

STAND. COM. REP. NO. **3915**

Honolulu, Hawaii

APR 19 2024

RE: H.C.R. No. 94
H.D. 2
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Second State Legislature
Regular Session of 2024
State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred H.C.R. No. 94, H.D. 2, entitled:

"HOUSE CONCURRENT RESOLUTION REQUESTING THE DEPARTMENT OF HUMAN SERVICES TO CONDUCT A STUDY ON THE FEASIBILITY OF INCREASING THE MEDICAID REIMBURSEMENT PAYMENT RATE FOR HAWAII'S COMMUNITY CARE FOSTER FAMILY HOMES AND EXPANDED ADULT RESIDENTIAL CARE HOMES FOR MEDICAID CLIENTS EVERY TEN YEARS,"

begs leave to report as follows:

The purpose and intent of this measure is to request the Department of Human Services to conduct a study on the feasibility of increasing the Medicaid reimbursement payment rate for Hawaii's community care foster family homes and expanded adult residential care homes for Medicaid clients in 2032 and every ten years thereafter.

Your Committee received testimony in support of this measure from International Longshore & Warehouse Union Local 1000 and one individual.

Your Committee received comments on this measure from the Department of Human Services.



Your Committee finds that the State has a limited number of beds in nursing homes for patients requiring a nursing home level of care, and that community care foster family homes (CCFFHs) and expanded adult residential care homes (E-ARCHs) provide additional options for a nursing home level of care throughout the State. Your Committee further finds that Senate Resolution No. 4, S.D. 1, adopted during the Regular Session of 2022, requested the Department of Human Services to study the feasibility of increasing the Medicaid reimbursement rates for CCFFHs, E-ARCHs, and other types of home- and community-based services care providers and services, and in response, the Department submitted a report of its findings and recommendations to the Legislature in December 2022. This measure requests the Department to conduct a similar study in 2032 and every ten years thereafter to continually monitor the issues relating to Medicaid reimbursement rates for CCFFHs and E-ARCHs.

Your Committee notes the Department of Human Services' testimony that the feasibility study requested in this measure for 2032 will require significant resources and funding and that the Department will need additional general fund appropriations a year in advance, with the first appropriation in the biennium budget of 2031. Your Committee further notes the Department of Human Services' testimony that Medicaid reimbursement rates for CCFFHs and E-ARCHs have been increased in the last eight years, including a five percent increase in 2022, and therefore, language in this measure's legislative findings regarding the lack of rate increases is inaccurate.

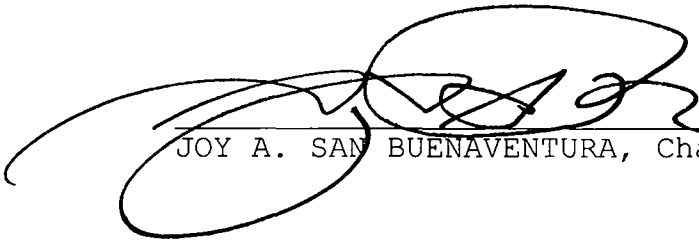
Accordingly, your Committee has amended this measure by:

- (1) Deleting language in its legislative findings stating that the Medicaid rate for CCFFH reimbursement has not been increased in the last eight years;
- (2) Inserting language to request the Department of Human Services to request funding by 2031 to conduct the feasibility study in 2032; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.



As affirmed by the record of votes of the members of your Committee on Health and Human Services that is attached to this report, your Committee concurs with the intent and purpose of H.C.R. No. 94, H.D. 2, as amended herein, and recommends its adoption in the form attached hereto as H.C.R. No. 94, H.D. 2, S.D. 1.

Respectfully submitted on
behalf of the members of the
Committee on Health and Human
Services,



JOY A. SAN BUENAVENTURA, Chair



