

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



GOV. MSG. NO. 1351

EXECUTIVE CHAMBERS
KE KE'ENA O KE KIA'ĀINA

July 14, 2026

The Honorable Ronald D. Kouchi
President of the Senate,
and Members of the Senate
Thirty-Third State Legislature
State Capitol, Room 409
Honolulu, Hawai'i 96813

The Honorable Nadine K. Nakamura
Speaker, and Members of the
House of Representatives
Thirty-Third State Legislature
State Capitol, Room 431
Honolulu, Hawai'i 96813

Aloha President Kouchi, Speaker Nakamura, and Members of the Legislature:

This is to inform you that on July 14, 2026, the following bill was signed into law:

H.B. NO. 1804, H.D. 1, S.D. 2,
C.D. 1

RELATING TO LONG-TERM CARE FINANCING.
ACT 249

Mahalo,

A handwritten signature in black ink that reads "Josh Green M.D.".

Josh Green, M.D.
Governor, State of Hawai'i

A BILL FOR AN ACT

RELATING TO LONG-TERM CARE FINANCING.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. The legislature finds that Hawaii's senior
2 population has been growing faster than the national average.
3 Without a sustainable financing framework for long-term care,
4 the majority of Hawaii's families will be forced to shoulder
5 increasingly unsustainable financial burdens. According to a
6 2025 report by the kupuna advisory council's long-term care
7 financing permitted interaction group, the average per-person
8 annual cost for long-term support services ranges from
9 approximately \$45,500 in a community care foster family home to
10 more than \$200,000 in a skilled nursing facility, which is
11 already prohibitively expensive for many Hawaii families. The
12 State must find a way to address long-term care costs and ensure
13 that long-term care services remain equitable and available to
14 all of Hawaii's residents. Accordingly, the legislature
15 believes that it is necessary to obtain a comprehensive,
16 data-driven evaluation of feasible financing strategies for
17 long-term care.



1 The legislature also finds that creating a successful
2 long-term care program is complicated due to the fragmented
3 nature of the long-term care system; the multitude of providers
4 and payors; the State's chronic shortage of caregivers; the high
5 costs of private insurance; and the inherent difficulty in
6 predicting the extent, duration, and timing of an individual's
7 long-term care needs. To address these issues, the State must
8 consider a variety of financing models; examine potential
9 reforms of home- and community-based services; and implement
10 cost containment strategies that manage expenditures while
11 improving the quality of care.

12 However, the legislature recognizes that it will first be
13 necessary to carefully develop a framework and scope of work for
14 a thoughtful study of these complex issues. To allow for
15 effective planning, the State must also create a realistic
16 timeline and list of proposed next actions for selecting and
17 implementing a future long-term care services financing program.
18 The legislature believes that these steps are essential for
19 understanding the impacts of a future long-term care services
20 financing program and will provide valuable information



1 necessary for policymakers to select the model or framework of
2 financing that will work best for Hawaii's residents.

3 The legislature further finds that these issues should be
4 addressed by an agency that has specific experience with and
5 expertise in the unique issues that the State's kupuna face.
6 The legislature notes that statewide planning and oversight
7 functions over kupuna affairs statutorily reside with the
8 executive office on aging. Specifically, section 349-3, Hawaii
9 Revised Statutes, designates the executive office on aging as
10 the "principal office in state government solely responsible for
11 the performance, development, and control of programs, policies,
12 and activities on behalf of elders[.]" Similarly, section
13 349-7, Hawaii Revised Statutes, designates the executive office
14 on aging as "the single state agency responsible for programs
15 affecting senior citizens of this State[.]"

16 Accordingly, the purpose of this Act is to lay the
17 groundwork for the establishment of a long-term care financing
18 program by:

19 (1) Requiring the executive office on aging to develop a
20 framework and scope of work for a proposed study that
21 examines the feasibility, impacts, and costs of



- 1 different public and private financing options for
2 long-term care services and supports;
- 3 (2) Authorizing the executive office on aging to contract
4 with the university of Hawaii to develop the framework
5 and scope of study; and
- 6 (3) Appropriating funds to the executive office on aging
7 for these purposes.

8 SECTION 2. (a) The executive office on aging shall
9 develop a framework and scope of work for a study that:

- 10 (1) Examines the feasibility, impacts, and costs of
11 different public and private financing options for
12 long-term care services and supports, including
13 options to pay for those long-term care services and
14 supports; and
- 15 (2) Determines which long-term care financing mechanisms
16 have objective, evidence-based merit.
- 17 (b) At a minimum, the framework and scope of work shall
18 require that the study include:
- 19 (1) Objective, evidence-based assessments of each
20 financing option's feasibility, costs, reliability,



1 long-range solvency, benefits and impacts, and impacts
2 on the populations served, including assessments of:

3 (A) Alternative public and private options and
4 financing mechanisms for providing long-term care
5 services and supports for persons who have
6 functional limitations or chronic illnesses and
7 who require assistance to perform the necessary
8 and routine activities of daily living;

9 (B) Options for controlling the cost of services by
10 funding proactive measures, including efforts to
11 mitigate an individual's likelihood of needing
12 long-term care services and limit the scope of
13 services needed; and

14 (C) The benefits of implementing home- and
15 community-based reform measures for health care
16 and other supportive services to provide care to
17 eligible persons in their home or other community
18 settings, rather than in institutional settings;
19 and

20 (2) Recommendations for the most economically viable
21 option for establishing a long-term care financing



1 program, including a proposed plan, timeline, and any
2 subsequent steps necessary to implement the program.

3 (c) No later than twenty days prior to the convening of
4 the regular session of 2027, the executive office on aging shall
5 submit a report to the legislature that includes:

6 (1) The framework and scope of work developed pursuant to
7 subsections (a) and (b);

8 (2) The estimated cost to procure the proposed study;

9 (3) Recommendations for any subsequent actions necessary
10 to conduct the proposed study and to select and
11 implement a long-term care services financing program;

12 (4) Proposed legislation, including necessary funding, to
13 procure the proposed study; and

14 (5) Any other findings and recommendations, including any
15 other proposed legislation.

16 SECTION 3. The executive office on aging may contract with
17 the university of Hawaii to perform the activities required by
18 section 2 of this Act. Any services contracted under this
19 section shall be exempt from chapter 103D, Hawaii Revised
20 Statutes.



1 SECTION 4. There is appropriated out of the general
2 revenues of the State of Hawaii the sum of \$100,000 or so much
3 thereof as may be necessary for fiscal year 2026-2027 for the
4 executive office on aging to carry out the purposes of this Act,
5 including contracting with the university of Hawaii.

6 The sum appropriated shall be expended by the executive
7 office on aging for the purpose of this Act.

8 SECTION 5. This Act shall take effect on July 1, 2026.



H.B. NO. 1804
H.D. 1
S.D. 2
C.D. 1

APPROVED this 14th day of July, 2026

A handwritten signature in black ink, appearing to read "Josh Green". The signature is fluid and cursive, with a large initial "J" and "G".

GOVERNOR OF THE STATE OF HAWAII

HB No. 1804, HD 1, SD 2, CD 1

THE HOUSE OF REPRESENTATIVES OF THE STATE OF HAWAII

Date: May 6, 2026
Honolulu, Hawaii

We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirty-Third Legislature of the State of Hawaii, Regular Session of 2026.



Nadine K. Nakamura
Speaker
House of Representatives

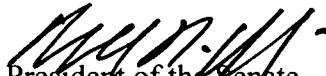


Brian L. Takeshita
Chief Clerk
House of Representatives

THE SENATE OF THE STATE OF HAWAI‘I

Date: May 6, 2026
Honolulu, Hawai‘i 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate
of the Thirty-Third Legislature of the State of Hawai‘i, Regular Session of 2026.


President of the Senate


Clerk of the Senate