

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> 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@hawaiiintel.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 storke , Aug 17, 2010. I was forced to leave the Hospital with no case manager instructions. I am deemed Pernant 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 wont 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 trasion 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 my self 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 CareJ

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 icare nsurance policy that I took when I was in my 50"s I don't think it is enough. I request that your committtee 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

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Subject: Long-term Care

From: Barbara <dinoff@hawaii.edu>

Date: Wed, 09 Mar 2011 18:46:34 -1000

To: dnixon@hawaii.edu

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

Subject: RE: Hawaii Not Ready for Aging Tsunami
Date: Wed, 09 Mar 2011 18:09:09 -1000
From: Peter Inoue <Peter@401khawaii.com>
To: dnixon@hawaii.edu

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
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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."

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Subject: Long-Term Care
From: Kathleen Jaycox <jaycox@hawaii.edu>
Date: Wed, 09 Mar 2011 20:29:02 -1000
To: dnixon@hawaii.edu

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

Subject: Long Term Commission / Hawaii's aging.
From: Phyllis Manini <phyllis@westbeachrealty.com>
Date: Wed, 09 Mar 2011 16:27:50 -0800 (PST)
To: dnixon@hawaii.edu

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 afforded 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

Subject: TESTIMONY TO THE LONG-TERM CARE COMMISSION; STATE CAPITOL, 3.10.11
From: John Nakao <ltca@hawaii.rr.com>
Date: Wed, 09 Mar 2011 16:53:10 -1000
To: David C Nixon <dnixon@hawaii.edu>
CC: LTCA@hawaii.rr.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

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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_phase1_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

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[Donna Schmidt \(Donna@cmihawaii.com\)](mailto:Donna.Schmidt@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. InPenna. 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

Subject: LTC priorities for Hawaii's Kupuna
From: Patrick <patstanley1@hawaiiantel.net>
Date: Wed, 09 Mar 2011 10:37:01 -1000
To: dnixon@hawaii.edu

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

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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@hawaiiintel.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,

A handwritten signature in black ink that reads 'Barbara Kim Stanton'. The signature is written in a cursive, flowing style.

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