JOSH GREEN, M.D. GOVERNOR KE KIA'ĀINA



STATE OF HAWAII KA MOKU'ÄINA O HAWAI'I DEPARTMENT OF HUMAN SERVICES KA 'OIHANA MĀLAMA LAWELAWE KANAKA Office of the Director P. O. Box 339 Honolulu, Hawaii 96809-0339

January 28, 2024

To: The Honorable Representative Lisa Marten, Chair House Committee on Human Services

FROM: Cathy Betts, Director

SUBJECT: HB 1533 – RELATING TO DEATH BENEFITS.

Hearing: January 30, 2024, 9:00 a.m. Conference Room 329, State Capitol & Video Conference

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this bill as long as it does not reduce or replace the priorities identified in the Governor's budget.

PURPOSE: The purpose of this bill is to increase the amount of death benefits paid by the Department of Human Services from \$800 to \$1,600 to cover the cremation and disposition costs for a deceased person who was eligible for medical or financial assistance at the time of the person's death and whose body is unclaimed.

In state fiscal year 2023, DHS paid a total amount of \$277,600 for this type of death benefit. If the benefit amount is doubled, the estimated increase to be appropriated would be \$277,600. DHS supports this increase as long as it does not reduce or replace the priorities identified in the Governor's budget. DHS prefers that the increase be included in the executive budget bill as a recurring appropriation.

Thank you for the opportunity to testify on this measure.

CATHY BETTS DIRECTOR KA LUNA HO'OKELE

JOSEPH CAMPOS II DEPUTY DIRECTOR KA HOPE LUNA HO'OKELE

TRISTA SPEER DEPUTY DIRECTOR KA HOPE LUNA HO'OKELE



Written Testimony providing comments on <u>HB 1533</u>– Relating to Death Benefits **Position: SUPPORT**

January 29, 2024

To: Representative Lisa Marten, Chair – Committee on Human Service Representative Terez Amato, Vice Chair- Committee on Human Service Committee Members

HEARING DATE/TIME: January 30, 2024 / 9:00am

STATEMENT FROM THE HFCA BOARD OF DIRECTORS

The Hawaii Funeral & Cemetery Association, Inc. is a Domestic Nonprofit Corporation, comprised of 12 independent Board of Directors representing 14 mortuaries and 10 cemeteries that serve the largest majority of Hawaii's families. The HFCA is an independent association that acts in the best interest of its members and the community. The HFCA Board of Directors would like to **Support on HB1533**.

Dear Chair Marten, Vice Chair Amato and Committee Members

The Hawaii Funeral and Cemetery Association, Inc. ("HFCA"). The HFCA "**SUPPORTS" HB 1533** ("Bill") "Relating to Death Benefits" increasing the reimbursement to mortuaries from \$800 to \$1600.

Hawaii's mortuaries and crematories handle the cremation, transportation, storage (60 days) and final disposition of these unclaimed bodies on behalf of the State but for decades, have only received \$800 in reimbursement to cover the cost of these services.

The City and County of Honolulu Department of the Medical Examiner Annual Statistical Report shows that Honolulu County in;

2021-2022 Unclaimed remains State-assisted cremation 152 2020-2021 Unclaimed remains State-assisted cremation 116

Mortuaries and cemeteries in Hawaii, as a result, have been covering the costs above the State's reimbursement level of \$800. The Mortuaries are also taking on the responsibility of holding and scattering or interring the remains following the cremations adding additional cost to the mortuary. Unfortunately, as costs of fuel, labor, and materials continue to rise, the industry overall can no longer sustain offering this service at the current fee. Some Hawaii mortuaries have opted out of taking unclaimed remains. An increase of the reimbursement would help offset the cost associated with the mortuaries. The total cost increase of the adjustment in the reimbursement rate to the annual cost increase would not be significant in the state budget.

Mahalo for your consideration, HFCA Board of Directors



STATEMENT IN SUPPORT OF HB1533 FROM MILILANI GROUP, INC. d.b.a. MILILANI MEMORIAL PARK & MORTUARY

TO:	COMMITTEE ON HUMAN SERVICE Rep. Lisa Marten, Chair Rep. Terez Amato, Vice Chair Committee Members
SUDIECT.	HOUSE DILL 1522 . "A Dill Deleting to Death I



SUBJECT:HOUSE BILL 1533"A Bill Relating to Death Benefits"HEARING DATE:Tuesday, January 30, 2024; 9:00 A.M.

LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

business as Mililani Memorial Park and Mortuary (hereafter called "Mililani"). Mililani <u>SU{PPORTS</u> HB1533 "Relating to Death Benefits" which advocates for an increase in the reimbursement paid mortuaries for the cremation, transportation, storage and final disposition of unclaimed persons. Mililani has declined to participate as the amount received presently is not sufficient to cover our cost for these services. We may reconsider this decision should the amount of the reimbursement be increased.

Mililani has been engaged in the business of funeral service and cemetery operations for more than 50 years and during this period, we have been able to deliver our services in a professional and highly competent manner. Based on our years of expertise, we strongly contend that the present reimbursement is insufficient to permit a mortuary to recover its direct costs and would appreciate a review of this program to enable an increase in the reimbursable amount.

FOR THE ABOVE REASONS, Mililani stands in support of the proposed HOUSE BILL 1533.

RESPECTFULLY SUBMITTED,

MILILANI GROUP_INC.

LATE *Testimony submitted late may not be considered by the Committee for decision making purposes.

Dodo Mortuary, Inc.



Written Testimony providing comments on HB 1533– Relating to Death Benefits Position: SUPPORT



January 29, 2024

To: Representative Lisa Marten, Chair – Committee on Human Service Representative Terez Amato, Vice Chair- Committee on Human Service Committee Members

HEARING DATE/TIME: January 30, 2024 / 9:00am

STATEMENT FROM DODO MORTUARY, INC. & CREMATORY

Dodo Mortuary, Inc. & Crematory is a Domestic Corporation, doing business on the island of Hawaii, with our main office located in Hilo, Hawaii and two additional offices on the Kona (West) side of the island (Dodo Mortuary, Inc. – Kona Office & Cremation Services of West Hawaii). Dodo Mortuary, Inc. & Crematory would like to Support HB 1533.

Dear Chair Marten, Vice Chair Amato and Committee Members,

Dodo Mortuary, Inc. & Crematory "SUPPORTS" HB 1533 ("Bill") "Relating to Death Benefits" increasing the reimbursement to mortuaries from \$800 to \$1600.

Dodo Mortuary, Inc. & Crematory has handled the cremation, transportation, storage (60 days) and final disposition of unclaimed human remains on the Big Island on behalf of the State for decades but have only received \$800 in reimbursement to cover the cost of these services. Well beneath our current charges for minimal cremation type services.

Dodo Mortuary, Inc. & Crematory, as a result, have been covering the costs above the State's reimbursement level of \$800. We are also taking on the responsibility of holding and scattering or interring the remains following the cremations, adding additional cost to our company. Unfortunately, as costs of fuel, labor, and materials continue to rise, we can no longer sustain offering this service at the current reimbursement amount. Some Hawaii mortuaries have opted out of taking unclaimed remains because of this. An increase of the reimbursement amount would help offset the cost associated with performing cremations. The total cost increase of the adjustment in the reimbursement rate to the annual cost increase would not be significant in the state budget.

Thank you for your consideration,

Dodo Mortuary, Inc. & Crematory

199 Wainaku Street – Hilo, Hawaii 96720 Phone: (808) 935-5751 – Fax: (808) 935-1074 www.dodomortuary.com