

ACT 340

H.B. NO. 1463

A Bill for an Act Relating to Adult Residential Care Homes.

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

SECTION 1. The legislature finds that adult residential care home operators provide a multitude of living accommodations and assistance to Hawaii's elderly and disabled adults in the activities of daily living. Besides providing room, board, and care services to their residents, adult residential care home operators must also assist and supervise residents who are physically and mentally challenged and emotionally distraught. Despite the immense responsibilities of these care home operators, the legislature also finds that a significant number of adult residential care home operators are not being properly compensated for the daily services that they provide to their residents, such as personal care assistance, food preparation, and housekeeping services.

The legislature also notes a 1992 report by the legislative reference bureau entitled, "Hawaii's Adult Residential Care Program: An Evaluation of Selected Concerns", which includes a recommendation by the office of the auditor that state supplements to adult residential care home operators be consolidated and increased for type I and type II care homes, and for all levels of care.

The legislature recognizes that the reimbursements to Hawaii's adult residential care home operators have not kept up with cost of living increases and other costs.

The purpose of this Act is to increase the reimbursements to operators of adult residential care homes.

SECTION 2. Section 346-53, Hawaii Revised Statutes, is amended by amending subsection (c) to read as follows:

“(c) The director, pursuant to chapter 91, shall determine the rate of payment for [the different levels of] domiciliary care provided to recipients eligible either for

Federal Supplementary Security Income, or public assistance in accordance with state standards, or both. The director shall provide for level of care [payments] payment as follows:

- [(1) For those adult residential care homes classified as facility type I and type II the state supplemental payments shall be: not less than \$79.90 for level of care (LOC) I; not less than \$129.90 for LOC II; and not less than \$191.90 for LOC III; and
- (2)] (1) For those adult residential care homes classified as facility type I, the state supplemental payment shall not exceed [\$284.90 for LOC I; \$369.90 for LOC II; and \$471.90 for LOC III;] \$521.90; and
- [(3) (2) For those adult residential care homes classified as facility type II, the state supplementary payment shall not exceed [\$338.90 for LOC I; \$477.90 for LOC II; and \$579.90 for LOC III.] \$629.90.

[The rate of payment at which level a recipient enters an adult residential care home licensed pursuant to section 321-15.6 shall remain the same for as long as the recipient resides in that adult residential care home. The rate of payment may be raised if the recipient's condition so requires, or by rule of the department in accordance with this subsection; provided that:

- (1) Notwithstanding the rate of payment at the time of entry, the department shall ensure that the recipient shall receive the quality of care consistent with the level of care as determined by the department; and
- (2) If the operator does not provide the quality of care consistent with the needs of the individual [as determined by and] to the satisfaction of the department, the department may [reduce the rate of payment, or adjust the level of care, or] remove the recipient to another facility.

The department shall handle abusive practices under this section in accordance with chapter 91.

Nothing in this subsection shall allow the director to remove a recipient from an adult residential care home or other similar institution if the recipient does not desire to be removed and the operator thereof is agreeable to the recipient remaining therein, except where the recipient requires a higher level of care than provided thereby, or where the recipient no longer requires any domiciliary care.”

SECTION 3. There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,365,888 or so much as may be necessary for fiscal year 1997-1998 and the sum of \$1,380,888 or so much as may be necessary for fiscal year 1998-1999 for the implementation of the payment schedule for the current residents.

SECTION 4. The sums appropriated shall be expended by the department of human services for the purpose of this Act.

SECTION 5. Statutory material to be repealed is bracketed. New statutory material is underscored.

SECTION 6. This Act shall take effect on July 1, 1997.

(Approved July 2, 1997.)