
A BILL FOR AN ACT

RELATING TO HEALTH CARE.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:

1 SECTION 1. Adult residential care homes are integral to
2 Hawaii's health care system. These care homes provide twenty-
3 four-hour living accommodations for a fee to adults who need
4 minimal assistance in their daily living in a home-like setting
5 for their personal and health care services.

6 For many adults, adult residential care homes are an option
7 for individuals who seek placement in a health care setting but
8 do not quite meet the criteria for nursing home placement and do
9 not have the means for assisted living. Adult residential care
10 homes foster and support a high level of independence in adults
11 who reside in these facilities.

12 The legislature finds that adult residential care homes
13 continue to fulfill an important need in the community because
14 of the increased reliance on residential health care services
15 and facilities for Hawaii's aging population. The state
16 supplemental payment for adult residential care homes, licensed
17 developmental disabilities domiciliary homes, community care
18 foster family homes, and certified adult foster homes was last



1 increased in 2008 by Act 220, Session Laws of Hawaii 2008.
2 However, the costs of operating adult residential care homes
3 continue to rise. Many care home residents rely on the state
4 supplemental payment to cover the costs of residing in these
5 care homes.

6 The purpose of this Act is to increase the state
7 supplemental payment for adult residential care homes, licensed
8 developmental disabilities domiciliary homes, community care
9 foster family homes, and certified adult foster homes; and to
10 change the public assistance allowance to equal an unspecified
11 percentage of the federal poverty level.

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

14 "(a) This subsection does not apply to general assistance
15 to households without minor dependents. The standard of need
16 shall equal the federal poverty level [~~established by the~~
17 ~~federal government in 2006~~], prorated over a twelve-month period
18 based on family size.

19 The assistance allowance provided shall be based on a
20 percentage of the standard of need. For other work eligible
21 households and non-work eligible households and households in
22 which all caretaker relatives are minors, living independently



1 with minor dependents and attending school, the assistance
2 allowance shall be set no higher than [~~sixty two and one half~~]
3 _____ per cent and no lower than [~~forty four~~] _____
4 per cent of the standard of need. For all other households, the
5 assistance allowance shall be set no higher than [~~sixty two and~~
6 ~~one half~~] _____ per cent of the standard of need and set no
7 lower than [~~thirty four~~] _____ per cent of the standard of
8 need. The standard of need shall be determined by dividing the
9 [2006] federal poverty level by twelve and rounding down the
10 quotient. The remaining quotient shall be multiplied by the per
11 cent as set by the director by rules pursuant to chapter 91, and
12 the final product shall be rounded down to determine the
13 assistance allowance; provided that:

- 14 (1) The department may increase or reduce the assistance
15 allowance as determined in this subsection for work
16 eligible households for the purpose of providing work
17 incentives or services under part XI;
- 18 (2) No reduction shall be allowed that jeopardizes
19 eligibility for or receipt of federal funds;
- 20 (3) Reductions in the assistance allowance shall be
21 limited to no more than one per year; and



1 (4) No work eligible household, which includes an adult
2 who has received sixty cumulative months of temporary
3 assistance to needy families with minor dependents,
4 shall be eligible for an assistance allowance, unless
5 authorized by federal regulations."

6 SECTION 3. Section 3, Act 93, Session Laws of Hawaii 2012,
7 is amended to read as follows:

8 "SECTION 3. Section 346-53, Hawaii Revised Statutes, is
9 amended by amending subsections (c) and (d) to read as follows:

10 "(c) The director, pursuant to chapter 91, shall determine
11 the rate of payment for domiciliary care, including care
12 provided in licensed developmental disabilities domiciliary
13 homes, community care foster family homes, and certified adult
14 foster homes, to be provided to recipients who are eligible for
15 Federal Supplementary Security Income or public assistance, or
16 both. The director shall provide for level of care payment as
17 follows:

18 (1) Beginning on July 1, 2008, for adult residential care
19 homes classified as facility type I, licensed
20 developmental disabilities domiciliary homes as
21 defined under section 321-15.9, community care foster
22 family homes as defined under section 321-481, and



1 certified adult foster homes as defined under section
2 321-11.2, the state supplemental payment shall not
3 exceed \$651.90; [and]

4 (2) Beginning on July 1, 2008, for adult residential care
5 homes classified as facility type II, the state
6 supplemental payment shall not exceed \$759.90[-];

7 (3) Beginning on July 1, 2014, for adult residential care
8 homes classified as facility type I, licensed
9 developmental disabilities domiciliary homes as
10 defined under section 321-15.9, community care foster
11 family homes as defined under section 321-481, and
12 certified adult foster homes as defined under section
13 321-11.2, the state supplemental payment shall not
14 exceed \$ _____ ;

15 (4) Beginning on July 1, 2014, for adult residential care
16 homes classified as facility type II, the state
17 supplemental payment shall not exceed \$ _____ ;

18 (5) Beginning on July 1, 2014, for expanded adult
19 residential care homes as defined under section 321-
20 15.1 and classified as facility type I, the state
21 supplemental payment shall not exceed \$ _____ ; and



1 (6) Beginning on July 1, 2014, for expanded adult
2 residential care homes as defined under section 321-
3 15.1 and classified as facility type II, the state
4 supplemental payment shall not exceed \$ _____ ;
5 provided that beginning on July 1, 2014, the maximum state
6 supplemental payment amounts in paragraphs (3), (4), (5), and
7 (6), shall be changed in December of each year to include the
8 percentage, if any, by which the consumer price index for that
9 calendar year exceeds the consumer price index for the prior
10 calendar year.

11 If the operator does not provide the quality of care
12 consistent with the needs of the individual to the satisfaction
13 of the department, the department may remove the recipient to
14 another facility.

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

17 Nothing in this subsection shall allow the director to
18 remove a recipient from an adult residential care home or other
19 similar institution if the recipient does not desire to be
20 removed and the operator is agreeable to the recipient
21 remaining, except where the recipient requires a higher level of



1 care than provided or where the recipient no longer requires any
2 domiciliary care.

3 (d) On July 1, 2006, and thereafter, as the department
4 determines a need, the department shall authorize a payment, as
5 allowed by federal law, for resident clients receiving
6 supplemental security income in adult residential care home, as
7 defined under section 321-15.1, type I and type II facilities,
8 expanded adult residential care home as defined under section
9 321-15.1, type I and type II facilities, licensed developmental
10 disabilities domiciliary homes as defined under section 321-
11 15.9, community care foster family homes as defined under
12 section 321-481, and certified adult foster homes as defined
13 under section 321-11.2, when state funds appropriated for the
14 purpose of providing payments under subsection (c) for a
15 specific fiscal year are not expended fully within a period that
16 meets the requirements of the department's maintenance of effort
17 agreement with the Social Security Administration.

18 The payment shall be made with that portion of state funds
19 identified in this subsection that has not been expended.

20 The department shall determine the rate of payment to
21 ensure compliance with its maintenance of effort agreement with
22 the Social Security Administration." "



1 SECTION 4. Statutory material to be repealed is bracketed
2 and stricken. New statutory material is underscored.

3 SECTION 5. This Act shall take effect on July 1, 2014.
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H.B. NO. 1695

Report Title:

Adult Residential Care Homes; State Supplemental Income

Description:

Amends the state supplemental income for adult residential care homes (ARCHs), expanded ARCHs, and other homes specified in section 346-53, Hawaii Revised Statutes, and changes the public assistance allowance to equal an unspecified percentage of the current poverty level established by the federal government.
Effective July 1, 2014.

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