Long Term Care Commission
Meeting Minutes of November 24, 2008, AARP Conference Room, 10:00 AM

Appointed Commissioners attending and contributing to a quorum: Mary Boland, Sister Agnelle Ching, John Henry Felix, Kenneth Fink, Ron Gallegos, Stuart Ho, Tony Krieg, Russell Okata, Chuck Sted, Eldon Wegner

Ex-Officio Designees or their Representatives attending: Sam Aiona (DLIR), Martha Im (representing J.P. Schmidt, DCCA), Patty Johnson (DHS), Eric Tash (DoH)

also in attendance: David Nixon of the UH Public Policy Center, David Lonborg of the UH General Counsel’s Office, Barbara Kim Stanton and Bruce Botorff of AARP Hawaii.

On motion, seconded and unanimously approved by voice vote, Stuart Ho was named as Pro Tem Chair and presided over the meeting of the Commission. The Chair distributed proposed working details of the day’s agenda. On motion, and seconded, the proposed agenda details were approved by voice vote.

In a series of motions, seconds, discussion and unanimous votes, the following permanent officers of the commission were elected:

Chairman - Stuart Ho
Vice Chairs (2) - John Henry Felix and Patricia Blanchette
Secretary - Eldon Wegner

On motion, seconded, debated, and approved by show of hands, the following Commissioners were unanimously elected to the Executive Committee:

On motion, seconded, debated, and unanimously approved by voice vote, a general policy was established to establish a 3-minute limit for public commenters who wish to offer testimony to the Commission.

On motion, seconded, and unanimously approved by voice vote, the Commission adopted Robert’s Rules of Order to govern its deliberations.

Following a discussion of a resolution concerning web-based publication of Commission documents, a motion was introduced, seconded, and approved by voice vote to table the issue until a future meeting.

On motion, seconded, and unanimously approved by voice vote, an Ad Hoc Finance Committee was established, to discuss issues associated with fundraising and to “test the waters” for donors. The resolution designated four commissioners as members of the committee, as follows:
Stuart Ho, John Henry Felix, Robin Campaniano, Chuck Sted.
The Commission requested that Public Policy Center or UH General Counsel perform the following tasks:

1. Notify the full Commission of meetings and agenda of any of its committees.
2. Research whether current commissioners are permitted to make financial contributions and thereby support the fundraising efforts of the Long Term Care Commission.
3. Determine whether the Commission can raise funds free of overhead charges imposed by UH.

Meeting was adjourned at 12 PM.
Appointed Committee members attending and contributing to a quorum: Robin Campaniano, John Henry Felix, Stuart Ho, Eldon Wegner

also in attendance: David Nixon of the UH Public Policy Center, David Lonborg of the UH General Counsel’s Office, Christine Absher of Citizens for a Fair ADA and Walter Takawa of Caring for Life Foundation.

Meeting was called to order at 12:24 pm.

The Committee discussed the scope of work for the Commission, and agreed to recommend that the Commission construct a written workplan. Such a document could be continually updated and would therefore be flexible, but it would be written and would serve as a guide for the projects undertaken by the Commission.

The committee also discussed the need of the Commission to work together to familiarize themselves with long term care policy alternatives, and with the expertise and perspectives of each other. The Chair proposed invitation of Dr. Dann Milne to present an overview of long-term care policies that might serve as a launching point for the familiarization discussions.

Finally, the committee discussed the need to privately raise funds to support the Commission’s work. Nixon distributed a draft memo written at the request of the Chair, laying out two models of principles that could be used to guide the fundraising efforts of the Commission. The committee approved, by unanimous voice vote, the distribution of that memo to the rest of the Commission. Lonborg counseled the Commission to seek Hawaii Ethics Commission opinion about donations, gifts, and in-kind contributions to the Long Term Commission.

Meeting was adjourned at 2:00pm
Long Term Care Commission  
Meeting Minutes of February 21, 2009, State Capitol Conference Room 225, 10:00 AM

Appointed Commissioners attending and contributing to a quorum: Mary Boland, Waynette Cabral, Robin Companiano, John Henry Felix, Kenneth Fink, Stuart Ho, Tony Krieg, Russell Okata, Linda Posto, Jerry Russo, Chuck Sted, Eldon Wegner

Ex-Officio Designees or their Representatives attending: Sam Aiona (DLIR), J.P. Schmidt (DCCA), Eric Tash (DoH)

also in attendance: state Senator Les Ihara, Dann Milne of the University of Colorado, David Nixon of the UH Public Policy Center, Barbara Kim Stanton, Audrey Suga-Nakagawa and Bruce Botorff of AARP Hawaii, Christine Absher of, Dr. David Sakamoto, Charlene Young, and Gerry Silva of AARP.

An informational briefing was provided by Dr. Dann Milne of the University of Colorado.

On motion, seconded, and unanimously approved by voice vote, a committee was formed, charged with considering a workplan and budget for the Commission, and reporting its recommendations back to the full Commission. The following members were designated as members of the committee:

Ho, Felix, Fink, Krieg, Wegner

On motion, seconded, and unanimously approved by voice vote without amendment, a series of principles governing private fundraising by the commission was adopted, as contained in a memo from David Nixon to the Commission. The memo is available online at [www.publicpolicycenter.hawaii.edu/documents/LTCC_memo_fundraising.pdf](http://www.publicpolicycenter.hawaii.edu/documents/LTCC_memo_fundraising.pdf)

After discussion of the difficulties of scheduling, the commission tentatively decided to meet on the last Friday of each month, from 2-4pm. The next meeting of the full commission was therefore set on March 27.

Meeting was adjourned at 12:30 PM.
Committee members attending and contributing to a quorum: Stuart Ho, Eldon Wegner, Tony Krieg (by conference call), Kenneth Fink (arrived at 3:20), and John Henry Felix (arrived at 3:40)

also in attendance: David Nixon of the UH Public Policy Center, Barbara Kim Stanton of AARP Hawaii.

The committee meeting convened at 3:10. Discussion ensued about a draft workplan proposed by Dr. Dann Milne, of Health Policy Consulting. Following discussion, Stuart Ho agreed to contact Dr. Milne and request a new draft workplan proposal that accommodates the suggestions of the Workplan and Budget Committee. A follow-up meeting of the Committee was scheduled for March 13.

Meeting was adjourned at 5:15 PM.
Committee members attending and contributing to a quorum: Stuart Ho, Eldon Wegner, Tony Krieg (by conference call), Kenneth Fink

also in attendance: David Nixon of the UH Public Policy Center, Barbara Kim Stanton of AARP Hawaii.

The committee meeting convened at 1:15. A conference call was conducted with Bill Benton, of Bill Benton and Associates, to explore the possibility of a federal match for contributions to the Long Term Care Commission, through the FMAP provisions of Medicaid. Upon learning that this arrangement might be possible and would significantly enhance the resources available to the commission, Professor Nixon was instructed to assemble draft contracts, modeled on similar arrangements that have already been established at the University of Hawaii. Commissioner Fink agreed to inquire with the DHS Director about the acceptability of the arrangement, and if appropriate research the contract arrangements necessary for DHS to accept donations from potential sponsors of the Long Term Care Commission.

Discussion ensued about a draft workplan proposed by Stuart Ho. Following discussion, Stuart Ho agreed to re-draft a workplan proposal that accommodates the suggestions of the Workplan and Budget. A follow-up meeting of the Committee was scheduled for March 23.

Meeting was adjourned at 2:50 PM.
The committee meeting convened at 3:05. The Chair circulated a new draft of a workplan for the Commission. Following discussion, the committee approved, by unanimous voice vote, distribution of the workplan draft to the full Commission.

Following up on instructions from previous meetings, Nixon distributed a draft Task Order that could serve as the basis for the proposed DHS-UH contract. The draft was modeled on three very similar task orders executed between DHS and UH in the past. Commissioner Fink reported that the administration is supportive of such an arrangement, and will provide support in the construction of the task order and setting up the donation agreements with the sponsors of the Long Term Care Commission. Nixon reported that the draft task order would provide more than sufficient funding to cover the costs expected in the most recent version of the proposed workplan. The committee approved, by unanimous voice vote, distribution of the draft Task Order to the full Commission.

Meeting was adjourned at 4:15 PM.
Appointed Commissioners attending and contributing to a quorum: Mary Boland (arrived 2:15), Waynette Cabral (left 2:40), Robin Campaniano, Sister Agnelle Ching, John Henry Felix (arrived 2:30), Kenneth Fink (arrived 2:45), Ron Gallegos, Stuart Ho, Tony Krieg, Linda Posto, Jerry Russo, Chuck Sted, Eldon Wegner

Ex-Officio Designees or their Representatives attending: Sam Aiona [DLIR] (left 2:42), Martha Im [representing J.P. Schmidt, DCCA], Patty Johnson [DHS]

also in attendance: Barbara Kim Stanton, Bruce Botorff, and Charlene Young of AARP Hawaii, Audrey Suga-Nakagawa of ASN Consulting Services, David Nixon of the UH Public Policy Center, Tod Houston of Genworth Financial, Christine Absher, and (briefly) state Senators Suzanne Chun Oakland, Josh Green, and David Ige.

After discussing scheduling conflicts, the Commission agreed to meet on the second Friday of each month, at 2:00 o’clock, p.m., beginning in April 2009. However, because 10th April is Good Friday, the next meeting of the Commission was scheduled for 2:00 o’clock, p.m., on Thursday, 9th April, at the offices of AARP.

Senators Chun-Oakland, Green and Ige, who were attending another meeting on the premises, were introduced to the Commission.

The Chairman reported that he had received an inquiry from Coral Andrews representing the Healthcare Association of Hawaii (“HAH”) asking if the Commission would favorably receive Senate Concurrent Resolution 169, requesting the Commission to study the problem of patients in acute care hospitals wait-listed for transfer to long-term care facilities. The Chairman said he informed Ms. Andrews that the Commission would consider for study any subject within the ambit of Act 224, and that the HAH’s interest in SCR 169 would be reported to the Commission.

Following discussion (including comments from the state Senators who briefly attended) the Commission, upon motion made, seconded, and approved by a majority of voting members present, authorized a message to be sent to the Legislature stating that the subject of SCR 169 would be reported to the Commission.

The Commission considered a written work plan and budget draft recommended for approval by the Workplan and Budget subcommittee (Ho, Felix, Krieg, Wegner and Fink). Upon motion made, seconded, and approved by unanimous voice vote, the draft (a copy of which is appended to this minute) was approved, as modified by an amendment offered by Commissioner Posto and approved by the meeting, that the work plan work to recognize that individuals are also responsible for their long-term care, and that part of the Commission’s public education effort would emphasize this responsibility.
The Chairman reported on a recommendation to the meeting by the Workplan and Budget Subcommittee that it apply for a matching grant from Medicaid to conduct the business of the Commission. The Chairman stated that while a “task order” between the Public Policy Center (in the School of Social Sciences, University of Hawai‘i at Manoa) and the Hawaii Department of Human Services would serve as the basis for the matching grant from Medicaid, all work would be conducted under the supervision of the Commission, as contemplated by Act 224.

The Chairman summarized funds pledged to or held for the LTCC that would provide the “state’s” portion of the match: AARP, $50,000; Hawaii Pacific Health Foundation, $50,000. Commissioner John Henry Felix announced that Hawaii Medical Assurance Association pledged $10,000 to the Commission’s work.

After discussion and upon motion made, seconded and approved by unanimous voice vote, the Commission authorized the subcommittee to continue its work to obtain Medicaid matching funds to conduct the Commission’s work.

The meeting adjourned at 3:25 PM.
Long Term Care Commission  
Meeting Minute, April 9, 2009  
AARP Conference Room  
1132 Bishop Street, Honolulu  
2:00 – 4:00 O’clock P.M.

Commissioners Attending:
Waynette Cabral                      Stuart T.K. Ho (Chair)  
Robin Campaniano                   Linda J. Posto  
Sister Agnelle Ching                Chuck Sted  
Kenneth Fink, M.D. (arrived at 3:15)  Gerard Russo, Ph.D.  
Ron Gallegos                       Eldon Wegner, Ph.D. (departed 3:20)

Ex-Officio Commissioner or Designees or Representatives Attending:
Martha Im (for J.P. Schmidt, DCCA)  
Patty Johnson (for Lillian Koller, DHS)  
Sam Michaels (for Chiyomi Fukino, M.D., DOH)

Administrative Support:  
Susan M. Chandler, Ph.D., UHM Public Policy Center

Public:  
Bruce Bottorff, AARP                Christine Absher  
Barbara Kim Stanton, AARP           Charlene Young, AARP

I. Call to Order:  

A voting quorum being present, the meeting was called to order by the Chair at 2:05 o’clock, p.m. A minute of the Commission’s meeting on March 27, 2009, was presented and unanimously approved.

Susan Chandler served as secretary of the meeting.

II. Announcements:  

The Chair summarized work in progress to raise funds to carry out the work of the Commission, including funds pledged to date ($50,000 from AARP; $50,000 from Hawaii Pacific Health; and $10,000 from HMAA) and work in progress under the leadership of Kenny Fink to secure funding for the Commission’s work from Medicaid.

The Chair proposed to that the selection of the principal researcher to do the work of the work plan be taken up at the Commission’s next meeting on May 8, 2009, and in preparation for that discussion and decision, that the Executive Committee consider the matter and offer its recommendations at a meeting to be called prior to the Commission’s next meeting. Without objection, the subject was placed in the agenda for the next meeting.
The Chair proposed that at the June and subsequent regular meetings of the Commission that organizations interested in long term care be invited to express their views, both at the commencement and end of the project. The initial invitations would be extended to the Governor of Hawai‘i, the President of the Senate and the Speaker of the House, or their respective representatives. Without objection, invitations will accordingly be extended.

III. Old Business:

The meeting considered the final language of an amendment agreed to in concept on March 27, 2009, to the “Two-Phase Work Plan and Estimated Costs” (“Work Plan”) of the Commission. Upon motion made, seconded and unanimously approved, Paragraph II.A.1.d of the Work Plan was re-numbered Paragraph II.A.1.e, and the following language substituted as the new Paragraph II.A.1.d of the Work Plan:

“d. Programs to provide public education addressing individual responsibility for long term care, associated costs and personal and insurance funding options.”

All subparagraphs following new Paragraph II.A.1.d were serially re-lettered (ending in subparagraph “m”), and without objection the Work Plan was ordered complete in its final form. A copy of the Work Plan is appended to these minutes.

IV. New Business:

The Chair asked Patty Johnson to lead the Commission in a discussion to elicit from voting and ex officio Commissioners alike individual concerns and the group’s concerns about long term care. The objective, the Chair and Patty respectively explained, was not to minimize the importance of the sundry parts of the Work Plan, but to enable researchers to understand the range and focus of thinking by the Commission, and, particularly, what problems or topics bothered Commissioners the most.

Patty described the process and introduced Martha Im as the facilitator to make the process work. Martha worked the exercise using both plenary and break-out sessions to identify and then narrow issues.

Individual concerns appear in no particular order on Appendix A attached to this minute.

Martha then asked the group to organize and discuss their views through the following four channels. Group discussion

- *Education and Access:* How do we make the public understand they face a crisis? Once they understand, can we provide them easier access to the help they need?

- *Aging in Place:* How do we make it easier for people to age at home, which is not only less costly and more efficient, but where they would rather be anyway?
• **Effective Solutions**: Is there a better way to manage what we have in place? Can we remove barriers to solutions?

• **Financing**: Who pays? Who can afford to pay? Is long-term care insurance the answer?
Long Term Care Commission
Minute of Meeting of the Executive Committee,
May 4, 2009, 9:00 o’clock, A.M.
AARP Conference Room
1132 Bishop Street, Honolulu

Commissioners Attending:
Stuart T.K. Ho, Chair       John Henry Felix, Ph.D., Vice Chair
Patricia Blanchette, M.D., Vice Chair  Eldon Wegner, Ph.D., Secretary
Tony Krieg

Administrative Support:
David Nixon, Ph.D., UHM Public Policy Center

Public:
Barbara Kim Stanton, AARP       Bruce Bottonff, AARP

I. Call to Order:

At least a quorum being present, the Chair called the meeting to order at 9:20 a.m. David Nixon served as secretary of the meeting.

II. Order of Business:

The Chair stated that the primary purpose of the meeting was to consider and recommend to the Commission the manner by which the principal researcher should be selected to conduct the work of the Work Plan adopted by the Commission. The Chair distributed to the meeting a draft of a “Summary of Long Term Care Commission (LTCC) Process” prepared by Ex Officio Commissioners Patty Johnson and Martha Im, summarizing the sense of the Commission at the “group-think” it engaged in at its last meeting. The meeting agreed that the outcome of the “group-think” session would not only be instructive to the principal researcher, but also served the important purpose of enabling a Commission still unfamiliar with each other to become more familiar with each other’s views.

The Chair summarized the fund-raising situation, since it was an essential element of the selection process. “Plan A” was an effort being pursued by Commissioner Kenny Fink to obtain from CMS matching Medicaid funds for the use of the LTCC. While Plan A was the preferred alternative, the Chair described the importance that the legislative intent of Act 224 not be impaired by this process. Neither the Chair nor Mr. Nixon could report where Plan A stood at this time.

The Chair reminded the meeting that an alternate “Plan B” would be available to the Commission if Plan A failed to materialize. The Chair stated that on July 1, 2009, the Commission would have available in private funding the sum of $160,000, from the following sources:
Hawaii Pacific Health (pledged) $100,000
AARP (paid to Community Links) 50,000
HMAA (pledged) 10,000

$160,000

The Chair expressed his belief that if resort to Plan B became necessary, he was confident that $40,000 could be quickly raised from private sources to bring the balance of funds available to $200,000. That amount would be sufficient to fund Phase I of the Work Plan. Thereafter, the Fund-Raising Committee would then proceed to raise funds for Phase II of the Work Plan.

The meeting discussed the funding scenario as described. No objection was offered to the discussion or plan.

The Chair then opened the discussion on the selection of the person, firm or company to undertake the work described in the Work Plan. The Chair noted that seven months had elapsed since the Commission’s first meeting in October 2008, and that he had already notified certain interested Senators (but not the President of the Senate) that it seemed unlikely the Commission would meet the report dates required by Act 224.

The discussion assumed that Professors Dann Milne (Colorado State) and Cullen Hayashida (Kapiolani Community College) had collaborated to be a candidate for the job. The discussion focused on whether other candidates should be invited to respond to a request for a proposal (“RFP”), the cost of the job, and how much time should be budgeted to make the selection. Ideally, the Commission will select a proposal that possesses both local and national expertise on long-term care. The conduct of interviews by teleconferencing was discussed. After further discussion and upon motion duly made, seconded and unanimously adopted, the Executive Committee recommended to the Commission

That the Commission issue a Request for Proposals (RFP) to do the work described in the Work Plan within the budgets described in the Work Plan; that the Commission request at least five national healthcare organizations to post the RFP on their websites and to distribute notices regarding the RFP through their member listservs; and that the Commission award a contract not later than the Commission’s July 2009 regular meeting.

The Chair, with the approval of the meeting, asked Dr. Blanchette and Dr. Wegner to (1) propose to the Commission a slate of at least five national healthcare networks suitable for the purposes described; and (2) subject to the approval of the Commission, to prepare the RFP, an agenda, and a schedule that would enable the Commission to meet its July decision date. Dr. Blanchette and Dr. Wegner accepted this assignment.

The meeting was adjourned at 10:45 a.m.
Long Term Care Commission  
Meeting Minutes of May 8, 2009, AARP Conference Room, 2:00 PM

Appointed Commissioners attending and contributing to a quorum: Pat Blanchette, Waynette Cabral, Sister Agnelle Ching, Kenneth Fink (arrived 2:30), Ron Gallegos, Stuart Ho, Tony Krieg, Linda Posto, Jerry Russo, Chuck Sted, Eldon Wegner

Ex-Officio Designees or their Representatives attending: Martha Im [representing J.P. Schmidt, DCCA], Patty Johnson [DHS], Eric Tash [DOH]

also in attendance: Christine Absher of Citizens for a Fair ADA Ride, Susan Forbes of Hawaii Health Information Corp., Wes Lum of the UH Center on Aging, David Nixon of the UH Public Policy Center, Barbara Kim Stanton and Charlene Young of AARP Hawaii.

The Commission considered a summary written by Patty Johnson of the facilitated dialogue engaged in at its previous meeting. The dialogue identified several priorities for the Commission. On motion, seconded and unanimously approved by voice vote, the Commission approved the summary as well as the minutes of the previous meeting, subject to a repair suggested by Linda Posto, to be finalized later. The Commission agreed the dialogue report would be a valuable addition to its official document record.

The Commission briefly discussed the most recent version of the approved work plan, in light of the dialogue report. Eric Tash suggested a revision to the executive summary to improve its internal consistency. Without objection, it was moved that the exact wording of the revision be worked out prior to the next meeting of the Commission.

The Chair summarized the deliberations of the Executive Committee at its May 4 meeting. In brief, the Executive Committee recommended pursuit of a DHS-UH task order that will augment the private fundraising of the Commission by allowing federal matching funds. In addition, the Executive Committee recommended publication of an official request for proposals as the process to use in selecting a researcher to fulfill the work plan.

The Chair also summarized and repeated the common objective of the two options available to the Commission to finance the work of the Commission. He described this common objective as the ability of the Commission to independently carry out its work under Act 224; that the provisions of Act 224 did not admit of any sharing or delegation of the powers vested in the Commission; and that the two options continued to be as follows:

Option A: to obtain federal matching funds, as outlined above, to supplement private funds already raised or pledged; or

Option B: in the alternative, and if federal matching funds could not be obtained on a basis that satisfied the common objective, to fund the work of the Commission solely from private funds.
The Chair stated that the work to obtain federal matching funds was proceeding on the assumption that the common objective could be achieved, and that those working on Option A were aware of this objective. Commissioner Russo advised caution in pursuing Option A.

On the task order, Nixon reported that several very similar task orders addressing Medicaid and long term care have been executed between DHS and UH in the past several years, and substantial progress has been made in writing up a task order that suits the aims of the Long Term Care Commission, thanks to the guidance of DHS. After some Commissioners asked about the difficulties and time delays of executing such contracts, it was pointed out that this arrangement is a task order under a previously established DHS-UH contract, so it can be executed very quickly.

On the request for proposals, each Commissioner in turn was asked their thoughts about the wisdom or mechanics of issuing an RFP. Each Commissioner supported issuance of an RFP. Wegner identified at least five national healthcare and long term care professional networks appropriate for dissemination of the RFP. On motion, seconded, and unanimously approved by voice vote, the Commission agreed to issue an RFP, and instructed Wegner and Blanchette to work with the Chair in drawing up a draft RFP, for consideration at the next meeting of the Commission.

Meeting was adjourned at 3:23 PM.
By unanimous voice vote, the Commission approved the draft of minutes from the May 8 meeting.

Following up on a proposal by Eric Tash, an amendment to the Commission’s workplan was presented. After discussion, a motion was offered, seconded and unanimously approved by voice as follows:

The phrase “provide more long term care services to more people at lower per beneficiary cost” from the executive summary of the Commission’s workplan is stricken and replaced with “produce a report containing an assessment of the current state of long term care in Hawaii, with recommendations to improve the system of services.”

The Chair reported on a visit to Gallegos Homes and the observation that many of the owners of Hawaii’s care homes are aging, and deficits in new owners of such homes may arise as the owners retire. The Chair also reported that an official invitation has been transmitted to Governor Lingle to attend a meeting of the Commission.

Commissioners were given copies of a draft Task Order between DHS and UH that embodies what has come to be referred to as “plan A” for financing of the Commission’s work. Nixon presented the highlights of the arrangement and distributed a separate summary. The Commission discussed the risks and advantages of the proposed arrangement. On motion, seconded, and approved by unanimous voice vote, the Commission approved the draft Task Order as set forth in the draft documents distributed at the meeting, and instructed Nixon to proceed with execution of the Task Order.

Nixon was instructed to inquire whether an account dedicated to the LTCC project would be established at DHS, and to produce a cash flow statement for the Commission to consider at its next meeting.

Commissioners were given copies of a draft Request for Proposals (RFP) drawn up by Blanchette and Wegner. Commissioners discussed the pros and cons of a more extensive RFP, versus the more succinct version embodied in the draft. It was proposed that the “Johnson document” be attached as an appendix to the RFP.
On motion, seconded, and unanimously approved by voice vote, the Commission agreed to issue the RFP, with final language and details delegated to Blanchette, in consultation with Nixon and the UH Public Policy Center.

Discussion ensued about the mechanics of reviewing the proposals that are submitted in response to the RFP. While no formal motion was introduced, it appeared the sense of the Commission that the Executive Committee should conduct the screening of proposals, and present recommendations to the Commission at the earliest possible time.

There was a request for more advance distribution of documents and minutes, ahead of scheduled meetings.

Meeting was adjourned at 3:45 PM.
Appointed Committee members attending and contributing to a quorum: Patricia Blanchette, Robin Campaniano, John Henry Felix (arrived 2:30), Stuart Ho, Tony Krieg

also in attendance: David Nixon of the UH Public Policy Center, Bruce Bottorff of AARP Hawaii.

Meeting was called to order at 2:10 pm.

By unanimous voice vote, the committee approved the minutes from its previous meeting.

The committee considered the proposals received by University of Hawaii, in response to its published Request for Proposal. Five proposals were received from the following organizations:

- Each commissioner expressed their satisfaction with the high caliber of the proposals received.
- Commissioners Blanchette and Krieg distributed copies of an evaluation rubric for potential use in ranking the proposals. The rubric consisted of five criteria drawn from the original RFP. Following discussion, it was agreed to adopt the rubric and to establish a weighting scheme that reflected the relative importance of these criteria towards an overall assessment of the merits of a proposal. The criteria and their relative weights were as follows:
  - Record of research in long-term care services and policies [10 points]
  - Familiarity with innovative and exemplary efforts of other states to address long-term care issues [15 points]
  - Familiarity or experience with the State of Hawaii/or plans to partner with someone familiar with Hawaii [5 points]
  - Details and feasibility of the [proposed] work plan [10 points]
  - Attentiveness to areas for priority attention [as detailed in Exhibit B of the RFP] [10 points]

Prior to scoring the proposals, the committee members collectively discussed the strengths and weaknesses of each proposal, in turn. Then each committee member independently and secretly scored each proposal. Nixon tallied the scores across categories and commissioners, to arrive at the following point totals:

<table>
<thead>
<tr>
<th>Proposal</th>
<th>Points</th>
</tr>
</thead>
<tbody>
<tr>
<td>Burns &amp; Associates</td>
<td>131 points</td>
</tr>
<tr>
<td>Thomson/Reuters</td>
<td>195 points</td>
</tr>
<tr>
<td>Professor Dann Milne</td>
<td>190 points</td>
</tr>
<tr>
<td>Research Triangle Institute</td>
<td>218 points</td>
</tr>
<tr>
<td>Lewin Group</td>
<td>191 points</td>
</tr>
</tbody>
</table>

Following the tally, it appeared that RTI was considered by the committee as the clearly superior proposal, with the second, third, and fourth place proposals finishing closely together. On motion, seconded, and approved by unanimous voice vote, the committee approved two motions:
To recommend to the full Long Term Care Commission that the Research Triangle Institute be selected to execute the Commission’s workplan, as specified in the submitted proposal.

To recommend that the Long Term Care Commission publish the winning proposal on its website.

Meeting was adjourned at 3:45pm
By unanimous voice vote, the Commission approved the draft of minutes from the June 12 meeting.

On behalf of the Executive Committee, Blanchette described the review of proposals that were received in response to the University of Hawaii’s call for proposals. The process proceeded as follows:

- UH distributed a Request for Proposals to a number of health care and aging associations, and posted the RFP at [http://www.publicpolicycenter.hawaii.edu/ltcc.html](http://www.publicpolicycenter.hawaii.edu/ltcc.html)
- Five excellent proposals were received.
- The Executive Committee met to screen the five proposals. The review consisted of an in-depth discussion of strengths and weaknesses for each proposal, followed by an independent and secret scoring by each committee member on each of five evaluation criteria.
- The sum of those rankings revealed one proposal ranked far ahead of the others, with the second and third ranked proposals nearly tied.
- The executive committee voted to recommend the highest ranked proposal, by Research Triangle Institute International, to the full commission.
- All five submitted proposals were distributed electronically to each Commissioner.

Following discussion of the proposals, a motion was offered, seconded, and approved by unanimous voice vote as follows:

*Resolved that Research Triangle Institute International is appointed as lead researcher, to execute the work plan of the Long Term Care Commission, as set out in the posted Request for Proposals.*

Nixon was instructed to proceed with drawing up and executing a contract between RTI and UH.

Discussion turned to workforce development issues. There was agreement that workforce development for long term care might require additional attention beyond what will be addressed...
by RTI, and that LTCC ought to coordinate its efforts with work already being conducted in this area. For example, DLIR’s Hawaii Workforce Development Council meets regularly and may be addressing home and or skilled care labor markets. In addition, DOH’s Long Term Living Study addresses the home care labor force. There was discussion about creating a committee of the LTCC charged with developing a long term care workforce plan.

The Chair updated the Commission on a draft of a letter to the Governor, Speaker, and President, detailing the progress of the Commission and suggesting some legislative changes to the deadlines specified in Act 224. Following discussion, the following motion was introduced, seconded, and approved by unanimous voice vote:

The Chair is authorized and instructed to deliver the memo, as amended, to the Governor and legislative leaders

Meeting was adjourned at 3:00 PM.
Long Term Care Commission

Meeting Minutes of September 11th, 2009, AARP Conference Room, 2:00 PM

Appointed Commissioners attending and contributing to a quorum: Pat Blanchette, Waynette Cabral, Robin Campaniano, Sister Agnelle Ching, John Henry Felix, Kenneth Fink, Ron Gallegos, Stuart Ho, Tony Krieg, Linda Posto, Jerry Russo, Chuck Sted

Ex-Officio Designees or their Representatives attending: Christine Young [representing J.P. Schmidt, DCCA], Patty Johnson [DHS]

also in attendance: Christine Absher [MAYOR’S COUNCIL ON DISABILITIES], Barbara Kim Stanton [AARP HAWAII], Tod Houston [GENWORTH FINANCIAL], David Nixon and Michael Salmon of the UH Public Policy Center

Meeting was called to order at 2:06 PM

By unanimous voice vote, the Commission approved the minutes from its previous meeting.

Nixon described the progress on contract negotiations between the University of Hawaii and the Research Triangle Institute (RTI) in the execution of a two-year comprehensive investigation of long-term care needs in Hawaii. Nixon reported that:

- RTI is pleased and excited to be working with the Commission.
- Research Corporation of the University of Hawaii (RCUH) will be the contracting organization at UH. RTI will receive payment through a series of monthly invoices, administered through RCUH and DHS
- Language for a contract between RTI and RCUH has been drafted and discussed with RTI, UH fiscal officers, and UH General Counsel. The draft contract embodies the RTI proposal and requires RTI to submit a series of interim reports to the Commission, to allow Commission feedback to be incorporated into the final reports. RTI had no initial objections to the timeline and reporting requirements, though the ownership of the eventual intellectual property required some additional negotiation.
- The contract between RTI and RCUH can be executed very soon. RCUH provided approval for the draft language an hour before this meeting. An approved draft can be sent to RTI for final negotiations and approval.

Nixon was instructed to finalize contract negotiations in substantial form to what had been presented to the Commission, with the addition that UH should seek sole or shared ownership or access to the raw survey data, in light of the fact that LTCC is paying for its production. Additional research may be possible beyond what is conducted by RTI, and if UH has access to the data, the state will continue to have access to the data even after the LTCC is dissolved.

Nixon provided a summary of the budget for the Commission, as embodied in the approved Task Order between UH and DHS. The following summary combines all revenues and expenses for the entire contract (July 2009 through June 2011).
LTCC Budget FY2010 and 2011

Revenues
220,000.00 Donations (current + committed)
41,884.00 UH In-Kind Contribution
384,317.00 Medicaid Match
646,201.00 TOTAL REVENUES

Outlays
75,834.00 UH Direct Expenses (faculty/staff)
10,000.00 Materials & Supplies
88,391.00 UH Overhead
300,000.00 RTI Research
130,092.00 Additional Research
41,884.00 UH In-Kind Expenses
646,201.00 TOTAL EXPENSES

Thus, Nixon reported that the Commission has approximately $130,000 available for additional research that has not been committed.

Stuart Ho then proposed the creation of a small committee to serve as liaison among the LTCC, UH, DHS, RTI and others, to follow the progress of agencies outside of the LTC, asking questions, following research work being done and ensuring that objectives are being met. The motion to create such a committee, to be composed of Stuart Ho and Pat Blanchette, was carried by a unanimous voice vote.

Nixon inquired whether the RTI proposal, minutes of LTCC meetings, etc. be placed on the same web page that was used for the Request for Proposals. A motion to that effect was proposed, seconded, and carried by unanimous voice vote. The web address is:

www.publicpolicycenter.hawaii.edu/ltcc.html

With no other business, the meeting adjourned at 2:39 PM
Long Term Care Commission

Meeting Minutes of March 12th, 2010, AARP Conference Room, 2:00 PM


Ex-Officio Designees or their Representatives attending: None [the furlough Friday prevented Ex-Officio members from attending]

also in attendance: David Nixon and Michael Salmon of the UH Public Policy Center, Barbara Stanton of AARP Hawaii, Todd Huston of Genworth.

Meeting was called to order at 2:12 PM

Dr. Joshua Wiener, program director at Research Triangle Institute (RTI) International, presented a review of previously published information relating present Long Term Care (LTC) needs and services in Hawaii to those in the United States at large, and exploring future needs and expenditures for LTC in general. Copies of the powerpoint slides are available on the website at http://www.publicpolicycenter.hawaii.edu/ltcc.html.

Following Dr. Wiener’s presentation, further discussion addressed details of an upcoming survey of Hawaiian households to determine public opinion of LTC policy options and individual ability to meet the financial demands of such options. In response to a request, Dr. Wiener agreed to draft a question oriented around the level of preparation individual respondents have made with respect to future LTC needs. He also agreed to attempt to separate out survey responses by individual counties in the survey draft report, rather than reporting only at the statewide level. Finally, Dr. Wiener also agreed to include expansion of Kapuna Care as a potential reform option in the survey questions.

Stuart Ho reiterated to commissioners that the final report of findings and policy recommendations must answer questions regarding the number of people to be effected by policy implementation, how much such implementation will cost to the state, and how individual citizens feel about mandated LTC insurance coverage.

A question was brought up as to whether someone inside of the LTC insurance industry should be interviewed as a potential stakeholder for the LTC Commission, but this matter was not resolved.

Before the meeting adjourned, the Commission approved the minutes from its previous meeting by unanimous voice vote.

The Meeting adjourned at 4:33 PM.
Long Term Care Commission

Meeting Minutes of May 14th, 2010, AARP Conference Room, 2:00 PM


Ex-Officio Designees or their Representatives attending: None [the furlough Friday prevented Ex-Officio members from attending]

also in attendance: David Nixon and Michael Salmon of the UH Public Policy Center, Joshua Wiener of Research Triangle Institute (via teleconference, arrived 2:17).

Meeting was called to order at 2:11 PM

The Commission began by approving the minutes from its previous meeting.

The primary order of business regarded discussion of the upcoming Hawaiian long-term care survey to be conducted by the Research Triangle Institute (RTI) International. The Commission spoke with Dr. Joshua Wiener, program director of RTI, via teleconference about changes made to the tentative survey in light of Community Living Assistance Services and Supports (CLASS) Act’s passage as part of the recent Federal-level healthcare legislation. Stuart Ho emphasized that the key element of the survey is to understand how much individual citizens are willing to pay for Long Term Care (LTC) services, and that this includes gauging citizen’s responses to possible premium rates provided under the CLASS act.

The Commission carried a motion to publish the final version of the RTI LTC survey.

The Commission, along with Dr. Wiener, further discussed the lead letters to be sent out to the citizens being surveyed that explain the nature of the survey and its purpose. Discussion among the Commissioners emphasized the desire to explicitly state in the lead letters that monetary incentives provided for completing the survey ($10-$15) are provided for by privately raised funds, and not at the expense of the state. It was also reiterated to the Commissioners that 2nd and 3rd wave letters that are sent to citizens who do not initially respond to the survey will each include additional copies of the survey itself. These 2nd and 3rd wave letters will be spaced roughly two weeks apart in sending.

The Commission carried a motion to approve the basic format of the lead letters, subject to cosmetic revision by Dave Nixon of the UH Public Policy Center, along with Dr. Wiener.

The final element of discussion related to the CLASS Act itself. Discussion centered on possible “wrap-around” programs that might serve to extend LTC coverage to those
outside of the CLASS act or facilitate greater enrollment under CLASS Act measures. Stuart Ho highlighted the need for awareness regarding stakeholders’ opinions and plans when considering possible action related to the CLASS Act.

The Meeting adjourned at 3:08 PM.
Long Term Care Commission
Meeting Minutes of August 13th, 2010, AARP Conference Room, 2:00 PM

Appointed Commissioners attending and contributing to a quorum: Pat Blanchette, Waynette Cabral, Robin Campaniano, John Henry Felix, Kenneth Fink, Stuart Ho, Linda Posto, Gerry Russo, Chuck Sted, Eldon Wegner

Ex-Officio Designees or their Representatives attending: Patty Johnson [DHS], Martha Im [DCCA]

also in attendance: David Nixon and Michael Salmon of the UH Public Policy Center, David Erwin (Idaho AARP), Bruce Bottorff (AARP) Joshua Wiener and Janet O’Keeffe of Research Triangle Institute (via teleconference).

Meeting was called to order at 2:06 PM

The Commission began by approving the minutes, with corrections, from its previous meeting. It was noted that government-mandated furlough Fridays affect the attendance not only of ex-officio members, but certain commissioners as well. Specific commissioners affected by furlough Fridays include Waynette Cabral and Kenneth Fink.

Joshua Wiener and Janet O’Keeffe of the Research Triangle Institute (RTI) presented the Commissioners with an update of the ongoing Hawaiian long-term care survey, aimed at gauging citizens’ reactions to different long-term care related matters. Having completed the second of three mailing waves, 1059 completed questionnaires have been received by RTI, suggesting a 40-45% response rate. This exceeds RTI’s initial expectation of receiving 810 completed questionnaires total. The third wave of mailings will be initiated within the following weeks, with data analysis of the results beginning by mid-September.

Dr. Wiener then reviewed the findings of a recent series of interviews conducted with 46 Hawaiian long-term care stakeholders. Stakeholders included long-term care providers, consumer advocates, policy researchers and government officials. The objective of the interviews was to deliberate with the current long-term care system, possible solutions to these problems, and obstacles standing in the way of proper reform. An overview of stakeholder responses showed a broad concern for financing future delivery of long-term care services, as well as the ability of service capacity to meet service demand, though stakeholders tended to disagree over whether a public or private-sector solution to these problems would be most effective. Stakeholders also agreed that it would be difficult to raise additional funds for long-term care service delivery before the end of the present economic recession.
Further discussion between the Commission and Drs Wiener and O’Keeffe highlighted concerns among some Commissioners that certain findings of the stakeholder interviews did not accurately represent how long-term care policy currently operates. For example, some Commissioners felt that long-term care advocacy is strong in Hawaii, while the stakeholder report suggests that advocacy is divided and weak. It was noted by several others that the results of the stakeholder interviews ultimately represent the opinions of those who were interviewed, and not necessarily the objective truth.

Responding to concerns expressed that not enough stakeholders represented the interests of disabled individuals, and that the wording of certain stakeholders’ responses may provoke strong reactions by the public, it was suggested that the report serves as a step forward in accomplishing a greater understanding of the long-term care system and that the report should reflect how the stakeholders actually responded to questioning.

By unanimous voice vote, the Commission carried a motion to receive the Hawaiian Stakeholder Report and to put it on file, subject to slight revision of grammatical errors and insertion of a statement within the report noting that the opinions of the stakeholders do not necessarily reflect the position of the Long-Term Care Commission.

Finally, David Nixon of the UH Public Policy Center briefly presented on a report composed by the Policy Center regarding the recently passed Community Living Assistance Services and Supports (CLASS) Act. Several public and private agencies have generated estimates regarding this program, which serves to establish a publically-administered, long-term care insurance fund, as to the projected levels of participation and the premiums that would be needed in order to keep the program financially solvent. Estimates and surveys conducted by these agencies suggest that participation among the working populous will ultimately remain low, between 3-6% of working individuals over age 18, and that participation will likely be highest among individuals who are most likely to need long-term care at some point in the future. Ultimately, however, it is difficult to establish accurate estimates of participation and premiums before greater details of the program’s implementation are known. These details are to be dictated by the Secretary of Heath and Human Services by October of 2012.

With no other business, the meeting adjourned at 3:12 PM.
Long Term Care Commission
Meeting Minutes of January 21st, 2011, AARP Conference Room, 3:00 PM

Appointed Commissioners attending and contributing to a quorum: Mary Boland, Robin Campaniano, Sister Agnelle Ching, Ron Gallegos, Stuart Ho, Tony Krieg, Linda Posto, Russell Okata, Eldon Wegner, Chuck Sted (arrived at 3:40)

Ex-Officio Designees or their Representatives attending: Patty Johnson [DHS]

also in attendance: David Nixon and Michael Salmon of the UH-Manoa College of Social Sciences Public Policy Center, Barbara Stanton [AARP], and Audrey Suga-Nakagawa

Meeting was called to order at 3:11 PM

The Commission began by approving the minutes from its previous meeting.

Discussion began with regard to a ‘Phase I Calendar’, outlining the various dates of meetings and work to be done by the Commission leading up to the delivery of the Commission’s Phase I Report to the legislature by early April. Due to several instances of original dates on this calendar coinciding with Furlough Fridays, many of the particular dates need to be adjusted, and Stuart Ho and David Nixon were instructed to revise the dates.

A draft of the Phase I Report from the Long Term Commission is to be drafted by Dave Nixon of the UH-Manoa College of Social Sciences Public Policy Center, and will include all reports filed to the Commission by the Research Triangle Institute (RTI). Delivery of the Phase I Report will occur following an open forum with members of the long-term care industry to be held at the State Capitol Building.

The substance of the Phase I Report is expected to emerge largely from the proceedings of a 2-day working retreat originally scheduled for Feb. 3-4, but later rescheduled to Feb. 2-3 due to a Furlough Friday on the 4th. It was suggested that Audrey Suga-Nakagawa be appointed as facilitator for the meeting at the fee of $100/hour. A motion to due so was later made and passed by the Commission.

It was suggested that discussions occur with the State Senate after the Phase I agenda had been set regarding the appointment of a replacement for the recently deceased Commissioner Gerard Russo.

It was also suggested that the Phase I Report make no specific recommendations for action with respect to long-term care policy, and that the Phase II Report will detail actions recommended by the Commission for State consideration.

Plans were made such that the Commission will meet on Feb. 25th to act upon a draft of the Phase 1 Report, which will be distributed to the public on Feb. 28th. The Commission will then plan to hold a public hearing on the Phase 1 Report on March 10th, to be held at the State Capitol. Discussion followed among the Commissioners regarding a proper time frame after the public hearing in which the Commission can consider and act upon public comments. It was decided that a flexible time
schedule be allowed in order that the Commission may appropriately respond to the volume of public comments made regarding the Phase I Report.

Following discussion of the Phase I agenda, Commissioners took turns in providing personal feedback with respect to the particular policy options discussed within a recently provided RTI report.

Common topics of discussion involved the fractured management of long-term care services across several government departments and the lack of a collaborative strategy across agencies. This segregation can be particularly frustrating from the receiving end of treatment, as individuals attempting to find out information are often passed between agencies with no real resolution of their questions or concerns. It was suggested that a whole new model for care might be necessary, with greater central administration, consolidation of financing, and the elimination of technicalities that prevent individuals from being provided care. It was additionally suggested that past attempts at reform might have been ineffective as a result of a long-term care system overly layered in bureaucracy that was too complex to allow for change.

It was suggested by some that private-public partnerships might be necessary to finance care and provide individuals with insurance that helps to protect their assets. Such partnerships may be considered as a future subject for public education efforts.

There was also surprise in the lack of public interest in long-term care, and the general ineffectiveness in public education campaigns in encouraging enrollment. Any further attempts of public education must strive for readability, and not inundate individuals with statistics and graphs.

Concerns were expressed regarding the Community Living Assistance Services and Supports (CLASS) Act, which is meant to serve as a public insurance option for long-term care. Several individuals expressed concerns that the program will prove ineffective.

One emphasized that the task of the Commission should be that of policy analysis, with the added goal of not increasing inequalities within the society as a result of policy actions to be undertaken. Additionally, some thought that the policy options presented within the report were too quantitative in nature, and did not appropriately consider the treatment of special populations (e.g. obese individuals or those with personality disorders) or the quality of care in general.

Finally, there was concern that each of the policy options available appeared to be considered in isolation from all others, and that the drawbacks of any one policy option appeared to often outweigh its benefits. It was recommended that the Commission consider combining elements of various policy options in making its recommendations to the legislature.

With no other business, the meeting adjourned at 4:37 PM.
Appointed Commissioners attending and contributing to a quorum on Feb 2: Waynette Cabral, Sister Agnelle Ching, Kenneth Fink, Ron Gallegos, John Henry Felix (arrived 9:30) Stuart Ho, Tony Krieg, Linda Posto, Russell Okata, Eldon Wegner (left 11:05, returned 2:10)

Appointed Commissioners attending and contributing to a quorum on Feb 3: Waynette Cabral, Robin Campaniano, Sister Agnelle Ching, Ron Gallegos, John Henry Felix (left 12:20), Stuart Ho, Tony Krieg, Linda Posto, Russell Okata (left 12:00), Eldon Wegner

Ex-Officio Designees or their Representatives attending: Patty Johnson [DHS], Martha Im [DCCA], Audrey Hidano [DLIR] (Feb 2 only: arrived 11:10, left 12:15)

also in attendance: David Nixon and Michael Salmon of the UH-Manoa College of Social Sciences Public Policy Center, and Audrey Suka-Nakagawa, Joshua Wiener [RTI] (via tele-conference), Barbara Stanton (arrived 10:10 on Feb 2), Larry Nitz (arrived 9:00 on Feb 3)

Meeting was called to order at 9:06 AM Feb 2

The purpose of the two days of meetings was to conclude Phase 1 of the Commission’s workplan by selecting the policy options the Commission would consider for recommendation to the legislature at the end of Phase 2. The Commission employed Audrey Suga-Nakagawa, of ASN Consulting, as a facilitator for their dialog over two days, to attempt to reach consensus on their decisions.

The meeting began with a reading, amendment, and approval of minutes from the previous meeting.

Commissioners started by introducing themselves and naming personal values that they thought were important to incorporate in discussions about possible reform options. These values included: increasing public awareness about long-term care by disseminating information and improving public understanding of the issue, emphasizing personal responsibility and integrity in personal handling of long-term care preparation, increasing responsiveness within the long-term care system, emphasizing shared responsibility in addressing the long-term care issue, relying upon evidence-based reports in deciding the most effective means of reforming the long-term care system, improving the financing system for long-term care, delivering “right care at the right place at the right time at the right price”, promoting a sense of family or ‘ohana, and finally providing increased choice to consumers with regard to their long-term care options.
Kenneth Fink spoke about long-term care through the QUEST Expanded Access (QExA) program, now in 2nd year of operation. Within its two years of operation, QExA has increased home and community based services by 80%, with about a 200% increase of individuals receiving care in their homes. The number of people receiving nursing home level of care throughout the entire system (nursing homes, and home and community based care) increased by 31.8%. Over this two year span, the proportions of people receiving care in nursing homes vs. in a home and community-based setting has essentially flipped. Prior to the QExA experiment, approximately 60% of individuals receiving care through QEA received it in a nursing facility, whereas 40% received care in home and community before. Now roughly 40% of individuals receive care in a nursing facility, and 60% receive care in home or community-based setting.

DHS noted that there has been a 50% decrease in positions, while there has been a 25% increase in enrollments, primarily in QUEST. There are 42,000 people in the QExA population, which has gone up, but slower that QUEST. Two-thirds of these individuals are eligible for both Medicare and Medicaid, and 8,000 of those in QExA have at least 2 ADL deficits.

The Commission agreed that numbers and cost saving estimates for the QExA experiment should appear in the Phase 1 report.

A number of current legislative and political developments in long-term care were discussed.

- One bill asks for an emergency appropriation to QExA for 57 million dollar shortfall due to the federal matching rate dropping July 1st. If such legislation is not passed, the program is expected to lose about 6 million dollars in funds immediately after June 1st. In addition, the new governor has noted that Medicaid will be a target for budget reductions in the near future.

- Other bills would move home and community based care and certification of providers over to the Department of Health [DOH], or consolidate all long-term care efforts under a single “Department of Aging.” Such consolidation is potentially problematic because it actually divides Medicaid administration across multiple agencies.

- It was noted that under the new Executive Office on Aging Director, Wes Lum, there is an effort to increase the independence of the Office, which may help with efforts to make sense of and consolidate activities across agencies. The efforts of EOA and the efforts to roll-out the Aging and Disability Resource Centers statewide are progressing successfully.
- The creation of health insurance exchanges, under direction of DCCA, is looming for 2014.

- A bill was introduced for Kupuna care appropriation that provides services to those not eligible for Medicaid, asking for around $5 million dollars.

Next, the Commission viewed a PowerPoint presentation about the “Overview” report, created by Joshua Wiener at RTI. It is clear that many stakeholders are not aware of LTC services in Hawaii, and general public isn’t either. The purpose of the overview report is to provide a primer to the public and stakeholders about LTC here in Hawaii. Between 2007 and 2030, the population in Hawaii over the age of 80 is going to increase by 2/3. Compared to rest of country, Hawaii has very few nursing beds, as well as complicated home and community based systems of care. Historically, interest in QUEST and QExA has been on nursing facilities, but now efforts exist to move toward home and community based services. QExA is making good effort in moving in this direction.

LTC expenses in Hawaii are 50% higher than rest of country, and Medicaid is the primary provider of services ($274 million). Tony Krieg pointed out that the overview report makes that assertion, but does not reference a specific source, and suggested correcting that omission. While we know that nursing home costs in Hawaii are significantly higher than the national average, the question arose about how the price of an average night in a community care facility compares to the rest of the country. Linda Posto agreed to find that information and bring it to the Commission.

Another question arose about how many people are in Adult Residential Care Homes (ARCH) and adult day care centers, because the overview report details the number of ARCHs, but not the number of beds accounted for by ARCHS and extended ARCHS. Ron Gallegos stated that there are approximately 2,300-2,400 beds in ARCHS and extended ARCHS. Among the 850 foster homes there are roughly 2000 beds.

Ron Gallegos also stated that if the home care industry is not made attractive it will fail. The industry cannot survive on Medicaid patients alone, and too much oversight by numerous agencies is overly cumbersome and leads to too many administrative costs.

Discussion turned to RTI’s “options report”, following another brief powerpoint presentation by Josh Wiener. The goal of the report was not to advocate specific outcomes or even to limit the range of discussion appropriately, but to lay out
possibilities for consideration, modification, or rejection. The report draft identifies 13 reform options for consideration by the Commission.

For financing through private insurance, the options report suggested that an education campaign could be adopted to inform the public of the benefits and availability of LTC insurance, that the regulation of LTC insurance could be strengthened, that a public-private partnership of long-term care insurance could be established, and/or that tax incentives could be provided for private health insurance options.

For public financing options, suggestions included increasing Kupuna care funding, allowing more working and lower class individuals to enroll in Medicaid, and/or to provide a supplemental program to assist in CLASS act implementation.

For possible reforms to the LTC delivery system, possibilities include increasing the supply of nursing homes, providing income tax incentives for family caregivers, and/or reforming regulatory options for community care and assisted living options.

The options were briefly noted in the presentation, and discussion ensued on editorial changes to the report itself. The Commission adopted the goals of reform, as presented in the options report, namely:

**Goals of LTC System Reform:**
- Treat the risk of needing long term care as a normal life (health) risk.*
- Protect against catastrophic out-of-pocket costs.
- Prevent dependence on welfare in the form of Medicaid.
- Improve access to long term care services.
- Make the long term care system more responsive to consumers.*
- Change the balance of institutional and home and community-based care.*
- Design an effective and affordable system, both to the individual and government.*

It was suggested by a Commissioner and without objection that an additional goal of reform be added to the report:

- Ensure that any reform not increase inequality for Hawaii’s families.*

By way of explanation, Stuart Ho noted that the issue of management for the long-term care system was deliberately not dealt with in the options report because it was thought that the Commission would be more politically aware of the management situation and solutions more so than RTI. He also suggested the issues involving workforce development might best be left to Phase 2.

Eldon Wegner distributed a briefing paper and presented to the Commission about CarePlus, a social insurance model with mandatory participation that had
been passed by the state legislature in 2003. A major study of financing long-term care in the 1990s concluded that this mandatory enrollment model was most effective. CarePlus was figured to be fully paid for in an actuarial study to develop a viable plan for 75 years, and a trust fund and board of trustees were established. However, the payroll tax to pay for CarePlus was vetoed by governor Lingle.

The social insurance model was designed to provide a basic safety net to help people and keep them off of Medicaid. Additional coverage could be found in private insurance market. It was determined that a premium of $10 per month would be taken out of paychecks, though the benefits would be much more modest than what CLASS is considering. There would be a $70/day cost benefit, but it would only be viable for 365 days (don't need to be consecutive), and would include a 10 year vesting period. There would be a cash benefit paid to the person in order that individuals can seek care from wherever they desire, which would provides for greater consumer control.

The CarePlus system is similar to the successful system in Germany. The benefits there are quite modest (covers 50% of costs) but it allowed families to manage, reducing welfare coverage and saving the state money. There is also a good mandatory long-term care insurance system in Japan, but with higher costs and more generous benefits.

Discussion turned to whether CarePlus would mesh with or compete with the CLASS Act insurance program that will be arriving in 2014. Most of the sentiment expressed suggested that CarePlus could serve as a complement to CLASS by providing a basic safety net of insurance coverage that could be supplemented by CLASS or other competing private insurance. Dr. Wegner noted that the ability to cover those whom the private market is not interested in enrolling might be a benefit of a CarePlus-like program, and that the very low overhead of perhaps 7% of premiums was an attractive feature of such a plan.

Later in the meeting on February 3, Larry Nitz spoke to the Commission to present a more detailed history of the CarePlus program development, and to present a perspective on actuarial assessments.

The Commission engaged in a discussion about criteria for decision making, and the facilitator asked each commissioner to propose a criterion for decision making.

**Suggested Criteria for Decision Making**
1. Delivers the Greatest Good for the Greatest # of People
2. Has minimal unintended consequences (foreseeable)
3. Promotes Awareness of LTC Need, Costs
4. Allows Individual Choices
5. Supported by Evidence-Based
6. Allows/Promotes Personal Responsibility
7. Sustainable
8. Does not increase inequality in Society
9. Simple, Accessible, Easy for Public to Understand (for public buy in)
10. Helps in solving the LTC problem

Each Option under Public, Private Financing and Delivery System was discussed in sequence. Most of the pros and cons associated with these options are detailed in the RTI “Options” report, and the following minutes reflect only additional information or arguments presented by Commissioners.

During the course of discussion, some of the original options presented in the RTI Report were modified and reworded. The LTC System Unification option was introduced by the Commission as a consolidation of several major facets of the LTC system that are currently problematic and need improvement. It also includes some of the original RTI proposals. CarePlus was introduced by the Commission and will be included in the Legislative report as a recommendation for further in-depth study.

Following discussion over two days, the Commission employed its evaluation criteria by individually rating each of the public and private options, as amended. Each option was rated by each Commissioner on each criteria, on a 1 to 5 scale (1=option satisfies criteria very little, 5=option satisfies criteria very well). A crude summary was constructed by summing all the ratings across all Commissioners, for each option. Chart 1 presents the outcome of the simple summary for the public and private section options. Because of time limitations, a similar rating exercise was not conducted for the delivery system reform options.

![Diagram]
The public education campaign option seemed to best satisfy the criteria of the Commissioners, overall. The idea of a state-funded marketing campaign to encourage CLASS Act insurance purchase seemed to do the worst job of satisfying the criteria of the Commissioners.

Finally, the Commission held formal votes on the options, as amended. The final selected options are recommendations to be further studied in Phase II for viability, cost-effectiveness, and administration. The options not selected are thus passed over and will not be part of the Commission’s priorities in Phase 2. The following table lists the options and the official vote outcomes.

<table>
<thead>
<tr>
<th>Option</th>
<th>Vote Outcome</th>
</tr>
</thead>
<tbody>
<tr>
<td>Public Education Campaign</td>
<td>8 favor, 0 oppose</td>
</tr>
<tr>
<td>Synchronize Hawaii Regulation of Long-Term Care Insurance</td>
<td>8 favor, 0 oppose</td>
</tr>
<tr>
<td>with NAIC</td>
<td></td>
</tr>
<tr>
<td>Long Term Care Partnership Program</td>
<td>6 favor, 2 oppose</td>
</tr>
<tr>
<td>Long Term Care Insurance Tax Credits</td>
<td>6 favor, 2 oppose</td>
</tr>
<tr>
<td>Kupuna Care Expansion</td>
<td>8 favor, 0 oppose</td>
</tr>
<tr>
<td>Medicaid Eligibility Expansion</td>
<td>0 favor, 8 oppose</td>
</tr>
<tr>
<td>State Marketing Campaign for CLASS ACT</td>
<td>1 favor, 7 oppose</td>
</tr>
<tr>
<td>State Wraparound Program for CLASS Act</td>
<td>0 favor, 8 oppose</td>
</tr>
<tr>
<td>CarePlus</td>
<td>6 favor, 2 oppose</td>
</tr>
<tr>
<td>Personal Care Services Option for Medicaid</td>
<td>0 favor, 8 oppose</td>
</tr>
<tr>
<td>Encouragement of Nursing Home Bed Expansion</td>
<td>0 favor, 8 oppose</td>
</tr>
<tr>
<td>Family Caregiver Tax Credit</td>
<td>0 favor, 8 oppose</td>
</tr>
<tr>
<td>Unification of Regulation, Services and Management</td>
<td>8 favor, 0 oppose</td>
</tr>
</tbody>
</table>

Following the final votes on options, the Commission discussed with David Nixon the tones and themes hoped for in the draft report to the legislature, due to the Commission by February 17.

Ex-Officio Designees or their Representatives attending: Patty Johnson [DHS]

also in attendance: David Nixon and Michael Salmon of the UH Public Policy Center, Barbara Stanton [AARP], and Pamela Cunningham [EOA]

Meeting was called to order at 3:04 PM

The Commission began by approving, with corrections, the minutes from its previous meeting.

When the Commission last met, David Nixon was asked to write a draft of the Commission’s Phase 1 Report reviewing long-term policy options to be considered by the Hawaii State Legislature. Much of the rest of the meeting consisted of individual commissioners providing comments on the initial Phase 1 draft. Wording revisions and specific corrections were proposed at various points in the meeting, and Nixon asked Commissioners to send any additional such comments directly in email.

While the Commission’s report is meant to be readable by the public at large, reactions to the initial draft suggested that the material within was too simplistic for the legislature’s consideration and that the real substance of the paper itself was not featured prominently enough in the draft’s opening sections. In response to this, Stuart Ho composed an executive summary, to appear before the report itself, in order to outline major points of consideration.

Discussion turned toward the use of the executive summary as a means of emphasizing important details facing long-term policy deliberations before entering into the full report. Commissioners related a desire for a preamble to appear at the beginning, in order to state the purpose, number of meetings, and desired outcomes of the Commission. It was also suggested that the report be formatted to appear in bulleted form to assist reading by lawmakers.

Commissioners emphasized the need to place as much critical information within the first several pages as possible, in order to take the greatest advantage of readers’ initial interest and attention in the report.

One Commissioner commented that phrase in the executive summary draft suggesting that there was “not enough money” to address long-term care needs was troublesome, in that it presented long-term care policy as an issue of money rather
than choice. This commissioner emphasized that the people and legislature choose not to allocate money to long-term care, and that this problem might be more an issue of priorities than money exclusively.

Discussion emerged concerning the distinction between nursing home beds and skilled nursing beds. While beds in nursing homes are in decline, due to an increase in patient movement from nursing to home and community care centers, the need for skilled nursing beds (which can appear in care centers outside of nursing homes) will undoubtedly rise as long-term care demand increases. Legislators may not be aware of any difference between nursing home beds and skilled nursing beds, and so special attention should be brought to this distinction.

Nixon was instructed to assemble a transmittal letter directly from the Commission to the Legislature, rather than planning distribution under the signature of the Chancellor of the University of Hawaii at Manoa.

Brief discussion related to Governor Abercrombie’s impending meeting with Secretary of Health and Human Services Kathleen Sebelius. It was suggested that the Commission draft a series of questions relating to the CLASS Act for the governor to bring and address to the Secretary, and that a decision on this matter should be made quickly due to its time sensitive nature.

Finally, discussion concentrated on the relationship of the reports prepared by Joshua Wiener of Research Triangle Institute [RTI] to that of the Commission’s Phase 1 report. It was decided that Joshua Wiener is serving purely in a role of advisor to the Commission, and that the reports he has presented to the Commission are purely his own recommendations to the Commission and do not necessarily reflect the position or intentions of the Commission proper.

With no other business, the meeting adjourned at 3:59 PM.
Long Term Care Commission  
Meeting Minutes of February 25th, 2011, AARP Conference Room, 3:00 PM

Appointed Commissioners attending and contributing to a quorum: Pat Blanchette, Waynette Cabral, John Henry Felix, Ron Gallegos, Stuart Ho, Linda Posto, Chuck Sted, Eldon Wegner (arrived 3:10)

Ex-Officio Designees or their Representatives attending: Martha Im [DCCA] (departed 4:12)

also in attendance: David Nixon of the UH Public Policy Center, Wes Lum of the Executive Office on Aging

Meeting was called to order at 3:15 PM

The Commission began by approving the minutes from its previous meeting.

The Commission discussed potential refinements to its draft interim report to the Legislature. A number of minor editorial corrections and needs for double-checking were identified. In addition, some substantive revisions were discussed, including:

- adding a goal to the bulleted list of goals for the Commission’s reform efforts, to wit: “Increase public awareness through education.”
- Changing the word “or” to “and/or” in the Commission’s statements about the desirability of public [and/or] private long term care insurance.
- Moving the language in the executive summary currently listed as #9 and making it as an explanatory statement under #8
- Insertion of the phrase “explore and array of funding options”, which comes directly from Act 224 and does in fact capture the current and planned activities of the Commission.

A more lengthy discussion ensued about the Executive Summary assertion that “federal and state dollars are unlikely to arrive in the current economic climate.” It was pointed out that federal funds for long term care have been growing across every administration since Reagan, and that Hawaii ought to try to maximize its pursuit of such funds, rather than not even trying. An alternative language for the bullet point was discussed, namely: “there is likely to be limited federal and state funding and it will fall short of providing adequately for growing long-term care needs in Hawaii”

Another more lengthy discussion ensued about alternative funding sources beyond insurance (something specifically highlighted in the report). Concerns were raised that this language may be a bit too narrowly focused/confining.

Stylistically, Commissioners suggested elimination of the phrase “the Commission finds”, which is repeated in areas that are addressing only a specific item and may tend to be confusing for readers. Commissioners also pointed out that the text in the numbered list of the “Commission’s findings” in the executive summary was imbalanced and might need some refinement. Finally, Commissioners suggested
relegating the material in the report that describes the process and history of Commission activities – perhaps to an appendix.

Nixon reported that an advertisement announcing the March 10 public hearing, and directing readers to the interim report draft would appear in the Star Advertiser on Monday, Feb 28. Up-to-date minutes and reports will be available on the website by that time (http://www.publicpolicycenter.hawaii.edu/LTCC.html)

On motion and by unanimous voice vote, the Commission agreed to accept the current draft of the interim report in substance, subject to some format and style revision to be worked out by Nixon and Ho prior to the Feb 28 publish deadline.

The Commission discussed the adequacy of the “Overview” and “Options” reports submitted by RTI. Some more up to date statistics were cited by Linda Posto, and Nixon agreed to communicate revision suggestions to Dr. Wiener at RTI. There was discussion about whether developmental disabilities and other non-elder disabilities had been adequately addressed in the Overview report. It was agreed that long-term care for the elderly would remain the primary but not the exclusive focus of the Commission.

On motion and by unanimous voice vote, the Commission agreed to receive the “Overview” and “Options” reports from RTI, subject to some revisions to statistics references, to be worked out by Nixon, Posto, and Wiener.

Stuart Ho reported that he planned a meeting with Senators Chun Oakland and Ihara next week to discuss delivery of the interim report and replacement of the vacancy created by the death of Jerry Russo.

Wes Lum, new Director of the Executive Office on Aging, spoke to the Commission about current plans for ADRC implementation, and asked that the Commission consider requesting that EoA be added as an additional ex-officio member of the Commission.

Chuck Sted reported that, the QExA accomplishments in shifting the balance of long-term care from institutional to home and community settings notwithstanding, the hospital waitlists and pressure on acute care facilities have not improved.

With no other business, the meeting adjourned at 4:29 PM.
Long Term Care Commission  
Meeting Minutes of March 10th, 2011, State Capitol Auditorium, 3:00 PM

Appointed Commissioners attending and contributing to a quorum: Patricia Blanchette, Waynette Cabral, Ron Gallegos, Stuart Ho, Tony Krieg, Linda Posto, Russell Okata, Chuck Sted, Eldon Wegner

Ex-Officio Designees or their Representatives attending: Patty Johnson [DHS]

also in attendance: David Nixon and Michael Salmon of the UH Public Policy Center,

Meeting was called to order at 3:17 PM
The Commission began by approving the minutes from its previous meeting.

It was noted that Wes Lum has been named as the official designee ex officio member, representing the Department of Health, and that Paul Brewbaker has been appointed by the Senate to take place of the Commission’s recently deceased member Gerry Russo.

The larger purpose of this meeting was to have a public hearing and comment period on the Commission’s Phase 1 Draft report, together with four studies conducted by Research Triangle Institute (RTI) International. The report and its appendices are available at: [http://www.publicpolicycenter.hawaii.edu/LTCC.html](http://www.publicpolicycenter.hawaii.edu/LTCC.html) The Commission had already received 15 written testimonies prior to the meeting, and met to accept oral testimony. The written testimonies are attached to these minutes.

Individuals providing oral testimony to the Commission included Patrick Stanley (Co-chair of the Democratic party Kapuna caucus) and John Nakoa.

Patrick Stanley reported on a recent survey taken among elderly (65+) members of the Democratic party, showing that top priorities among this population include an interest in the Commission’s final report. A desire also exists to see legislative changes made that ease and simplify individuals’ ability to age in place at home – particularly with respect to building codes allowing for home modification.

John Nakoa expressed a desire to see the Commission encourage the legislature to make people aware of the consequences of needing long-term care and to incentivize individuals to get long-term care plans through tax cuts. Mr. Nakoa also urged the Commission to encourage the Legislature to pursue establishment of the Partnership Program in Hawaii, which is already in place in 43 states.

A brief interaction ensued wherein it was asked whether the legislature should take it upon itself to educate the public about the different quality of long-term care policies that are available and what sort of companies are the most reliable. It may be up to the state to make people aware of what kinds of policies are available and what they provide.

With no other business, the meeting adjourned at 3:38 PM.
March 9, 2010

Long Term Care Commission  
c/o Social Science Public Policy Center  
University of Hawaii  
2424 Maile Way, Saunders 723  
Honolulu HI 96822

Dear Mr. Nixon (Dave):

Thank you for the opportunity to provide comments in response to the Draft 1 Report of the Commission. The Healthcare Association of Hawaii, representing acute care hospitals, long term care providers, home care and hospice providers, shares the Commission’s interest in seeking sustainable solutions to the long term care needs of the residents of Hawaii. We also look forward to serving as a resource to the Commission in Phase 2 to enable the successful outcome of its work.

Upon review of the Draft 1 report, I’d like to offer the following considerations:

1. Hawaii would benefit from the use of predictive modeling tools for the purpose of making deliberate and sound decisions about where to invest in capacity building, service design, etc. as it pertains to long term care needs. We are attempting to plan in a dynamic health care environment which necessitates the use of more sophisticated tools that can enable better decision making. Historically, as the report acknowledges, decisions have been made without the ability to access detailed data. Larson Allen has developed a “turn key” model that has been trialed in Minnesota and other states. I recommend that the Commission review the tool for applicability and use in Hawaii.

2. The health care provider community has experienced a number of challenges following the implementation of QUEST Expanded Access. One key issue has been the administrative cost burden resulting from delayed claims payment, duplicative utilization management roles, etc. The Draft 1 report suggests that the program has been successful because of its ability to reduce the utilization of nursing home beds and increased utilization of home and community based services. Our caution to the Commission is that the downturn in utilization might reflect a reapportionment of cost but it does not evaluate other performance metrics that demonstrate the overall intent of the program: better coordination of care. Nationwide, there has been a downturn in the utilization of nursing home beds. Some speculation suggests that it has resulted because of the economic downturn and a reduction in elective surgeries that contribute to nursing facility rehabilitation stays. We have received reports from acute care hospitals in Hawaii of inappropriate placements in community based settings whereupon the residents subsequently seek care in the emergency departments. Cost avoidance in one area does not accurately reflect cost efficiency in the program. We recommend that appropriate
measures of performance/success be developed for this and other programs that deliver services to the elderly and disabled. Aligning the performance metrics to the stated goals of the Commission (ex: high quality, long term care) will enable successful achievement of the goals.

3. With the passage of the Affordable Care Act, I recommend that the Commission have a broader discussion about the integrated delivery of long term care services across the continuum of care. While components of the ACA were addressed in the initial report (ex: CLASS Act), I did not see a system-wide emphasis articulated in some of the proposed solutions.

Thank you for the opportunity to provide input into the Commission’s report. I applaud your efforts.

Sincerely,

/cta/

Coral T. Andrews
Vice President
Healthcare Assn of Hawaii
Subject: LOC
From: victor moleta <ska@hawaiiantel.net>
Date: Thu, 10 Mar 2011 17:25:34 +0000 (GMT)
To: dnixon@hawaii.edu

I am a Senior Citizen, who was stricken with a stroke, Aug 17, 2010. I was forced to leave the Hospital with no case manager instructions. I am deemed Permanent Disabled" by my Physician. I was sent home with no follow up, as a matter of fact when I inquired to speak to my case manager at the hospital I was informed she left for a vacation and won't be back for another 2 weeks. I contacted another agency, QLCC, who informed me to contact a hospital social worker. The social worker was not aware of my case and I again was informed that my case manager will return in 2 weeks. This tells me the case manager is not aware of 1147 paper work that would have made a transition for me to enter long term care! I was sent home and stayed there eating bread and drinking out of my toilet. This is unacceptable. I am a social worker and when you are a single person you got to do what you got to do. I had to assistance as I could not use my had and the entire body function hands to my toes both side of my body. I was in my fesus for a week urine included. I had to drag myself around my hall way and bath tub. I could not walk or stand, feed myself, cook, all the thing I did befor incurring the stroke. I know there are thousand of senior citizens out there who are in the same predicament as I am. I am scared that the system on aging is not ready for us. Weather the system is ready or not we are here and they will also be where we are at later in life. Fix it now or the cycle will never end. I need help and am asking for help, I paid my dues in life so learn young social workers and administrator HOW TO HELP THE SENIOR CITIZENS, AND THE PERMANENT DISABLED SENIOR CITIZENS. Remember everyone has parents the system will continue and if not fixed now all future Senior citizen' yes including you will be in the same cycle as we are this very moment when you reach the "golden age" or the age of Long Term Care.

Aloha

Sandra Aken
Subject: Long Term Care
From: Margarita Dayao <mpdayao@gmail.com>
Date: Wed, 09 Mar 2011 10:08:57 -1000
To: dnixon@hawaii.edu

I am one of the increasing number of the aging population of Hawaii. I am 66 years old and although I have a small long term care insurance policy that I took when I was in my 50's I don't think it is enough. I request that your committee take a closer look at this issue for the sake of our senior citizens. I see how stressful it is to take care of your family, like my neighbor who is taking care of his elderly aunt. I don't have any suggestion but maybe you folks have.

Margie Dayao
--
Aloha Mr. Nixon,

I am a senior citizen living on Oahu. I present the following thoughts to you as Chief Investigator of the Long-Term Care Commission.

The long-term care (LTC) needs of the ever increasing and rapidly aging population, throughout Hawaii, will overwhelm our current system in just a few short years. The system, includes both facilities and personnel as well as the financial burden for those using them.

Most people haven't a clue as to the cost of LTC and that their current medical plans, if they have any, do not cover LTC. We need an intensive public educational program to both raise awareness and the need for appropriate planning.

Our fragmented LTC system needs to be reformed. Besides the unusually high cost, the system is difficult and confusing to navigate, and is incredibly stressful for family care givers, who bear the brunt of care services throughout the state. Additionally, our state budget will be overwhelmed if too many people fall into poverty and qualify for Medicaid.

Mahalo for your leadership on behalf of the present and future population who will benefit from the Commissions hard and thoughtful work to correct this problem.

Barbara Dinoff
222 Liliuokalani Ave.
Honolulu, HI 96815
(808) 922-5615
Subject: long term care
From: Robin Elcock <relcock001@hawaii.rr.com>
Date: Thu, 10 Mar 2011 09:57:17 -1000
To: dnixon@hawaii.edu

Dear Mr. Nixon,

    My husband and I are both over 70 and do hope that your commission can make Long term care more affordable in the near future.

    Thank you,
    Margaret Elcock
Mr. Nixon:

Indonesia wasn’t ready for the tsunami that hit, because they didn’t have a warning system. In the LTC case, the warning system is education. In every employee meeting I conduct relating to a company’s 401(k) Plan, I mention that a $500,000 401(k) account (if anyone every gets to that level) can be wiped out in 4 years by the LTC needs of a parent. Businesses are beginning to see the iceberg as employees in the 45-60 age range ask for time off to care for an elder. The convergence of the LTC insurance market, eldercare, saving for retirement and the aging workforce is the tsunami. A statistic says that of all the in-force LTC policies in this country, 50% were sold by insurance companies who NO LONGER sell LTC. Education dispensed at the workplace can go far as a warning. How to stop the wave is another issue.

Aloha,

Peter

Peter Inoue, AIFA®, PPC™
(Accredited Investment Fiduciary Analyst™)
(Professional Plan Consultant™)
President, Compensation Consultants, Inc.
Belt Collins Center
2153 North King Street, Suite 305
Honolulu, Hawaii 96819
Office: 808-832-9430, ext. 1
Cell: 808-389-8998
E-mail: peter@401khawaii.com
Fax: 808-832-9439

Kina'ole = "Doing the right thing in the right way, at the right time, in the right place, to the right person, for the right reason, with the right feeling, the first time."

CONFIDENTIALITY NOTICE: This email and any attachments are for the sole use of the intended recipient(s) and contain information that may be confidential and/or legally privileged. If you have received this email in error, please notify the sender by reply email and delete the message. Any disclosure, copying, distribution or use of this communication by someone other than the intended recipient is prohibited.
Aloha, David --

Please consider mine just one more voice crying out for some improvement in the long-term care situation here in Hawaii.

I am a single person -- and I have NO family here in Hawaii on whom I can rely if/when the time comes that I need long-term care. I do have long-term care insurance, but that will not do me much good if there are not enough care options available.

I am grateful that your commission is pursuing this question, and I pray that you will have some success in shaping the situation in our state. If I can help your undertaking in any way, feel free to call on me.

Kathy Jaycox

Kathleen M Jaycox <jaycox@hawaii.edu>
Subject: Long term care issues
From: mak221@aol.com
Date: Thu, 10 Mar 2011 01:45:33 -0500 (EST)
To: dnixon@hawaii.edu

Dear Dr. Nixon,

I am writing as a Hawai'i citizen who saw the need for Long Term Care for my father and sees it for myself (68 y.o.) and my spouse (58 y.o.) in the future.

As more and more Hawai'i citizens age, with less and less money, the need for Long Term Care is critical.

Furthermore, as I'm sure you know, aging at home is not only the preferred choice, but costs one-third of nursing home care.

Hawai'i must come up with a solution to help all citizens age with dignity, at home, at an affordable price.

Mahalo.

Mark A. Koppel, Ph.D.
Professor Emeritus of Psychology
Dear Mr. Nixon,

I was recently invited by AARP to attend the (Long Term Care Commission) hearing being held tomorrow at the Capitol. Unfortunately, I cannot attend this very important hearing....I am not only interested in the issue's of Long Term Care for myself, but many of our Hawaii residents/caregivers is so very hard and expensive for those of us who do not have it.......many of our family members (not only the aged) who require this care, can not adequately affored this luxury,of insurance help, many family members who contribute, face many hardships trying to give the very best care to those we love......please count me in as a volunteer to try to make a difference.

Very Sincerely, Compassionately interested in your efforts.

Phyllis Manini (R)
West Beach Realty, Inc.
85-841 E Farrington Hwy.
Waianae, HI  96792

Office: (808) 696-4774 Ext. 12
Fax:    (808) 696-7349
Cell:   (808) 723-9451
E-mail: phyllis@westbeachrealty.com
Although I own Long-Term Care Advisors & have been a long-term care insurance (ltci) specialist for ten years, my advocacy for ltci tax incentives transcends my self-interest & indeed is supported by the Federal & the majority of state governments to encourage citizens to own ltci protection. There are numerous & compelling reasons for this incentivization:

1) There is a 70% likelihood of needing some form of ltc in our lives.

2) Lifespans are increasing: the largest age demographic group, the Baby Boomers - those born from 1946 to 1964 - are reaching senior status with 8,000 Baby Boomers reaching age 65 every day this year.

3) Baby Boomers are expected to outlive the previous generation because of their health consciousness & medical advances.

4) Currently the majority of ltci claims is for cognitive impairment: Alzheimer’s Disease (AD) & Dementia which is the 6th leading cause of death with 5.3 million Americans afflicted with AD;

5) The estimated annual cost impact for AD is $172B with an additional $60B from lost productivity & absenteeism;

6) There are 10.9 million unpaid AD caregivers, two-thirds of whom rate their stress as high or very high affecting their health, employment, income & financial security;

7) From 2010 to 2050 AD costs will increase over 600% to over $20 trillion - AD costs Medicare three times more & Medicaid nine times more than someone without it.

Because of the increasing high risks & costs of long-term care, it is obvious that the state government needs to encourage the ownership of ltci with incentives. The alternative is to do nothing & let long-term care needs impoverish patients without coverage concurrently depleting Medicaid funds, the majority of which now is dedicated to long-term care needs funding in Hawaii.

The State of Hawaii needs to also seriously & proactively adopt a ltci Partnership Program which exists in more than half of our states, as a further incentive to own ltci. The Partnership Program authorized under the Deficit Reduction Act of 2005 allows ltci policyholders who use ltci benefits to exempt the same dollar amount used from consideration for qualification for Medicaid benefits - what is called an “asset disregard”. For example, if a Partnership-qualified ltci policyholder uses $100,000 in ltc benefits, he or she can apply for Medicaid & if eligible, retain $100,000 of assets in excess of the State's Medicaid asset limit, typically $2,000 for a single person.

It has been my anecdotal observation that Hawaii is often far behind in approving new insurance provisions & products to which other states have been open & quick to assess as worthy for implementation (Partnership, e.g., has been available since 2005 & is utilized by majority of states). The Partnership Program has provided a “cushion” of ltci benefits for policyholders from depleting their assets. These ltci benefits generally pay for most, if not all, of their long-term care needs thus minimizing the need for Medicare to fund continuing care.

Since Hawaii has 2.5 times the number of older people than the mainland, the longest lived population in the U.S., high priced nursing homes at near capacity & thousands of seniors “aging in place” - getting care they need at home or in the community - we should proactively lead & not watch & wait for legislation that has proven successful elsewhere.

Further information about Long-Term Care protection & the Partnership Program can be found on the U.S. Department of Health & Human Services website www.longtermcare.gov. I am happy to be of service to you. Please email ltca@hawaii.rr.com or call me if you have questions: 485-8888.
Mahalo ke Akua,

John Wesley Nakao, CLTC, CSA  
Long-Term Care Risk Management Specialist  
485-8888

MOM'S LTC STMT 12.21.10.pdf

Content-Type: application/pdf  
Content-Encoding: base64
Subject: Error in the number of community care foster family homes and patients being served.
From: Donna Schmidt LCSW <donna@cmihawaii.com>
Date: Wed, 09 Mar 2011 17:03:31 -1000
To: dnixon@hawaii.edu

Dear Dr. Nixon,

Thank you for the intensive investment of time, energy and work in this report. There is a significant error on page 7 of the LTCC_phaseI_draft.pdf. The footnote 14 indicates there are 165 CCFFH and 406 beds. Perhaps that is how many vacancies there are.

However, according to the latest list published by DHS, (attached) there are 1053 CCFFH's with 2445 beds. I believe the list quoted reflected only vacancies.

This indicates that over 2,000 individuals are in nursing home level of care in the community. The significance of this is that 30% of Hawaii’s nursing home level of care residents live in the community. We have no parity in regulation between what a consumer is entitled to in a nursing home and what one will receive in a residential setting. As an owner of a licensed case management agency, this concerns me.

Our state trend is to continue the growth of community based care, however, there is no plan to create parity in quality between community care and nursing home care.

The state of Hawaii saves millions of dollars in these community based settings, yet there is no consistent reliable regulation that we can count on.

Please feel free to contact me at any time to discuss this further.

Best regards,

Come Home to the Heart of Caring
Come Home to CMI

Donna Schmidt, LCSW
President
Case Management, Inc.
94-229 Waipahu Depot St 404
Waipahu, HI 96797
Office: 808-676-1192 ext 201   Fax: 808-676-1193
Cell: 808-429-8204
Email: Donna@cmihawaii.com   Web: www.cmihawaii.com
NOTICE: This information and attachments are intended only for the use of the individual or entity to which it is addressed, and may contain information that is privileged and/or confidential. If the reader of this message is not the intended recipient, any dissemination, distribution or copying of this communication is strictly prohibited and may be punishable under state and federal law. If you have received this communication and/or attachments in error, please notify the sender via email immediately and destroy all electronic and paper copies.

<<...>>

Donna Schmidt (Donna@cmihawaii.com) <Donna@cmihawaii.com>
President, CEO
Case Management, Inc.
Subject: Long Term Care  
From: slashier@hawaiiantel.net  
Date: Thu, 10 Mar 2011 05:03:10 +0000 (GMT)  
To: dnixon@hawaii.edu

Hawaii needs help in caring for the elderly. I have lived in the same apartment in Makiki for the past 25 years and in the event of a fall and I couldn’t care for myself, I would need assistance and don’t find Hawaii prepared to help their elderly. In Penna. the state of my birth efforts are made to care for elderly in their homes and here I have been on the list for Catholic Charities to come and help clean my apartment for the past 2 years and have gotten no where. Help the elderly
As Co-Chair of the The Kupuna Caucus of the Democratic Party of Hawaii (not to be confused with the Legislature's Caucus) I surveyed over 4000 Party members aged 60 plus about their legislative priorities in January of this year. The final LTC commission report to the Legislature ranked as a high priority issue. Along with the LTCC report as a critical item was governmental Incentives for Home Modifications to Age in Place. The Legislature and the general public must be made more aware of this significant public policy issue and its potentially explosive impact on a fragile component of Hawaii's social makeup. Thank you for your consideration. See the attached summary of the questionnaire results.

Patrick Stanley
1420 Victoria St #1204
Honolulu, HI 96822
808-531-5648
Kupuna Caucus, Democratic Party of Hawaii

2011 State Legislative Priorities

Rank Order is based on survey (1/18/11) of eligible members 60+ with 72 responses.

#1 Defend older adults from State Budget revenue generating proposals that might unfairly or negatively impact their retirement security. 24%

#2 Long-term care - Bill for an Act directing the Hawaii Long Term Care Commission to build a template with solutions to Hawaii's long term care challenge; submit design to 2012 Legislative Session. 21%

#3 Single Payer Healthcare - Concurrent Resolution requesting Congressional support for improvements to Healthcare Act of 2010 and provision of single payer option. 17%

#3 Home Modification incentives/grants - Bill for an Act granting tax incentives to modify existing homes or design new ones to allow older adults to age at home. 17%

#5 Medicaid: Re-balance spending to support more home and community based service for long-term care options. 12.5%

#6 Care Home Inspection Information - Bill for an Act requiring timely publication of Care Home inspection results in the public media including online. 7%

#6 Pedestrian Safety - Concurrent Resolution directing on-going progress reports to the Legislature on the implementation of Act 54 (Complete Streets) and on the inclusion of public members in that process. 7%

Affordable Care Act - Concurrent Resolution directing the Administration campaign for greater public awareness on the Act's benefits. 4%

Kupuna Care Program: Increase funding in the state's base budget. 3%

Other Results: the above items were listed in the survey for prioritizing; volunteered additions are - End of Life choices; Mental Health Services; Dept. of Aging; Social Security; Increase Medicare reimbursements; Legal Aid; Affordable Housing. 1% each

This draft proposed by the Kupuna Caucus Political Affairs Committee and conveyed by its Co-Chairs.

Submitted by Patrick Stanley, Kupuna Caucus Co-Chair

531-5648 patstanley1@hawaiiantel.net
To:       State of Hawaii Long Term Care Commission  
          Mr. Stuart Ho, Chair

Date:    Thursday, March 10, 2011

Re:      First Report of the State of Hawaii Long Term Care Commission to the Hawaii State Legislature

Chair Ho and Members of the Commission:

AARP is a membership organization of people 50 and older with nearly 150,000 members in Hawaii. We are committed to championing access to affordable, quality health care for all generations, providing the tools needed to save for retirement, and serving as a reliable information source on issues critical to Americans age 50+.

AARP strongly supports the State of Hawaii Long Term Care Commission and its interim report to the Legislature. In particular, we enthusiastically support the Commission’s work toward expanding Kupuna Care, unifying Hawaii’s fragmented long-term care system, and educating the public about the cost and complexities of this important issue.

The Commission’s interim report is very timely due to Hawaii’s rapidly aging population. At the present time:

- Hawaii’s population over age 65 is increasing rapidly and projected to increase by 86% between 2007 and 2030.
- 88% of Hawaii residents wish to age in their own home.
- More than one out of every five (22%) Hawaii residents will be age 65 or older in 2030.
- The population ages 85 and over will increase by 64% between 2007 and 2030.

On behalf of AARP’s members we want to thank the Commission for its work in identifying issues faced by our senior population.

Respectfully,

Barbara Kim Stanton  
State Director  
AARP Hawaii
Subject: Long Term Care
From: LoLoTobin@aol.com
Date: Thu, 10 Mar 2011 15:31:58 -0500 (EST)
To: dnixon@hawaii.edu

Sir,
I have been frugal and diligent in providing for my senior years. Family staycations, and no Vegas trips. Purchased as much long term care insurance as I could afford (2 policies). My professional employment was modestly paid as a state worker. I counted on my state benefits and social security to be rock solid... so with luck and good health I would not have to go on welfare. Now they are under attack. I need to be able to continue to pay all my insurances (LTC, medical, dental, vision, home owners, hurricane, car) to be safe, independent and secure; and to pay all my taxes (property, income, excise, etc.) to continue to be independent and out of jail. My health care costs continue to rise along with my utilities, gas, and food. Social security and my pension does not; so my fixed income is shrinking against higher cost of living expenses as I grow older. I am a 73 year old female living on my own with a recently developed handicap I feel very afraid that my elected officials and the government will make it impossible for me to go into deep old age with dignity and independence. I am seeking your compassion and understanding.

Thank you for listening.
lorraine tobin
Pacific Heights Road, Honolulu, 96813
808-521-9066
lolotobin@aol.com
Long Term Care Commission

Meeting Minutes of May 19th, 2011, AARP Conference Room, 3:00 PM

Appointed Commissioners attending and contributing to a quorum: Mary Boland, Patricia Blanchette, Waynette Cabral, Sister Agnelle Ching, John Henry Felix, Ron Gallegos, Stuart Ho, Russell Okata, Kenneth Fink (arrived 3:16)

Ex-Officio Designees or their Representatives attending: Martha Im [DCCA], Wes Lum [DOH]

also in attendance: David Nixon and Michael Salmon of the UH Public Policy Center, Melissa Vomvoris [representing Senator Ihara]

Meeting was called to order at 3:06 PM

The Commission began by approving the minutes from its previous meeting.

The Commission noted that there are 8 months remaining before its Phase 2 report is due to the state legislature on Jan. 18th, 2012. The Research Triangle Institute (RTI) will provide two more reports to the Commission in preparation for Phase 2. The first, due within the next several weeks, will provide greater details on several of the long term care policy options adopted in the Commission’s Phase 1 process. The second report expects to cover details related to implementation of these options (cost estimates, benchmarking suggestions, etc.).

The Commission broadly discussed two possible options for financing long-term care reform efforts – a public option and a private option. While public financing options have been considered in the past (most notably with the Care Plus program), there appears to be little public will to pursue a public financing option. Care Plus will therefore be set aside as an option for now. This does not preclude exploration of public-private partnerships, however.

Dissatisfaction with previous actuarial assessments could be partly responsible for resistance shown toward public financing options. One possible option for the Commission’s future work, therefore, could be conducting a set of first-class actuarial assessments that explore multiple financing options. Public discussion could then resolve which option to pursue.

Due to recent conflict between AARP and the Governor’s office, the Commission’s Chairman, Stuart Ho, who is also President of AARP Hawaii, expressed concern over continuing to preside over the Commission’s work. However, opinions among the Commission suggest that a viable, substantive long-term care plan provided to the legislature should be the Commission’s top priority.

In addressing Phase 2, the Commission will look to create 2-3 person subcommittees to deal with separate long-term care options. After coming up with tentative slate of
subcommittees and their members, David Nixon and Stu Ho will budget time in which each of the subcommittees should have their work finished. Different subcommittees will be budgeted different amounts of time, depending on complexity of the tasks. These subcommittees will then come together at a future time to share and critique each separate report. RTI’s upcoming reports should help to facilitate this work by highlighting gaps within the current literature.

Due to certain unresolved issues, the Commission’s current budget remains somewhat unknown. Money has already been allotted for RTI’s remaining work. A $300,000 appropriation sought from the legislature to explore Care Plus did not pass.

The Commission is still seeking a replacement member for the recently deceased Gerry Russo.

With no other business, the meeting adjourned at 3:57 PM.
Appointed Commissioners attending and contributing to a quorum: Pat Blanchette, Waynette Cabral, Sister Agnelle Ching, Robin Campaniano, Ron Gallegos, Stuart Ho, Russell Okata, Chuck Sted, Ken Fink (arrived 3:27)

Ex-Officio Designees or their Representatives attending: Martha Im [DCCA], Wes Lum [DOH]

also in attendance: David Nixon of the UH Public Policy Center, Melissa Vomvoris of Senator Ihara’s office, Gordon Ito and George Massengale of AARP

Meeting was called to order at 3:06 PM

The Commission began by approving the minutes from its previous meeting. The Commission discussed the urgency of filling the vacancy left by Commissioner Russo’s untimely death.

The second phase of the Commission’s work will be to more fully investigate the policy options laid out in it’s Interim Report.¹ To accomplish these investigations, the Commission agreed to form 4 workgroups that are governed as “permitted interaction workgroups” under the State’s Sunshine Law (HRS 92-2.5).² The groups will be formed of a small number of Commission members, may meet informally over the coming months, and may choose to involve non-Commissioners, at their discretion. The workgroups will be specifically charged with investigating a specific set of policy options, and reporting back with their findings to the full Commission sometime in the fall, for consideration by the full Commission.

The Commission approved, by unanimous voice vote, instructions for Stuart Ho to constitute appropriate workgroups and investigation responsibilities, requiring that they report back to the Chair by September 30, and thereafter report to the Commission at a regular public meeting.

¹ available at www.publicpolicycenter.hawaii.edu/LTCC

² from the Office of Information Practices Sunshine Manual: “Investigations. A board can designate two or more board members, but less than the number of members that would constitute a quorum of the board, to investigate matters concerning board business. The board members designated by the board are required to report their resulting findings and recommendations to the entire board at a properly noticed meeting. This permitted interaction can be used by a board to allow some of its members (numbering less than a quorum) to participate in, for instance, a site inspection outside of a meeting or to gather information relevant to a matter before the board.”
Commissioners began a discussion of NAIC Interstate Compact, but did not reach conclusions at this point.

Wes Lum pointed out that statewide ADRC rollout, a development with import for the Commission’s recommendations, is anticipated soon. He will distribute an executive summary for relevant workgroup members.

With no other business, the meeting adjourned at 3:29 PM.
Long Term Care Commission
Meeting Minutes of November 10th, 2011, AARP Conference Room, 3:00 PM

Appointed Commissioners attending and contributing to a quorum: Pat Blanchette, Waynette Cabral, John Henry Felix, Ken Fink (arrived 3:30), Ron Gallegos, Stuart Ho, Linda Posto, Chuck Sted (via telephone, departed 4:50), Eldon Wegner

Ex-Officio Members or their Designees/Representatives attending: Loretta Fuddy [DOH], Martha Im [DCCA] (arrived 3:40), Wes Lum [DOH] (departed 4:55), Will Tungol [DHS]

also in attendance: David Nixon of the UH Public Policy Center, Bruce Bottorff of AARP, Josh Wiener of RTI International, Linda Chu Takayama (Private Sector Workgroup Chair)

Meeting was called to order at 3:22 PM

The Commission began by approving the minutes from its previous meeting.

The Commission considered and finalized a calendar for its remaining work.

- Thursday Nov 10  LTCC meeting; decide on policy issues. RTI International writes draft report
- Wed, Nov 30  RTI International delivers draft to LTCC
- Fri, Dec 9  LTCC meeting; discuss and accept report. Report distributed to public. Public hearing called.
- Fri, Jan 6  Public hearing at State Capitol. RTI International reviews public comments
- Fri, Jan 13  LTCC meeting; discuss and accept report
- Wed, Jan 19  LTCC delivers final report to Legislature

The Commission asked David Nixon to inquire with the legislature about the possibility of holding a public hearing at the State Capitol January 6, similar to the public hearing held last spring.

The chair asked for approval of an expense ($837) for technical writing assistance on one of the workgroup reports, which was approved by voice vote without objection.

The Commission approved by voice vote without objection a “no cost extension” of the UH-RTI contract. RTI will be asked to author a final report for the Commission that embodies the spirit and specific decisions of the Commission this fall.

The Commission considered a report by one of its workgroups on public education (workgroup members: Russell Okata, chair, Sister Agnelle Ching, Mary Boland, Nathan Hokama). Commissioners are in agreement that much needs to be done to establish widespread understanding of the risks for needing long term care services and the need to plan financially. After discussion, the Commission adopted the following principles about public education:
a. A public education campaign, whether paid for with state or private dollars, needs to be adequately funded, rather than passed to a state agency as a responsibility with no resources.
b. The Commission recommends that the Executive Office on Aging be given primary responsibility for implementing a public education campaign.
c. To be effective, an education campaign must go beyond mere advertising and engage individuals and groups with face-to-face communications.
d. The workgroup report ought to include 6 bullet points about public education that were enunciated in the Commission’s interim report.

The Commission began consideration of a report by the workgroup on private finance issues (workgroup member: Linda Chu Takayama, chair, Paul Brewbaker, Robin Campaniano, Ken Fink, Martha Im, Linda Posto). After discussion about insurance regulations, the Commission agreed by unanimous show of hands, to recommend the State Insurance Commissioner require that all long term care policies be offered with compound inflation protection and nonforfeiture benefits.

The Commission also considered long term care partnerships made possible by the 2005 Budget Act. Discussion revolved around Commissioner concerns about the effectiveness of such programs in other states. The workgroup chair reported that the workgroup could offer only lukewarm support for long term care partnerships. By a vote of 5-3, the Commission decided that its final report should state that “the Commission considered long term care partnerships and feel it is a low priority for further consideration at this time.”

The Commission considered tax incentives for private long term care insurance and the discussion was similar to that for long term care partnerships, but voting on specifics remained incomplete on this issue.

There being insufficient time remaining, the Commission recessed until its next meeting on November 16.

Adjourned 5:30pm
Long Term Care Commission
Meeting Minutes of November 16th, 2011, AARP Conference Room, 10:00 am

Appointed Commissioners attending and contributing to a quorum: Pat Blanchette, Paul Brewbaker, Waynette Cabral, Robin Campaniano, Sister Agnelle Ching (departed 11:02 am), Ron Gallegos, Stuart Ho, Russell Okada (departed 11:10 am), Linda Posto, Chuck Sted (departed 10:55 am), Eldon Wegner

Ex-Officio Members or their Designees/Representatives attending: Martha Im [DCCA], Wes Lum [DOH], Steve Tam [AARP]. Will Tungol [DHS]

Also in attendance: Josh Wiener of RTI International (via conference call), Linda Chu Takayama (Chair of Private Sector Initiatives subcommittee) (departed 11:13 am), Larry H. Nitz

Meeting was called to order at 10:00 am.

The meeting began with introductions of all in attendance.

Chair Stuart Ho referenced the work group reports.

Josh Wiener asked for responses on four questions:
1. Is compound inflation adjustment a mandatory offer? Yes.
2. Is some type of nonforfeiture benefit currently required? Yes, Contingent Nonforfeiture. Also available as an option is a Nonforfeiture rider, Shortened Benefit Period.
3. Is some type of nonforfeiture benefit a mandatory offer? Yes, Contingent Nonforfeiture.
4. Does the insurance commissioner review and approve premiums? If the premiums are not found to be adequate, what happens?
   Not addressed during the meeting. (Following the meeting, Linda Chu Takayama forwarded the following information: For purposes of long term care insurance, the Commissioner reviews and approves forms, advertising and an actuarial memorandum that is supposed to support the proposed rate. This is not a full-blown rate filing and the statutes stop short of explicit prior approval authority. In practice, the insurers work closely with the Ins. Division, and I am told that there has never been a case wherein the carrier used a rate that had not been approved by the Commissioner. Usually, there is some communication and negotiation. If the rate appears "excessive, inadequate or unfairly discriminatory," the insurer is asked to make the appropriate adjustments and refile.)

Linda Chu Takayama presented the Private Sector Initiatives Report.

Option 1: Strengthen Regulations of Private Long Term Care Insurance.
NAIC Model Regulations mandates compound inflation is offered.
Commission voted to accept the NAIC Model Regulation for Hawaii. (Note: Following the meeting Martha Im forwarded an email confirming that according to the Rate & Policy section of the Insurance Division, Hawaii had already adopted the NAIC Model Regulations.)
The Working Group agreed to support such consumer protections as mandated offers for non-forfeiture benefits and compound inflation adjustment. Upon further research, it was determined that such protections are already present in Hawaii statute and no further action on this issue is required at this time.

Option 2: Establish a “Public-Private” Partnership for Long-Term Care
Ron Gallegos made a motion to vote anew that the Partnership Program be included as a recommendation for the legislature’s consideration. Pat Blanchette seconded. Motion failed. Therefore the Commission will sustain what was recorded in the November 10th, 2011 meeting minutes, which read: “the Commission considered long term care partnerships and feel it is a low priority for further consideration at this time.”

Option 3: Provide Tax Incentives for the Purchase of Private Long-Term Care Insurance
Motion by Chuck Sted: The Commission should recommend that tax incentives be provided. Seconded by Stuart Ho. Motion failed.
Motion by Chuck Sted: The Commission should not recommend that tax incentives be provided. Paul Brewbaker seconded. Motion carried.
Pat Blanchette requested that reasoning be included to show that it was considered. Josh Wiener will include advantages and disadvantages.

Option 4: Life Insurance as a Source of Private Funding
Paul Brewbaker moved that Option 4 in the subcommittee report be adopted and that regulatory oversight of viatical settlements and secondary market transactions be set in place (see pp. 19 and 20 of subcommittee report). Second: Russell Okada. Motion carried.

Paul Brewbaker suggested looking into why younger employees are buying long term care insurance through their employers’ group plans. Eldon Wegner asked if tax incentives might encourage younger people, and if so, a cap on income levels should be in place. Paul Brewbaker recommended that employer-provided long term care insurance be portable.

Paul Brewbaker made a motion recommending that the legislature study incentivizing employer-provided portable long term care insurance policies. Robin Campaniano seconded. Motion carried.

Public Financing Work Group

Pat Blanchette reviewed the subcommittee report on Public Options. Medicaid loopholes exist within the Federal laws.
Pat Blanchette moved to recommend that the state review eligibility, closing legal loopholes that permit individuals to use estate planning maneuvers to impoverish themselves, thereby becoming eligible for Medicaid, a public assistance program for the truly needy. Eldon Wegner seconded. Vote not taken. Instead, Josh Wiener will acknowledge existing loopholes in a paragraph within the background information.

**Public Insurance Program**
Pat Blanchette recommended that the public insurance program be brought forth again. She reviewed the program, for which the last study was done ten years ago. A new study would be needed. Larry Nitz clarified some of the details of the program.

Eldon Wegner made a motion from the wording of the report summary page: the commission “recommends a study to determine the feasibility of a compulsory long-term care public insurance program for the employed and self-employed (only), which will not rely on the State general fund.” Paul Brewbaker seconded. Motion carried.

**Kapuna Care**
Pat Blanchette made a motion to adopt the three points from the recommendations which include: 1. Continuing support for the program. 2. Instituting a sliding fee schedule. 3. Should the public insurance option be established, amending the statutes to permit the use of the insurance benefit to pay for Kupuna Care services. Robin Campaniano seconded. Motion carried.

Related to ADRC: Eldon Wegner moved that 1. The ADRCs should be the single point of entry to the public insurance program (if established) and the Kupuna Care Program. 2. ADRCs will obtain and store private information and protected health information, and should be funded sufficiently to develop secure information networks in compliance with the HIPAA. 3. Should the public insurance program be established, agreement is to be reached with Trustees and Executive Office on Aging so that ADRC’s would be funded to provide assessment, information and referral. (Taken from points 1, 2 and 3 on p. 5 in Public Financing Work Group Report.) Pat seconded. Motion carried.

**Management Working Group Report**

Josh Wiener will submit the revised draft of the report by Friday, December 2nd, 2011.

Meeting was adjourned at 12:11 pm.
Long Term Care Commission
Hearing Minutes of January 6th, 2012, State Capitol Conference Room 229, 2:00 PM

Appointed Commissioners attending and contributing to a quorum: Patricia Blanchette, Waynette Cabral, Robin Campaniano, Sister Agnelle Ching, Ron Gallegos, Stuart Ho, Linda Posto, Chuck Sted

Meeting was called to order at 2:13 PM

The larger purpose of this meeting was to have a public hearing and comment period on the Commission’s draft report. The report, its appendices, and all written testimonies received are available at: http://www.publicpolicycenter.hawaii.edu/LTCC.html The Commission had already received 10 written testimonies prior to the meeting, and met to accept oral testimony. The written testimonies are attached to these minutes.

Individuals providing oral testimony to the Commission included James Kramer, Leon Dagdagan, Lynette Tanaka, Barbara Kim Stanton, and Jeanett Takamura.

James Kramer relayed his experience in the sales of private long term care insurance. He encouraged the Commission, if it is to recommend a public education campaign oriented around increasing demand for long term care insurance, to also recommend careful regulation of sales of such policies.

Leon Dagdagan expressed his disappointment, upon returning to Hawaii, that the state has not continued to remain at the forefront of policy solutions for aging populations. He emphasized the need to educate younger people about the need for financial planning for long term care.

Lynnette Tanaka, speaking from her personal experience with care homes and from her professional experience as a social worker at a rehabilitation hospital, urged the Commission to recommend better regulation of care homes and to recommend a prohibition on insurance companies using pre-existing conditions as a screen for providing long term care insurance.

Barbara Kim Stanton, state Director of AARP Hawaii, noted seven recommendations to the Commission that are contained in AARP’s written testimony. Beyond those recommendations, Ms. Stanton exhorted the Commission to recommend clear steps towards rebalancing long term care services towards home and community-based services. She also asked the Commission to exhort the state of Hawaii to pursue federal dollars more aggressively. For example, she noted that the state may be eligible for a 2% bump in the federal match it receives for Medicaid if it implements certain Medicaid structural reforms.

Jeannette Takamura of Columbia University spoke about the recommendations contained in her submitted written testimony.
Stuart Ho acknowledged Linda Chu Takayama, former Hawaii Insurance Commissioner, and Will Tungol of DHS, for their special assistance this past summer with the Commission’s workgroups.

Ron Gallegos addressed Ms Tanaka, as well as the rest of the audience, and noted that the care home industry has a strong interest in maintaining high service standards. He exhorted any person who experiences problems with a care home to contact regulatory authorities.

With no other business, the meeting adjourned at 3:18 PM.
LONG TERM CARE COMMISSION
Public Hearing, January 6, 2012
Conference Room 229, State Capitol
415 S. Beretania St.

Written Testimonies Received

Stanley, Patrick - Kupuna Caucus of Democratic Party of Hawaii

Hirada, Nancy

Jaycox, Kathleen

Lenzer, Anthony

Stanton, Barbara Kim - AARP Hawaii

Young, Jackie - American Cancer Society

Ribbentrop, Keith

Pratt, Dave

Takamura, Jeanette

Kelliiipo, Josephine
Kupuna Caucus, Democratic Party of Hawaii 01/02/2012

To: David Nixon, LTC Commission

From: Patrick Stanley*, Caucus Co-Chair

Re: LTC Commission Report

The DPH Kupuna Caucus represents only an interest group within the membership of the DPH, it does not officially represent the DPH as such. The caucus met on December 21, 2011 to consider your recommendations and find the following in general, specifics may be missing:

ES Exhibit 1:

A. **Life Insurance option** – We view LTC to be a health issue not a death issue; it is unlikely that death benefits are distributed equitably; most death benefits are confined to meager funeral expenses:

^Kupuna Caucus Position #1 - The KC-DPH opposes life insurance as an alternative to mandatory health insurance benefit coverage.

B. **Mandatory LTC insurance** – LTC contributions must be shared equally with employer; current Hawaii PHC covers 90% of full time workers and government costs are minimal since only standards need pre-approval by a small staff, it is “industry driven”; self-employed are not included because of instability of work record and their contributions would be double the employed; work record should be adjusted for spousal contributions; 10 year eligibility clause needs flexible point swap provision; 365 day penultimate life estimate is rash and needs humane input; HPHC uses only 2 part time employees to certify eligible plans:

^Kupuna Caucus Position #2 - The KC-DPH endorses the LTC Commission recommendations on mandatory LTC coverage with our stated exceptions.

C. **Regulatory Reform**: the Caucus recognizes that many kupuna needs are met by ohana and undocumented community support but we also recognize that opacity of information about senior care facilities is the major crime and scandal of the current era; family members must make immediate selections for
placement without any transparent information about the safety and honorability of facilities; the State House Health Committee has steadfastly refused to allow inspection information to be transparent and online:

^Kupuna Caucus Position #3 - The KC-DPH endorses the LTC Commission recommendations on regulatory, information transparency and centralization of access reform for all kupuna care related facilities.

D. Aging and Disability Centers: the Caucus is unsure about lumping aging with disabilities, the range seems too immense.

*Full Disclosure: I, Patrick Stanley, in 1967, crafted the first draft of a Bill for an Act to establish the Hawaii mandatory PrePaid Health Care law while a Legislative Research Bureau researcher at the request of Senator Nadao Yoshinaga. The bill, as submitted, was converted into a Resolution to study the matter. Professor Stefan Rheisenfeld, University of Chicago, was consulted and produced a revised version three years later. His revised draft became an Act signed into law by Governor Ariyoshi in 1971. Years later I was also an unrelated employee of the Hi Dept of Labor which had been entrusted to administer the law. The following comments reflect this experience and have been acknowledged by the Caucus./
<table>
<thead>
<tr>
<th>Subject</th>
<th>Long term care</th>
</tr>
</thead>
<tbody>
<tr>
<td>From</td>
<td>kikuo harada <a href="mailto:kandn@hawaiiantel.net">kandn@hawaiiantel.net</a></td>
</tr>
<tr>
<td>Date</td>
<td>Wednesday, January 4, 2012 5:59 pm</td>
</tr>
<tr>
<td>To</td>
<td><a href="mailto:dnixon@hawaii.edu">dnixon@hawaii.edu</a></td>
</tr>
</tbody>
</table>

This has been an on-going concern for many years. I believe the commission has made comprehensive recommendations. I think everyone should be responsible in some part for their future need, like Social Security. Education is a must first step. Thank you for your hard work. Aloha, Nancy
To the Members of the Hawai`i Long-Term Care Commission:

I am writing in support of the actions proposed in your final report to the Legislature.

Thank you very much for the time and energy you devoted to researching the key issues discussed in your report. I must admit, as a senior citizen who is able to pay my own monthly premiums for long-term care insurance, I was initially surprised by your second recommendation, discouraging tax incentives for the purchase of such insurance. But as I read your report, the arguments you presented soon led me to agree with you. It is important for the future of our state that we think about the needs of an aging population across all income levels.

I also appreciate the fact that you have addressed the need for balance between institutional care and other care options, especially home-based care. Clearly, more and more community- and home-based options will be needed to deal with the increasing percentage of the population who will need long-term care.

In your report, you have identified the very tricky “tightrope issue” of keeping long-term health care affordable both for the individual and for government. I think that your recommendations provide some very concrete starting points which can address this balance. In particular, you note the need to streamline the diversity of agencies with whom individuals must work as they move through long-term care. I definitely support this idea!

Again, many thanks to all the commission members for your hard work.

Sincerely,

Kathleen M. Jaycox  
jaycox@hawaii.edu  
261-7846
Dave:

A few things come to mind: (1) given the extensive actuarial and other work that went into designing the 2003 Care Plus Program, I'm curious why this couldn't have been updated to produce an estimated premium cost, especially since the currently proposed program is much more strictly defined and limited; (2) the Commission seems to be convinced that this is the way to go, yet is very hesitant in coming right out and saying so; is this primarily out of fear that people seem unwilling to pay for it and legislators are averse to adding new taxes? In short, that it might be politically unfeasible? If so, shouldn't a one major focus of the proposed public Education campaign be educating the public about the value of a mandatory insurance program?; (3) one of the recognized disadvantages of the insurance program is that it leaves a lot of people out; true, but, so what? It brings a lot more people IN, most of whom will never have private LTC insurance or will figure out how to use their life insurance for this purpose, and therefore will be stuck with paying out of pocket (I assume it will be increasingly difficult to qualify for Medicaid, even if people are willing to apply); and (4) finally, I'm wondering if the Commission or its staff was concerned about the legal challenges to the mandatory insurance provisions or the Federal Affordable Care Act, and whether a similar challenge might be brought against this program.

Anthony (Tony) Lenzer
Professor Emeritus of Public Health
University of Hawaii at Manoa
To: Long Term Care Commission  
Mr. Stuart Ho, Chair  
c/o David Nixon  

Date: January 6, 2012  

Re: Report of the Hawaii Long-Term Care Commission, Draft Final Report  

Chair Ho and Commission Members:  

My name is Barbara Kim Stanton, State Director of AARP Hawaii. AARP is a membership organization of people 50 and older with nearly 150,000 members in Hawaii. We are committed to championing access to affordable, quality health care for all generations, providing the tools needed to save for retirement, and serving as a reliable information source on issues critical to Americans age 50+.

AARP commends the commitment and careful deliberations that resulted in the Long-Term Care (LTC) Commission's Draft Final Report.

As the Draft Final Report clearly outlines, Hawaii's system of LTC has serious problems. According to the Commission's Report, the cost of a private pay nursing home in Hawaii exceeds $132,000 annually. That is a staggering $11,000, on a monthly basis, and well beyond the financial reach of most Hawaii residents. As a result, most seniors will opt to live in their home as long as possible. Family caregivers are shouldering the burden of caring for their loved ones, and on any given day in Hawaii, nearly one out of 5 people provide caregiving services. Caregiving is a 24-hour job, and the resulting caregiver burnout may force seniors into nursing homes which will result in higher long-term care costs for individuals and the State.

Ironically, instead of home and community based LTC services, the Hawaii LTC system is skewed heavily in favor of institutional services. Hawaii faces serious challenges in encouraging more private funding into the LTC system and making better use of public funding, especially Medicaid. We note that the 65 and older population is expected to increase by 71% from 2010 to 2030 and that the State is not prepared to adequately address the LTC challenges at our doorstep. Thus, we believe the Commission's focus in the Draft Report should be on concrete steps that Hawaii can take now to reform LTC.

In that spirit, the following are our comments on the stated recommendations in the Draft Report and recommended revisions to the Draft Report. Our comments address the recommendations in the order that they appear in the Draft Report and do not reflect AARP's position about their relative importance.

**Comments on the Commission's Draft Recommendations**

1) Conduct a long-term care education and awareness campaign
AARP agrees with the Commission that “there is little evidence that long-term care public education campaigns have much impact on behavior.”¹ In fact, AARP membership surveys showed that approximately 29% of those surveyed were misinformed and thought that LTC services would be paid by Medicare, when in most cases it does not. Despite the low impact of LTC education and awareness campaigns in other states, nonetheless, there is no question that that elevated public awareness of LTC is essential to solving the LTC problem. Meaningful reform would be difficult without a public that is better informed about LTC risks, costs and availability to themselves and their families.

AARP generally believes that a public awareness campaign should be but one of a number of elements of LTC reform in Hawaii. Further we believe that the private and non-profit sectors have a critical and in fact, necessary role for any public education and awareness campaign.

2) **Do not enact tax incentives for the purchase of private long-term care insurance**

AARP does not universally support or reject state tax incentives designed to encourage the purchase of private LTC insurance, but encourages policymakers to consider both the impact on tax revenues and who the incentives will likely benefit. As the Commission notes, tax incentives “may or may not induce very many people to change their behavior and purchase private insurance” and tend to benefit largely those people who would have bought policies without the tax incentives.² In such cases, the government cost per additional policy sold may be high. AARP also recognizes that these state tax incentives are often regressive – providing greater benefit to higher income individuals.

3) **Encourage life insurance as a source of private long-term care funding**

The Commission is encouraging the development of life insurance options as a source of private LTC funding which is an intriguing idea. This concept has been previously considered, but has not come to fruition due to many challenges. The proposed accelerated death benefit options for LTC first arose in the 1990’s, but there has been little growth in this sector with many insurers abandoning the options altogether.³ The recommendation to mandate the offer of accelerated death benefits may impact the prevalence of employer-sponsored life insurance policies, and the legality of such a mandate under state and/or federal law needs to be determined.

AARP’s policy is that states that do allow this funding mechanism should “regulate accelerated death, life settlement, and viatical settlement benefits to ensure full disclosure of information to consumers on the effect of accelerating benefits and should ensure that consumers receive fair actuarial compensation for the value of their life insurance.”

4) **Support funding for Kupuna Care**

---

¹ Draft Report page 20.
² Draft Report page 37.
³ Can 1 + 1 = 3? A Look at Hybrid Insurance Products with Long-Term Care Insurance, page 7, AARP PPI, 2007
AARP strongly supports the continued maintenance and growth of Kupuna Care, and expansion of vitally needed long-term services and supports. This program provides funding for services to populations who are not eligible for Medicaid, but cannot afford services or insurance on their own. While the recommended sliding fee schedule could be a method to generate additional revenue and expand LTC, we believe that any such scale should be set at levels to protect low income beneficiaries and to not exclude individuals who cannot afford to pay fees.

5) Establish a limited, mandatory public long-term care insurance program in Hawaii

This recommendation raises many political and practical challenges. While not opposed to such a program in principle, indeed AARP actively supported the CLASS Act as part of the Patient Protection and Affordable Care Act (ACA), further study is needed as to the feasibility of a state public long-term care insurance program, given the current political and economic environment.

6) Reform the regulation of domiciliary care facilities, including Adult Residential Care Homes, Extended Care Adult Residential Care Homes, Community Care Foster Homes, and Assisted Living Facilities, and nursing homes

Given the evidence of poor quality of care in certain residential care facilities in Hawaii, we agree that regulatory reform is necessary. AARP supports strong oversight and state funding to ensure the quality of all residential care facilities and supports regulatory programs that reduce complexity in the LTC system. The State should:

- provide ongoing monitoring and independent evaluation of state LTC systems with meaningful consumer input;
- focus monitoring efforts on improving resident outcomes;
- provide sufficient oversight infrastructure, resources, expertise, and commitment to LTC quality; and
- set licensing standards that address quality-of-care issues, including requirements for an adequate number of well-trained workers and a range of services to meet consumers’ needs, safety, and sanitation.

7) Consolidate Hawaii state departments responsible for long-term care into a single agency or department to improve accountability, efficiency, and policy coordination

This recommendation represents a potentially promising approach to streamlining the LTC system in Hawaii, achieving more consistent policymaking and enhanced economies of scale, and simplifying the consumer’s experience. This recommendation to consolidate operations allows for increased flexibility, particularly when the consolidated agency has budgeting authority to shift funds among LTC services, to increase spending on HCBS, and to improve consumer access to those services. Consolidation, including global budgeting, by giving responsibility for the budget of all LTC programs to a single administrative unit would allow the financing to follow consumers through the system as their needs and preferences change over time.

8) Strengthen Aging and Disability Resource Centers and expand their role

See Draft Report page 61.
Hawaii’s ADRC program needs improvement. AARP’s recently published State Long-Term Services and Supports Scorecard (the “Scorecard”) ranks Hawaii 41st in ability to access LTC through an ADRC or other single entry point. The ADRC program provides states with an opportunity to effectively integrate the full range of LTC into a single, coordinated system. The expanded responsibilities of the ADRC contemplated by the Commission here, specifically serving as the single point of entry for the new public long-term care insurance program (if established) and Kupuna Care, raise questions on whether federal funding would be available for these services and whether the ADRC will be tailored to qualify for additional funding under the ACA. Even with any such proposed expansion, it is important not to lose sight of the broader, core purposes of the ADRC and the goal to use the ADRC to help people access home and community based services (HCBS) where possible.

**Recommended Additions to the Draft Report**

In reviewing the Draft Report, two areas should be more fully addressed by the Commission.

**Establishing Clear Steps Towards Rebalancing**

As noted by the Commission, Hawaii’s Medicaid Quest Expanded Access program’s “financing and delivery system is highly skewed toward institutional care,” even though Hawaii residents have indicated a strong preference for receiving care in their homes. The Commission states a clear goal to “Change the balance of institutional and home and community-based care,” and increased emphasis by the State is needed to address the HCBS supply deficiency and financing imbalance in Hawaii.

Rebalancing should be a main focus of LTC reform in Hawaii. The recent AARP Scorecard gives Hawaii low marks on rebalancing efforts. States across the country are realizing that rebalancing is a proven strategy that can be pursued immediately to slow Medicaid cost growth in the future. Although the new Quest Expanded Access program in Hawaii has shown some promise in promoting HCBS, rebalancing still stands out as an area for improvement and warrants more direct attention by the State.

**Pursuing Appropriate Federal Funding Opportunities**

The State should also take advantage of the significant federal funding opportunities and incentives available to the state under the ACA to help promote a better balance between HCBS and institutional services. For example, as Hawaii currently spends less than 50% of its Medicaid LTC dollars on HCBS, Hawaii is eligible for a 2% increase in its federal match rate for LTC by

---

5 Hawaii: 2011 State Long-Term Services and Support Scorecard Results. AARP, the Commonwealth Fund, and the SCAN Foundation. September 2011.
6 Draft Report page 1.
7 Draft Report page 2.
8 The Scorecard ranks the state 42nd in percentage of Medicaid and state-funded spending going to HCBS options compared to institutional care for older people and adults with physical disabilities, 33rd in percentage of new Medicaid LTC users first receiving services in the community, and 2nd in percentage of nursing home residents with low care needs.
implementing structural changes to its Medicaid program.\textsuperscript{9} Hawaii can also choose to take advantage of the Community First Choice Option – a new Medicaid state plan option that covers attendant care services and supports for Medicaid-eligible individuals with institutional level of care need. Using this option, Hawaii would receive a 6% increase in Medicaid federal match rate for expenditures related to this option.

It is a federal Medicaid priority to improve the LTC sector in ways that will slow Medicaid spending and the ACA provides a time-limited opportunity for states to access funding to accomplish this goal. The Draft Report should encourage Hawaii to carefully explore these and other funding options and aggressively pursue opportunities that will assist the state in meeting its LTC rebalancing goals.

In summary, we urge the Commission to focus on recommending major concrete steps to accelerate LTC reform to address the needs of Hawaii’s rapidly aging population.

Thank you for the opportunity to provide comments.

January 6, 2012

Hawaii Long Term Care Commission
Public Hearing
State Capitol Room 229
415 S. Beretania Street
Honolulu, Hawaii  96813

Comments provided by the American Cancer Society regarding Long Term Care in Hawaii
Jackie Young, Chief Staff Officer
Cory Chun, Government Relations Director

Thank you for the opportunity to share comments regarding long term care in Hawaii. The American Cancer Society (ACS) is the nationwide, community-based, voluntary health organization dedicated to eliminating cancer as a major health problem by preventing cancer, saving lives, and diminishing suffering from cancer, through research, education, advocacy, and service.

ACS would like to thank the Commission for their work in providing viable solutions to solve our long term care crisis. Here in Hawaii we continue to see a strong correlation between the age and cancer incidences. As the age of our population rises, so too will the state’s cancer incidence rates. The findings of the Governor’s Blue Ribbon Panel on Cancer Care in Hawaii, established in 1999, found that:

“Overall, Hawaii’s world standard, age adjusted incidence rates for cancer exceed the world average. In Hawaii, for virtually every cancer site, one observes considerable ethnic variation in both incidence and mortality. Cancer incidence increases quite dramatically with age. Based on Hawaii’s aging population, the number of Hawaii citizens with cancer is expected to double over the next 30 years.”

Long-term care is a serious health concern for not only cancer patients, but for the entire population. As the population ages, however, we are concerned with the rise in cancer incidences and the care required for the treatment of cancer. The American Cancer Society will continue to work with community health providers and stakeholders to address this pressing issue. Thank you for the opportunity to provide comments.

1 The Governor’s Panel on Cancer Care in Hawaii, 2002 Final Report, Appendix I.
Having read the Long-Term Care Commission Report, I am surprised to see little mention of long term-care programs available to our state’s military veterans including their implications to other state programs. Our veterans have made valuable contributions to our country by protecting our Nation’s ideals. Today the state veteran population is in excess of 120,587 representing approximately ten percent of Hawaii’s total population. Roughly speaking, Hawaii’s veteran population aged 45 and older is 88,000, 44,000 of which are over the age of 65. The veteran population is relatively stable and, by the year 2030, veterans aged 65 or older is projected to exceed 38,000.

There are three primary entities that offer care and finance to Hawaii veterans. They within Hawaii, the State Veterans Home program (SVH), under the Dept. of Veterans Affairs (VA), the Veterans Health Care Administration (VHA) and the Veterans Benefits Administration (VBA). Identifying who is best suited to provide services can be a daunting task.

Currently, the Yukio Okutsu State Veterans Home – Hilo is the only SVH. It is a 95 bed SNF/ICF facility that also offers an Adult Day Health Care Program. This facility is managed by contract and there is no operational or maintenance cost to the State. Eligibility for the SVH is determined by the state and includes veterans who are disabled by age, disease or those incapable of earning a living due to disability as well as spouses who have not remarried and Gold Star parents. Services available include domiciliary, nursing home and adult day health care. VA standards for the SVH program mandate facility and quality of care that exceeds Medicare/Medicaid standards.

The VA carries out funding for the SVH program by way of two grant-in-aid programs. It may participate in up to 65 percent of the cost of construction or acquisition of State nursing homes or domiciliary or for renovations to existing State homes. When a State accepts VA SVH construction grant assistance, at least 75 percent of the bed occupants at any one time at the facility must be veterans. Twenty five percent may be spouses of veterans who have not remarried. The second part of the grant-in-aid program is per diem payments for the care of eligible veterans in State homes. There are two types of per diem: the Basic Rate and an Enhanced Rate. Paid monthly for each veteran in residence, the Basic Rate is paid in addition to any Medicaid reimbursement. Public Law 109-461 established an Enhanced Rate per diem. The Enhanced Rate reimburses the SVH for the actual cost of care for each veteran with a Service Connected Disability.
It is not reasonable to expect that people, who spend their entire lives in a location, abandon their community and family ties for the sake of long-term care. Hawaii’s unique geography poses challenges. The VA has allotted a total of 216 SVH beds to the State of Hawaii. Of the allocated beds, 95 are at the Yukio Okutsu State Veterans Home – Hilo. The remaining balance does not appear to be sufficient to meet the needs of Kauai’s 6,300 veterans (2,600 older than 65), Maui’s 11,751 (4,900 older than 65), or Oahu’s 80,969 (29,000 older than 65).

Federal VA benefits provide a wide range of long-term care services including nursing home care, domiciliary care, adult day health care, geriatric evaluation and respite care. Nursing home benefits may be provided if specific qualifications are met. Those are: a veteran must be in need of such care and seeking nursing home care for a service-connected (SC) disability, a veteran is rated at a 60% SC disability and is unemployable, a veteran is rated at a 60% SC disability and is permanently and totally disabled (P&T) OR for any condition if the veteran has a combined SC disability rating of 70% or more. The care will be provided in a VA nursing home or contract nursing home. Non Service Connected (NSC) and non-compensable zero percent SC veterans can apply for long term care in the VA but could be subject to long term care co-payments. Veterans with a compensable service-connected disability are exempt from long term care co-payments in Federal facilities. NSC veterans applying for extended care or nursing home care may be a subject to determination of the family's current income and assets. Veterans requiring nursing home care for a service-connected condition or a veteran rated at a 70% or greater SC have mandatory eligibility for admission to Extended Care Services; and, those veterans are eligible to have indefinite care provided to them in the VA or in a VA contracted nursing home.

It is important to note that the VA is composed of several administrations; and as just as important to know that the VA has no real means of effective of internal communication about a veteran or their status.

Following is a very brief and limited summary of the plethora of programs offered under the Veterans Health Care Administration; Geriatrics’ and Extended Care Unit (long-term care). Please note that each of options offered by the VA has different eligibility and admission requirements and may not be available because of lack of qualified service providers:

- VA Community Living Centers - Provide short-stay and long-stay nursing home care to Veterans on or near a VA medical center property.

- Community Nursing Homes - Provide care for Veterans in community nursing homes that have a contract with a VA medical center.
• Respite Care - Provides Veterans with short-term institutional and non-institutional services in order to give the Veteran's caregiver a period of relief from the demands of providing daily care.

• Residential Care - Community Residential Care and Medical Foster Homes provide room, board, and personal assistance for Veterans who do not need nursing home care but are unable to live on their own.

• Adult Day Health Care – Therapeutic day program

• Home Based Primary Care - Provides long-term primary care to chronically ill Veterans in their own home.

• Homemaker and Home Health Aide - Provides home and community based services to Veterans needing nursing home care.

• Purchased Skilled Home Care - A professional home care service that VA medical centers purchase from private-sector providers.

• Community Residential Care and Medical Foster Homes - Provide room, board, and personal assistance for Veterans who do not need nursing home care but are unable to live on their own. Medical Foster Homes Programs match a Veteran with a community caregiver who takes the Veteran into their home and provide 24-hr supervision and assistance.

• Hospice and Palliative Care - Provides comfort-oriented and supportive services for Veterans with advanced life-limiting disease.

Additional Benefits monetary benefits from the VA Benefits Administration include Aid and Attendance and Housebound benefits:

Aid and Attendance (A&A) is a benefit paid in addition to monthly pension. This benefit may not be paid without eligibility to pension. A veteran may be eligible for A&A when:

The veteran requires the aid of another person in order to perform personal functions required in everyday living, such as bathing, feeding, dressing, attending to the wants of nature, adjusting prosthetic devices, or protecting himself/herself from the hazards of his/her daily environment, OR,

• The veteran is bedridden, in that his/her disability or disabilities requires that he/she remain in bed apart from any prescribed course of convalescence or treatment, OR,
• The veteran is a patient in a nursing home due to mental or physical incapacity (note: income derived from VA Pension, Aid and Attendance is subject to Medicaid recovery it allows the Veteran to retain a greater monthly stipend.)
Housebound is paid in addition to monthly pension. Like A&A, Housebound benefits may not be paid without eligibility to pension. A veteran may be eligible for Housebound benefits when:

- The veteran has a single permanent disability evaluated as 100-percent disabling AND, due to such disability, he/she is permanently and substantially confined to his/her immediate premises, OR,
- The veteran has a single permanent disability evaluated as 100-percent disabling AND, another disability, or disabilities, evaluated as 60 percent or more disabling.

Award of a non service connected disability pension by the VBA and/or Aid and Attendance and Housebound programs allow veterans greater access to VHA Health Care Administrations Long Term Care programs.

Recently, AARP conducted a long-term care awareness workshop in Hilo. The workshop was very well attended largely due to curiosity and concern about potential long-term care issues. I believe that continuing public education is necessary spotlighting individual programs and their specific benefit limitations and requirements. Additional funding is needed for the Hawaii State Office of Veteran’s Services to provide outreach, education, and claims assistance to veterans with service connected disabilities as well as non–service connected disability pensions to veterans, spouses and spouses who have not remarried after the death of a veteran. Beginning with service to the 89,000 veterans on Oahu, a State Veterans Home and its programs need to be established on each Island. These Homes provide high quality long – term care at little or no cost to the State or the individual. Further, SVH program expansion could potentially increase the overall availability of long-term care beds and could significantly reduce or eliminate certain State costs paid to programs cited in the Commission’s Report.

Thank you for the opportunity to comment on the Commission’s report.

Post Office Box 29, Volcano HI 96785-0029
Telephone: (808)967-7563
Email: keith.ribbentrop@gmail.com
Sir,

I fully admit that I haven't read the report and have only read the article in West Hawaii today. So, if you choose to discount my opinions, fine. That being said, as a recent retiree and having just moved to the Big Island, I feel that I have a say in the matter at hand. From the article and other reports like it, the answer always seems to be abdication of personal / familial responsibility in favor of another government program with the associated organizational infrastructure, taxes, and laws. Nobody is forcing us to live in a state that has the "4th highest cost of in the nation". That is our choice and not all choices are good ones. If I can't afford to live here, I should move to some place or in with some one where I can. So, that being said, I am opposed to another government program to cover for people who don't want to plan at the expense of those who have.

Dave Pratt
From the home / personal account
Chairman Ho and Members of the Long Term Care Commission:

My name is Jeanette Takamura. I am Dean of the School of Social Work at Columbia University. From 1987 to 1994, I served as Director of the Executive Office on Aging and from 1995 to late 1997 I was Deputy Director of the Hawaii State Department of Health. Subsequently, I served as Assistant Secretary for Aging in the U.S. Department of Health and Human Services. My testimony is submitted as a private citizen and resident of Hawaii.

I learned recently of the Commission’s engagement in the development of a comprehensive assessment of Hawaii’s existing long term care system and of recommendations to address the state’s long term care needs. Arguably, these are needs that will grow ever more dramatically in the future, particularly with the aging of the baby boom population. The Commission is to be commended for its efforts and in particular Chairperson Stuart Ho should be acknowledged for giving voice to very real, persistent issues that require courageous, responsive action by policymakers. At the urging of Barbara Kim Stanton, Executive Director of AARP in Hawaii, I am submitting this hastily drafted expression of concern and support. Please note that I received a copy of the Commission’s report yesterday afternoon and have not had an opportunity to peruse it in full. Nonetheless, hopefully the historical context provided in this testimony and lessons that have been learned in preceding decades will help to illuminate the necessity for bold action. If the past is instructive, it is entirely possible that inaction will continue to be the course taken once again. Unfortunately, policy inaction will mean that many will continue to suffer now and in the decades ahead – not just older persons, but their family members of all ages.
Since the 1970’s, long term care has been an issue on the state’s aging policy agenda. Two decades later -- at the start of 1991, the Executive Office on Aging (EOA) presented Financing Long Term Care: A Report to the Hawaii State Legislature to review the dimensions of the long term care financing challenge before the state. The report conveyed findings in one of three areas examined by the EOA and three public-private sector committees. The other areas were: the long term care service system and the quality of long term care services, all in the State of Hawaii. This tri-prong effort was itself part of a larger state-funded endeavor which included an extensive multi-year public awareness campaign, programs to improve quality of care, and an effort to increase the supply of long term care services for-fee through a business development initiative.

To be more specific, for example, the EOA conducted a comprehensive multiyear public awareness campaign that included:

- Two years of a state-funded, EOA produced television series called *LTC: Let’s Take Charge!* that aired on Hawaii PBS weekly. The series offered information to familiarize the public with long term care, chronic conditions, and care techniques, assistive devices, and services that could be utilized by caregivers and individuals needing care.

- A multilingual telephone access-line (called SAGEline) that provided a menu of recorded information about aging and long term care services to callers in Chinese, Japanese, Ilocano, Samoan, and other languages.

- Community information sessions on long term care that were conducted on all islands, that involved the area agencies on aging, and were often facilitated by public sector retiree organizations.

- Multilingual *LTC: Let’s Take Charge!* informational materials that were available throughout the state.

- Caregiver training programs through the community colleges throughout the state.

Concomitantly, EOA received funds from the Legislature to establish a LTC Business Development Fund that awarded start-up monies to private sector organizations and individuals who had developed an acceptable business plan.
for long term care services for-fee. A business development training program was contracted through Kapiolani Community College and interested parties were enrolled and provided assistance with the formulation of long term care business plans.

While the foregoing were conducted, the Family Hope Program proposal to address the knotty long term care financing issue was placed before the Legislature. The proposal was developed by EOA staff and a team of consultants that included two individuals in Hawaii along with the Actuarial Research Corporation, Lewin-ICF, Dr. Judith Feder of Georgetown University, Edward Howard who was General Counsel of the U./S. Bipartisan Commission on Comprehensive Health Care, and others. EOA and its consultants recalibrated the 22,000 person sample used in the Lewin-ICF simulation model to resemble a randomly selected profile of Hawaii’s population and ran a number of long term care financing options through to assess the outcomes of each option in relation to the sample population.

The Family Hope Program proposal called for a mandatory state long term care financing program which included opportunities for supplemental private long term care insurance for either the front or back end of coverage. It was supported by many aging service, advocacy, retiree, professional, and other organizations and opposed by business and insurance lobbies. Had the proposal been enacted as late as 1995, those who had paid into the program would now have been insured for many years. They would already have access to coverage for home and community based as well as institutional care.

Versions of the Family Hope Program were reintroduced year after year. And since 1991, there have been a number of commissions and long term care studies produced under the aegis of the state. Bold leadership was provided by former First Lady Vicki Cayetano in an attempt yet again to address the financing conundrum. A long term care financing measure was passed by the Legislature several years ago and was later vetoed by then Governor Linda Lingle.
An aging agenda that has included long term care as a component for nearly 40 years and commissions, studies, and public education conducted for more than two decades have not persuaded policy makers. What we learned in the process of designing the Family Hope Program remains germane today: benefits cannot be expected at no cost. The cost of long term care is inescapable. Long term care services and the “system” that still needs to be built to meet Hawaii’s people’s needs cannot depend upon legislative funding on a year-to-year basis. Government line-item funding is not reliable, and family resources are typically inadequate to shoulder the expenses entailed in long term care.

There simply are no easy answers and no right time. Likely the only way to pay for the protection of Hawaii’s individuals and families is through a mandatory, tax-based program that links payments by individuals to their earned benefits. But this takes courage.

Let me add my appreciation to the Commission for its work. Let us hope that it has not been in vain.

Thank you for permitting me to submit this testimony on an issue that will only grow in magnitude with the aging of the Baby Boomers
<table>
<thead>
<tr>
<th>Subject</th>
<th>Report of the Hawaii Long-Term Care Commission Draft Final Report (Comments from Josephine Keliipio)</th>
</tr>
</thead>
<tbody>
<tr>
<td>From</td>
<td>&quot;J.Lilinoe&quot; <a href="mailto:j.lilinoe@gmail.com">j.lilinoe@gmail.com</a></td>
</tr>
<tr>
<td>Date</td>
<td>Friday, January 6, 2012 8:10 am</td>
</tr>
<tr>
<td>To</td>
<td>David Nixon <a href="mailto:dnixon@hawaii.edu">dnixon@hawaii.edu</a></td>
</tr>
</tbody>
</table>

Aloha,

As a 58 year-old senior taxpayer, voter and an advocate for elderly independent living, the following are my comments on the HLTCC Draft Final Report:

1) According to the landmark Starfield Study (JAMA, 2000), the US medical system is the THIRD leading cause of death behind cancer and heart disease. In addition, more than 100,000 patients die each year due to taking drugs as prescribed to them by their own doctors. The reason why this information is important to me is because if the medical system and doctors are responsible for KILLING these many people, can you imagine how many people are INJURED and become unable to care for themselves because of the US medical system? I wonder how many of these sick and disabled people are ending up as long-term care patients due to medical system induced disabilities and sicknesses?

2) While I don’t have any studies about the food that we are eating I do know that much of the food that the average person eats is either highly processed and filled with poisonous and carcinogenic additives (like aspartame, high fructose corn syrup, MSG, fluoride, etc.) or seriously lacking in vital nutrients that our bodies must have in order to keep us well. When we eat enough of these bad foods, we usually end up having some serious health problems like diabetes, obesity, cancer, etc. and become sicker sooner in our lives and for longer periods of time. I wonder how many of these sick and disabled people are ending up as long-term care patients due to a food system that makes us sick and keeps us sick?

Bottom line is that while the HLTCC Draft Final Report speaks the lack of adequate long-term care facilities and financing for them it fails to address ways in which we can keep our aging population healthier so that they DON’T need to use these facilities at all or so early in their lives. I know it is a sensitive subject to admit that the medical system and our food system might be the primary culprits in causing so much illness and disability but I don’t see how we can discuss long-term care w/o addressing these factors.

Mahalo,

Josephine Keliipio
76-168 Royal Poinciana Drive
Kailua-Kona, Hi 96740
(808) 326-7998