executive Office on Aging to establish the Kupuna Caregivers Program. The bill appropriates \$600K in 2017/2018 and \$6 million in 2018/2019 to develop and implement a program that provides partial financial assistance for family caregivers of kupuna. A voucher of a maximum of \$70/day will be provided to help partially cover costs such as personal care, respite care, adult day care, chores, transportation, and homemaking services.

In 27 years of working as a public health nurse on Oahu I have seen how the burden of caregiving affects so many individuals and families. Many have had to quit their jobs, file for bankruptcy, and neglected their own health in order to care for their loved one.

My parents lived well into their 90th decade. I could not quit work to care for them, so they became residents of a long term care facility that cost over \$19, 000 per month- until all of their assets were exhausted and were eligible for Medicaid.

This bill will make it possible for caregivers to continue to work and keep their loved ones at home for much less cost to all in our State.

Thank you,

SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION, AND HEALTH

Senator Rosalyn Baker, Chair Senator Clarence K. Nishihara, Vice Chair

SENATE COMMITTEE ON HUMAN SERVICES

Senator Josh Green, Chair Senator Stanley Chang, Vice Chair

NOTICE OF HEARING

Wednesday February 1, 2017 at 2:45 PM Conference Room 016 State Capitol 415 South Beretania Street

TESTIMONY IN <u>SUPPORT</u> OF SB 534

AN APPROPRIATION TO ESTABLISH AND IMPLEMENT THE KŪPUNA CAREGIVERS PROGRAM

Honorable Chairs Baker and Green, Vice-Chairs Nishimoto and Chang and members of the committees, I am Mary Frances Oneha, a member of the Native Hawaiian Health Task Force. I wish to submit this testimony in strong support of SB 534. This bill would appropriate monies to establish and implement the Kūpuna Caregivers Program.

The Native Hawaiian Health Task Force was created during the 2014 legislative session with the goals of articulating priority areas that will help advance health equity for Native Hawaiians, and in turn, the health of Hawai'i's entire population. The task force recently presented its findings as well as 16 specific recommendations to improve the health of Native Hawaiians. One of these 16 recommendations was to include long-term care options with home-based care in a statewide insurance program.

I support this bill for numerous reasons:

• Caring for our kūpuna is a cultural tradition in Hawai'i. Aging is a natural occurrence, and by establishing a statewide, insurance-covered, long-term care program, we are helping those who really need help.

• In a recent study of the effect of home-based primary care (HBPC) on Medicare costs and mortality in frail elders, HBPC reduces Medicare costs while sustaining similar survival outcomes across cases and controls. Receiving care at home provides our kūpuna (elders) with a familiar care setting and eliminates the burden of frequent hospitalizations or skilled nursing facility expenses.

• According to the Hawaii Long Term Care Association, age is the single most important factor in understanding the need for health resources. In Hawai'i, the elderly population (kūpuna) aged 65 and older comprises 15% of the state population and is growing at a much faster pace than the rest of the nation. With a larger elderly population, there will be a greater need for long-term care services.

• The Department of Veterans Affair has a Home Based Primary Care (HBPC) program benefitting those who need extra care for their medical, social, or behavioral conditions. With the HBPC program, Veterans Affair and Medicare costs were 11.7% lower than projected and the combined hospitalizations were 25.5% lower than before. Furthermore, patients reported high satisfaction with access to care under HBPC as well as the continuity of care. With lower expenses and more patient centered care, the general public should also be offered the option of a home-based long-term care program.

• A research study by the Urban Institute determined about 15% of 65-year-olds will spend, on average, \$250,000 on health care expenses. Long-term care is required by the elderly as well as younger people with chronic conditions or trauma, therefore it is necessary to figure out more affordable care options for our loved ones or even for ourselves.

Thank you for your consideration and for the opportunity to provide testimony.

Jacqueline Lee P.O. Box 4956 Kaneohe, HI 96744 julee@hawaii.edu

February 1, 2017 at 2:45pm Conference Room 016

<u>Senate Committee on Commerce, Consumer Protection, and Health</u> <u>Senate Committee on Human Services</u>

To: Senator Rosalyn Baker, Chair Senator Clarence Nishihara, Vice Chair

> Senator Josh Green, Chair Senator Stanley Chang, Vice Chair

Re: Testimony in Support SB 534, Relating to Kūpuna Care

I am testifying in support of SB 534. This bill would require the executive office on aging to develop the kūpuna caregivers program to support community members who provide care for our kūpuna.

As a current Master's of Social Work student with an interest in health and gerontology, I recognize the importance of providing support and services for caregivers who are also members of the workforce. According to the Family Caregiver Alliance (2016), an informal caregiver is defined as an individual (spouse, family member, friend or neighbor) providing unpaid assistance with medical tasks and activities of daily living. Several factors affect family caregiving, such as desire to age in place, lack of financial resources and families not feeling comfortable allowing a stranger to care for their loved one (National Alliance on Caregiving, 2015 & Feinberg, Newman, & Van Steenberg, 2002). Additionally, due to the limited space in nursing homes, high cost of living and cultural considerations, many Hawaii residents rely on immediate and extended family to provide long-term care at home (Feinberg, Newman, & Van Steenberg, 2002).

In Hawaii, the aging population continues to increase; therefore, it is imperative that community members are prepared to care for our kūpuna and their caregivers. Census projections indicate that Hawaii's senior population is to double between 2010 and 2020 with a large increase occurring for those over 85 years old (Yuan, Karel, & Yuen, 2007). In Hawaii, family caregivers provided roughly 144 million hours of care to spouses, partners, family members, friends and other loved ones (American Association of Retired Persons, 2015). In 2013, roughly 154,000

Hawaii family caregivers assisted kūpuna with activities of daily living, such as meal preparation, bathing, running errands and medication administration. Additionally, caregivers are often responsible for collaborating with community agencies, professionals and providers on behalf of their loved one (National Alliance on Caregiving, 2015).

According to the National Alliance on Caregiving (2015), family caregivers spend roughly 24.4 hours each week assisting with their loved one's health. Caregiving can be especially time consuming (44.6 hours a week) for individuals providing care for their spouse or partner (National Alliance on Caregiving, 2015). As a result of these responsibilities and time-intensive tasks, many family caregivers reported feeling stressed, negatively affecting their health, finances and employment (American Association of Retired Persons, 2014).

Caregivers play an important but often stressful, challenging and high-burden role in supporting the health of their loved ones. Providing social support and services for family caregivers is essential to prevent caregiver stress and burnout; by failing to meet the needs of kūpuna caregivers, the recipient of care is also at risk. With the implementation of this bill, the kūpuna caregivers program shall provide additional assistance to caregivers who may feel overwhelmed and stressed as a result of their responsibilities.

Thank you for the opportunity to submit this testimony.

Respectfully submitted,

Jacqueline Lee

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Chair Roz Baker & Chair Josh Green

Vice Chair Clarence Nishihara & Vice Chair Stanley Chang

Senate Committee on Commerce, Consumer Protection and Health

Senate Committee on Human Services

February 1, 2017

TESTIMONY IN SUPPORT OF SB 534 RELATING TO KUPUNA CARE

My name is Clint Schroeder, President and COO of Hagadone Printing, the largest commercial printer in Hawai'i. I am writing to express my support for SB 534 and the creation of the Kupuna Caregivers program. This bill makes business sense and it makes sense for Hawai'i's working families.

One prevalent threat to business productivity is worker absenteeism and presenteeism, that's when workers are present but can't work at their full capacity because of other stressors in their life. The MetLife Study of Working Caregivers and Employer Health Care Cost (2010) found that absenteeism is much higher amongst caregivers, regardless of age group. The research also found that insurance and health care costs are higher for working caregivers, reporting higher hypertension, depression and diabetes, potentially costing U.S. employers an extra estimated \$13.4 billion per year. The study concluded that "caregiving for an older relative is an important factor in the health, medical care expense, and productivity of employees across all age groups, and therefore in the health costs for employers."

There are other ways that caregiving affects productivity. When a caregiver leaves the workforce early to take care of an aging loved one, we lose trained, skilled, seasoned workers. Caregivers are more likely to work fewer hours and are less likely to take promotions when available due to caregiving duties.

I have personally seen the effects of caregiving with our own employees. Many times

their own health falters as they try to keep up their full responsibilities at work and take new caregiving responsibilities at home.

Senate Bill 534 will provide the respite care that our working caregivers need. With the \$70-a-day benefit, working families can afford a home health care worker, a little extra help preparing meals, or perhaps transportation when a family caregiver is not available. This program will help make long-term care for our kupuna more affordable and provide the helping hand caregivers so desperately need.

I ask you to please pass Senate Bill 534 today.

Clint Schroeder

President & COO

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