
SENATE CONCURRENT RESOLUTION

REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO STUDY THE
FEASIBILITY OF INCREASING THE MEDICAID REIMBURSEMENT RATES
FOR COMMUNITY CARE FOSTER FAMILY HOMES, EXPANDED ADULT
RESIDENTIAL CARE HOMES, AND OTHER TYPES OF HOME AND
COMMUNITY BASED SERVICE CARE PROVIDERS AND SERVICES.

1 WHEREAS, the State has a limited number of beds in nursing
2 homes for patients requiring the level of care provided by
3 nursing homes; and

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5 WHEREAS, the Community Care Foster Family Home (CCFFH)
6 program and Expanded Adult Residential Care Home (E-ARCH)
7 program provide additional options for patients requiring
8 nursing home-level care throughout the State; and

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10 WHEREAS, caregivers in CCFFHs and E-ARCHs effectively
11 provide the proper care needed for nursing home-level patients,
12 including assistance with activities of daily living,
13 specialized care such as the use of feeding tubes and catheters;
14 and the provision of basic wound care, maintenance exercise
15 programs, cognitive stimulation, dietary management, and other
16 custodial care as needed; and

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18 WHEREAS, receiving care at CCFFHs and E-ARCHs can reduce
19 the length of hospital stays; provide emotional, financial, and
20 physical relief to families caring for an ill senior or other
21 family member in their own home; and reduce the risk of
22 homelessness, morbidity, and mortality in patients requiring
23 nursing home-level care; and

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25 WHEREAS, the Adult Residential Care Home (ARCH) program was
26 introduced in Hawaii in or around the 1950s to provide assisted
27 living type care; it was expanded in 1994 to provide nursing
28 home-level care as the E-ARCH program under the Department of



1 Health, serving approximately fourteen hundred patients with the
2 potential for an even greater capacity; and

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4 WHEREAS, the pilot CCFFH program was started in 1979 by The
5 Queen's Medical Center; it started receiving Medicaid funding
6 under a federal Medicaid waiver in 1984, initially under the
7 direction of the Department of Human Services, and currently
8 under the Department of Health, which serves approximately three
9 thousand patients with the potential for an even greater
10 capacity; and

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12 WHEREAS, the 1984 CCFFH federal Medicaid waiver was
13 approved based on its success as a high-quality alternative to
14 nursing home placement for Medicaid patients that cost two-
15 thirds or less than placement in a nursing home; and

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17 WHEREAS, the level of CCFFH reimbursement has not kept pace
18 with that two-thirds target ratio; and in 2020, the
19 reimbursement rate to CCFFH providers was approximately one-
20 sixth of that for nursing home placements; and

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22 WHEREAS, caregivers who accept Medicaid patients into their
23 CCFFH receive \$47.06 per day plus the patient's Social Security
24 Assistance (SSA) for a maximum of \$2,500 per month for room,
25 board, and patient care, while a nursing home receives \$280.00
26 per day, plus SSA for the same patient for a maximum of \$10,100
27 per month (with HMSA insurance, Kaiser health plan, and UHA
28 insurance at slightly higher rates); and

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30 WHEREAS, studies by the American Association of Retired
31 Persons show that Hawaii needs to improve efforts to provide
32 lower cost long-term care services available in the community
33 under Hawaii's MedQuest Medicaid program rather than the more
34 expensive care in nursing homes; and

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36 WHEREAS, CCFFH and E-ARCH operators are often dually
37 employed in nursing homes, hospitals, assisted living
38 facilities, and other health care facilities around the State to
39 supplement their income and maintain their own health benefits,
40 which creates greater risk for the spread of infectious disease;
41 and

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1 WHEREAS, many CCFH caregivers decline to accept Medicaid
2 patients and instead save empty beds for private-pay patients to
3 optimize their income, thus reducing the number of beds
4 available for Medicaid patients; now, therefore,

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6 BE IT RESOLVED by the Senate of the Thirty-first
7 Legislature of the State of Hawaii, Regular Session of 2022, the
8 House of Representatives concurring, that the Department of
9 Human Services is requested to:

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- 11 (1) Review the existing payment model for Medicaid
- 12 reimbursement for patients who require nursing home-
- 13 level of care in the community;
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- 15 (2) Study the feasibility of increasing the Medicaid
- 16 reimbursement rates for CCFH, E-ARCH, and other types
- 17 of Home and Community Based Service (HCBS) care
- 18 providers and services; and
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- 20 (3) Determine the overall effect of increasing the
- 21 Medicaid reimbursement rates for CCFH, E-ARCH, and
- 22 other types of HCBS care providers and services; and
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24 BE IT FURTHER RESOLVED that the Department of Human
25 Services is requested to submit a report of its findings and
26 recommendations to the Legislature no later than thirty days
27 prior to the convening of the Regular Session of 2023; and

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29 BE IT FURTHER RESOLVED that certified copies of this
30 Concurrent Resolution be transmitted to the Director of Human
31 Services, President of Adult Foster Homecare Association of
32 Hawaii, and President of Alliance of Residential Care
33 Administrators.

