

STAND. COM. REP. NO. 2163

Honolulu, Hawaii

FEB 11 2026

RE: S.B. No. 877
S.D. 1

Honorable Ronald D. Kouchi
President of the Senate
Thirty-Third State Legislature
Regular Session of 2026
State of Hawaii

Sir:

Your Committee on Health and Human Services, to which was referred S.B. No. 877 entitled:

"A BILL FOR AN ACT RELATING TO HUMAN SERVICES,"

begs leave to report as follows:

The purpose and intent of this measure is to appropriate funds to increase the funding for Medicaid in-home services, conditioned on the Department of Human Services obtaining the maximum federal matching funds.

Your Committee received testimony in support of this measure from the Disability and Communication Access Board, AARP Hawai'i, AlohaCare, Hawaii Medical Association, Hawaii Disability Rights Center, Hawai'i Children's Action Network Speaks!, and one individual.

Your Committee received testimony in opposition to this measure from two individuals.

Your Committee received comments on this measure from the Department of Human Services and Executive Office on Aging.

Your Committee finds that most of the State's kupuna would prefer to live in their own homes for as long as they can, and that in-home services are key to ensuring kupuna and people with disabilities stay in their own home. Your Committee further finds



that reimbursement rate studies have found there is tremendous wage pressure for direct care workers for home settings, given the highly competitive labor market in the State for similar paying jobs. This measure increases the funding for Medicaid in-home services to address the significant wage pressure felt by in-home services providers and the rising cost of care.

Your Committee has amended this measure by:

- (1) Changing the appropriation amount from \$16,160,000 to an unspecified amount;
- (2) Updating fiscal years to reflect the current legislative session; and
- (3) Inserting an effective date of July 1, 2050, to encourage further discussion.

Your Committee notes that this measure, as amended, contains an unspecified appropriation amount. Should your Committee on Ways and Means choose to deliberate on this measure, your Committee respectfully requests that it consider inserting an appropriation amount of \$6,700,000 to increase funding for Medicaid in-home services; provided that the Department of Human Services shall obtain the maximum federal matching funds available for this expenditure.

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. 877, as amended herein, and recommends that it pass Second Reading in the form attached hereto as S.B. No. 877, 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



