

ACT 224

S.B. NO. 3255

A Bill for an Act Relating to Long Term Care.

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

PART I. FINDINGS AND PURPOSE

SECTION 1. The legislature finds that virtually all of Hawaii's elders want to age-in-place at home rather than in a care home or institution, and that many elders will require more intensive services and caregiving at the end of their lives. Over the years, a number of initiatives have been undertaken to begin the needed transformation of the services and programs that support seniors and persons with disabilities in Hawaii, such as Quest-Ex, the expansion of Kupuna Care, the Aging and Disability Resource Center, and the Going Home Program. However, the State of Hawaii has not taken a comprehensive look at needed systems reforms, nor developed a solid plan about how to prepare for the future service needs of these rapidly expanding, vulnerable populations.

The legislature further finds that the costs of institutional care have escalated beyond the financial means of most elders. The State's portion of medicaid expenditures has increased steadily over the years and is projected to increase significantly as baby boomers begin to retire. As Hawaii's population ages, the number of frail and disabled individuals will also increase, placing a precipitous demand on the need for long term care services, as well as significant cost pressures on the state budget. The legislature therefore finds that there is a need to plan for the future to make quality long term care services as accessible, efficient, and effective as possible.

The legislature further finds that it is necessary to explore public and private sector approaches to support payment for long term care services, which can assist elders to age-in-place and prevent the State from becoming fiscally liable for unsustainable costs under medicaid.

The purpose of this Act is to establish long term care policy goals and guiding principles, and establish a long term care commission to identify needed reforms of the long term care system, research program changes and resources necessary to meet the State's long term care public policy goals, and explore an array of funding options that may help support the provision of long term care services in the future.

PART II. LONG TERM CARE POLICY GOALS AND GUIDING PRINCIPLES

SECTION 2. To make possible the array of services that are necessary to meet the long term care needs of Hawaii's elders and persons with disabilities, the following shall be the long term care policy goals of the State of Hawaii:

- (1) Encourage the planning of and provision for a continuum of care, up to and including the end of life;
- (2) Coordinating referral, case management, and service delivery through co-location and other means;
- (3) Strengthening family caregiver support systems to encourage aging-in-place;
- (4) Stimulating workforce development and training programs to expand the number and capabilities of long term care service providers;
- (5) Developing financial mechanisms to help Hawaii's families meet the cost of long term care;
- (6) Increasing public resources to expand home and community-based care options;
- (7) Fostering public understanding of caregiving issues; and
- (8) Encouraging research and education on aging, long term care, and related subjects through the University of Hawaii system.

SECTION 3. The development of a long term care system in Hawaii shall also be guided by the following principles:

- (1) Consumers should have as much choice as possible in the selection and use of services;
- (2) Services should be accessible and foster the level of self sufficiency desired by the consumer;
- (3) Programs and services serving all seniors and disabled populations should be accountable, cost effective, and provide quality care;
- (4) All services should be organized and administered in a way that fosters efficient use of limited state resources;
- (5) Consumers should have access to information to help them make timely and appropriate decisions when needed;

- (6) Health, long term care, and social services should be connected through the use of preadmission screening, standardized assessments, care planning, coordination, and case management; and
- (7) Technology should be used to improve accountability, efficiency, quality of care, and to help keep people in their homes.

PART III. LONG TERM CARE COMMISSION

SECTION 4. (a) There is established a long term care commission within the University of Hawaii college of social sciences public policy center for administrative purposes. The commission shall:

- (1) Identify problems with current long term care capacity, programs, and services;
- (2) Develop a five-year comprehensive long term care plan to accomplish long term care policy goals that, when implemented, will ensure the availability of a full continuum of institutional and community-based services, including benchmarks to evaluate accomplishments for each year;
- (3) Research public and private financing options and develop recommendations about financial resources, including a mix of public and private financing, necessary to achieve needed state long term care reforms and state public policy goals;
- (4) Monitor federal legislation for changes that may impact the program and adjust the long term care plan accordingly; and
- (5) Collaborate with interested stakeholders, including community coalitions or organizations concerned with educating the public regarding long term care.

(b) The long term care commission shall consist of:

- (1) Five members appointed by the governor;
- (2) Five members appointed by the president of the senate;
- (3) Five members appointed by the speaker of the house of representatives; and
- (4) Five non-voting, ex-officio members, who are the directors of the following departments, or their designees, and who shall collaborate with and support the work of the commission, as requested:
 - (A) Department of commerce and consumer affairs;
 - (B) Department of health;
 - (C) Department of human services;
 - (D) Department of labor and industrial relations; and
 - (E) Department of taxation.

(c) Members shall have a background in business, economics, finance, management, health care, long term care, social services, or public policy development, or be an advocate for or consumer of long term care services. Members of the commission shall be appointed as soon as practicable, but by no later than September 30, 2008. Any vacancies occurring in the membership of the commission shall be filled for the remainder of the unexpired term in the same manner as the original appointments.

(d) A simple majority of voting members shall constitute a quorum, whose affirmative vote shall be necessary for all actions.

(e) The members shall serve without compensation, but shall be allowed necessary expenses incurred in the performance of commission duties.

(f) The University of Hawaii college of social sciences public policy center shall convene the first commission meeting as soon as practicable, but by no later than November 1, 2008. At this first meeting, the commission shall elect from among

its members a chairperson, who shall convene commission meetings, and a vice chairperson, and shall adopt rules for the conduct of its work.

(g) The long term care commission shall:

- (1) Submit an interim report to the legislature no later than February 28, 2010, describing the progress made in the development of the five-year plan and preliminary proposed system reforms; and
- (2) Submit a final report to the legislature no later than September 30, 2010, which shall include the final five-year plan, how the reforms will be prioritized and phased in, and a description and final recommendations regarding the financing of long term care services, including support for caregivers.

(h) The long term care commission may:

- (1) Conduct or initiate studies as it deems necessary; and
- (2) Hire staff and contract with third parties to conduct studies, including an actuarial study, as it deems necessary for the purpose of evaluating various options about systems reforms and about how to help State residents pay for needed long term care and supportive services in the future. Any contract executed pursuant to this subsection shall be exempt from chapter 103D, Hawaii Revised Statutes; provided that any such contract is approved by the commission in an open meeting.

(i) The University of Hawaii college of social sciences public policy center shall provide administrative and policy support to facilitate the work of the long term care commission.

(j) The term of the long term care commission shall expire on November 30, 2010.

SECTION 5. There is appropriated out of the general revenues of the State of Hawaii the sum of \$100,000 or so much thereof as may be necessary for fiscal year 2008-2009 for the long term care commission.

The sum appropriated shall be expended by the University of Hawaii for the purposes of this Act.

SECTION 6. This Act shall take effect on July 1, 2008.

(Became law on July 8, 2008, without the Governor's signature, pursuant to Art. III, §16, State Constitution.)