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S.B. NO. 2796

A Bill for an Act Relating to Death Benefits.

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

SECTION 1. In 2010, the twenty-fifth legislature passed House Bill No. 2774, which was enacted as Act 205, Session Laws of Hawaii 2010 (Act 205). Part II of Act 205 amended section 346-15, Hawaii Revised Statutes, by decreasing death benefits for medical and financial assistance recipients to an amount equal to the Social Security Administration's one-time lump-sum death benefit. Act 205 has a repeal date of June 30, 2012, at which time section 346-15, Hawaii Revised Statutes, will be reenacted in the form in which it read on the day prior to the act's effective date.

In the current economic climate of decreased state revenue and the unfortunate necessity of reducing medical assistance benefits, identifying areas to decrease expenditures with minimal impact on the public becomes increasingly important. The senate committee on ways and means stated in Standing Committee Report No. 3033 (2010) that "the State's economic difficulties threaten the provision of human services under many state programs. Your Committee finds that, despite budget cuts and realignments, it is important to maintain the level of services that are provided to the neediest populations in the State."

Maintaining the death benefit amount authorized in Act 205 by repealing the sunset date for the amendments to section 346-15, Hawaii Revised Statutes, in section 9 of Act 205 will help preserve health care benefits for low-income adults and children.

Additionally, the language in Act 205 amending section 346-15, Hawaii Revised Statutes, appears to make the department of human services responsible for authorizing the disposition of unclaimed dead human bodies. Section 346-15, Hawaii Revised Statutes, should only allow the department of human services to pay for mortuary and crematory costs for unclaimed dead human bodies after

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approving the determination that the dead human body is unclaimed pursuant to section 327-32, Hawaii Revised Statutes.

The purpose of this Act is to make permanent the reduced death benefit to avoid the need for further reductions to necessary health care assistance and to establish that the department is responsible for the payment of the crematory and mortuary services for unclaimed dead human bodies after approving the determination that a dead human body is unclaimed.

SECTION 2. Section 346-15, Hawaii Revised Statutes, is amended by amending the title to read as follows:

"§346-15 Death benefits for deceased medical or financial assistance recipients and disposition of unclaimed [corpses.] dead human bodies."

SECTION 3. Section 346-15, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) <u>All unclaimed dead human bodies shall be cremated.</u> The department may [authorize and] bear the cost of the mortuary and crematory services for unclaimed [eorpses] <u>dead human bodies</u> furnished by any licensed provider of mortuary or crematory services. Payments for mortuary and crematory services shall be made to the extent of the cost, or in the sum of \$800 in total, whichever is less, for each unclaimed [eorpse.] dead human body. Individuals who have possession, charge, or control of any unclaimed dead human body to be cremated at public expense shall have sixty days from the date of the deceased's death to submit in writing to the department its determination that the dead human body is unclaimed and its application for payment for cremation. The county medical examiners or coroners shall have no time limitation by which to submit their written determination that the dead human body is unclaimed and their application for payment for cremation."

SECTION 4. Section 346-15, Hawaii Revised Statutes, is amended by amending subsection (e) to read as follows:

"(e) For the purposes of this section, "unclaimed [corpse"] dead human body" means the remains of any deceased person for whom no one has assumed responsibility for disposition [of the body within five working days, excluding weekends, from the date of death and about whom the department, and the respective county medical examiner or coroner have no actual knowledge of a legally responsible party.] and no legally responsible individual has been identified. Pursuant to section 327-32, the department shall review the written description of the efforts used in making the determination that a dead human body is unclaimed and approve the determination for purposes of payment of the mortuary and crematory services, if it meets the department's requirements."

SECTION 5. Act 205, Session Laws of Hawaii 2010, is amended by amending section 9 to read as follows:

"SECTION 9. This Act shall take effect on July 1, 2010; provided that on June 30, 2012, <u>part I and part III of</u> this Act shall be repealed and [sections 346-15 and] section 346-59.9, Hawaii Revised Statutes, shall be reenacted in the form in which [they] it read on the day prior to the effective date of this Act; and provided further that section 6 of this Act shall take effect retroactive to May 1, 2010." SECTION 6. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 7. This Act shall take effect on June 29, 2012. (Approved April 24, 2012.)