

Honolulu, Hawaii

FEB 14 2025

RE: S.B. No. 322

S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2025
State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred S.B. No. 322 entitled:

"A BILL FOR AN ACT RELATING TO MEDICAID,"

begs leave to report as follows:

The purpose and intent of this measure is to appropriate funds to the Department of Human Services to achieve the full funding, including estimated payment increases, of Medicaid home- and community-based services.

Your Committee received testimony in support of this measure from the AARP Hawai'i and two individuals.

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

Your Committee finds that for many of the State's kupuna, receiving support in their own homes allows them to maintain their independence and actively participate in their communities and is preferred over institutional care. However, your Committee further finds that inadequate Medicaid reimbursement rates have created significant wage pressure in the home care workforce, making it difficult to recruit and retain caregivers. This measure provides funding to increase Medicaid reimbursement rates for home- and community-based services to increase the number of home-based care providers and ensure that individuals receive the



right level of support in their homes rather than being placed in institutions due to a lack of alternatives.

Your Committee has amended this measure by:

- (1) Deleting language that would have required the Department of Human Services to:
 - (A) Obtain the maximum federal matching funds available for this measure's proposed expenditure; and
 - (B) Pursue all funding sources known to the State, including private grants, prior to expending any general revenues appropriated pursuant to this measure;
- (2) Inserting an effective date of December 31, 2050, to encourage further discussion; 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 is in accord with the intent and purpose of S.B. No. 322, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 322, S.D. 1, and be referred to your Committee on Ways and Means.

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



JOY A. SAN BUENAVENTURA, Chair



