

ACT 207

H.B. NO. 49

A Bill for an Act Relating to Care for the Elderly.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Act 192, Session Laws of Hawaii 1983, is amended by amending sections 1 to 11 to read as follows:

“SECTION 1. **Purpose.** The legislature finds and declares that the provision of comprehensive extended home services for the chronically ill and disabled residents of the State of Hawaii is a priority concern. The development of more economical methods of caring for this growing population group as an alternative to the construction of additional institutional facilities should be a primary focus of the State’s action.

[Coordinated extended home] Comprehensive services rendered to patients in their homes reduce the possibility of prolonged institutionalization or the inappropriate utilization of scarce institutional beds, as well as the concomitant high costs and other associated adverse social and medical implications of institutionalization.

The legislature intends that there be a public commitment to the appropriate provision and expansion of [extended] home services which will provide a single point of entry and access to a comprehensive and coordinated program of care in the home for Hawaii's growing aged and chronically ill population.

**SECTION 2. Definitions.** For the purpose of this Act:

["Advisory council" means a group of appointed community members who meet at regularly appointed times to provide advice and recommendations relative to the operation of the project.]

"Certified home health agency" means an agency licensed by the State to provide health services, such as skilled nursing, home health aides, and physical therapy in the patient's home.

"Comprehensive assessment" means the evaluation of the patient's medical, social, and environmental needs.

"Demonstration project" means the nursing home without walls demonstration project.

"[Extended] Comprehensive home services" means the provision of a broad range of services which will ensure the patient's safety and well-being at home over an indefinite period of time.

"Plan of care" means a written plan, including goals, objectives, and methodology, designed to meet the service requirements of the patient, caregiver, or both, as approved by the physician.

"Safety and well-being" means assessment of and determination that the patient's home environment is safe and that the care requirements of the patient have been determined and can be provided for in the home setting.

"Waiver" means an intentional relinquishment of certain rights or obligations.

**SECTION 3. Establishment of a nursing home without walls demonstration project.** (a) A nursing home [with] without walls demonstration project shall be established in the department of social services and housing, medical care administration [services,] office, to demonstrate the provision of [extended] comprehensive home services for chronically ill and disabled patients who are certified as requiring skilled nursing or intermediate level care.

(b) The provision of services of the demonstration project shall be [limited to the island of Oahu.] statewide.

(c) The duration of the demonstration project shall be from July 1, 1983, through June 30, [1985.] 1987.

(d) The number of patients who are being actively served by the demonstration project shall not surpass two hundred at any point in time during the duration of the demonstration project.

(e) A ceiling shall be placed on the demonstration project expenditures, limiting total expenditures to not more than seventy-five per cent of the Medicaid cost to maintain the demonstration project's approved number of patients at their appropriate level of institutional care[.] except that the ceiling shall be raised to one hundred per cent of the average annual statewide cost of institutional care for the counties of Hawaii, Kauai, and Maui to provide for a

two-year development phase of the project. The cost of Medicaid for institutional care which shall be the basis for the expenditure ceiling shall be determined by the department of social services and housing.

(f) A ceiling shall be placed on individual patient care expenditures so that the annual cost of patient care through the demonstration project does not exceed seventy-five per cent of the annual Medicaid cost to provide the appropriate level of care for the patient in either a skilled nursing or intermediate care facility. If there is more than one patient in a family, the expenditure ceilings of each patient shall be added together and the costs of their care combined and evaluated against the sum.

(g) If the patient does not utilize the entire funds available for the patient's care, "paper credits" shall be accrued on the patient's behalf to be utilized during a period of higher service requirements.

**SECTION 4. Determination of patient eligibility for participation in the demonstration project.** (a) Patients shall meet the following eligibility criteria:

- (1) They shall be certified by the department of social services and housing to be in need of skilled nursing or intermediate level institutional care;
- (2) They shall be determined by the department of social services and housing to be eligible for Medicaid assistance; and
- (3) They shall be deemed by their personal physician as able to be cared for at home with the provision of appropriate services in the home.

[(b) Patients certified as in need of skilled nursing or intermediate care shall be notified by the department of social services and housing at the time of their certification of the availability of extended home services through the demonstration project.]

[(c)] (b) Patients approved for the demonstration project shall receive a:

- (1) Comprehensive assessment of their medical, social, and environmental needs;
- (2) Written plan of care listing the types, frequency, and duration of all services which are necessary to maintain the patient at home;
- (3) Budget based on the services defined in the plan of care; and
- (4) Periodic review of their status to assure continued medical and financial eligibility for service.

**SECTION 5. Provision of services.** (a) Services which shall assure the safety and well-being of the patient shall be provided in the patient's home or in the home of a responsible relative or other adult.

(b) The demonstration project shall provide the services in the most economic manner feasible, either through:

- (1) Informal care providers such as family members, friends, or neighbors who regularly provide specific services without remuneration and not as a part of any organized volunteer activity;
- (2) Contracts with agency providers, such as certified home health agencies and public or private nonprofit health and social service agencies;
- (3) Contracts with individual providers, such as physicians, nurses, and therapists who privately enter into a contract to provide services for the demonstration project; or
- (4) Project personnel, such as social workers and nurses who are hired by the demonstration project to provide specific services.

[SECTION 6. **Advisory council.** The director of social services shall appoint an advisory council of qualified community members to:

- (1) Review policies and procedures pertaining to the delivery of services and recommend such policies to the Medicaid administrator;
- (2) Review patient care provided by the demonstration project and submit findings and recommendations to the demonstration project administrator;
- (3) Review the performance of the service providers and the contractual arrangements of the demonstration project and submit findings and recommendations to the demonstration project administrator;
- (4) Review recommendations and complaints received from patients of the program and their family members and recommend appropriate corrective action to the demonstration project administrator; and
- (5) Assist with other activities of the demonstration project as requested by the department.]

SECTION [7.] 6. **Annual report.** The director of social services shall report to the legislature at least twenty days prior to the convening of each regular session during the period of the demonstration project. The annual report shall include a comprehensive report on the status of the demonstration project, and recommendations for amendments to the law and to the rules of the department pertaining to the demonstration project.

SECTION [8.] 7. **Waiver of requirements.** The demonstration project shall not be subject to licensing or certification requirements of the department of health or the health planning and development agency.

SECTION [9.] 8. **Rules.** The department of social services and housing shall adopt rules in accordance with chapter 91, Hawaii Revised Statutes, for the purpose of this Act.

SECTION [10.] 9. **Personnel exempt.** Personnel employed for the demonstration project shall not be subject to the provisions of chapters 76 and 77, Hawaii Revised Statutes. The terms of service for these personnel shall begin on July 1, 1983, or as soon thereafter as deemed appropriate by the department of social services and housing, and shall not continue beyond June 30, [1985.] 1987.

SECTION [11.] 10. This Act shall take effect on July 1, 1983[.] , and shall be repealed as of June 30, 1987.

SECTION 2. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 3. This Act shall take effect upon its approval.

(Approved June 3, 1985.)