



**Weathering the Storm: The Impact of the Great
Recession on Long-Term Services and Supports**
State Profile: HAWAII

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INTRODUCTION

Weathering the Storm: The Impact of the Great Recession on Long-Term Services and Supports is the most comprehensive analysis to date on the budget cuts to both Medicaid and non-Medicaid funded long-term services and supports (LTSS) in each state. It also illustrates state-by-state how LTSS are financed. In addition, this study provides a very early snapshot of the likelihood of states pursuing some of the LTSS provisions within the Affordable Care Act (ACA).

Weathering the Storm contains several components:

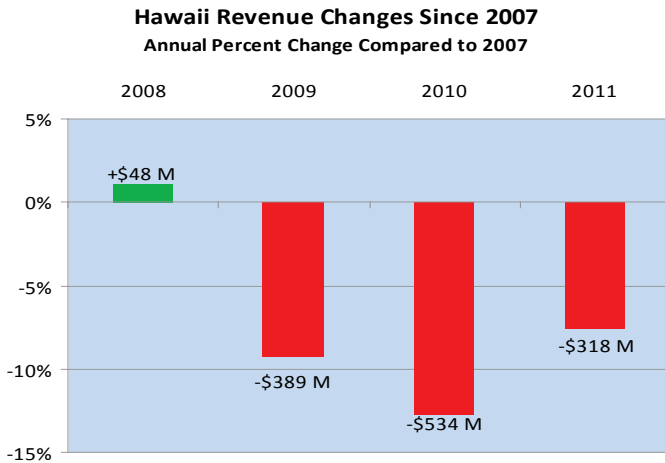
- The full report with an overview of findings and state-by-state tables;
- State profiles, which are 4 to 5 pages in length, for each state that participated in the study;
- An In Brief, which is a short synopsis; and
- A videotaped interview about the key findings.

Hard copies of *Weathering the Storm* are available free of charge. To order, please call the AARP Public Policy Institute at (202) 434-3890 or email jgasaway@aarp.org.

All of the components of *Weathering the Storm* are also available on the web and can be found at www.aarp.org/ppi, www.nasuad.org, and www.healthmanagement.com.

HAWAII

TAX COLLECTIONS



Source: HMA analysis of state tax collection data from the National Association of State Budget Officers (NASBO), Spring Fiscal Survey of States, 2008 (for baseline 2007 data); Spring Fiscal Survey of States, 2009 (for 2008 data) and Spring Fiscal Survey of States, 2010 (for 2009 actual, 2010 estimated, and 2011 projected). Revenue represents the following taxes if collected by the state: **Personal Income, Corporate, and Sales**. Percent change and change in amount collected (in millions) represents the divergence between the state fiscal year noted and baseline SFY 2007.

ARRA FUNDING

IMPACT OF ARRA ENHANCED MEDICAID FMAP EXPIRATION

PREDICTED IMPACT OF THE EXPIRATION OF THE ARRA NUTRITION FUNDING

- Too soon to tell.

STATE UNIT ON AGING AND DISABILITY (NON-MEDICAID) SERVICES

STATE UNIT ON AGING NUMBER SERVED (UNDUPLICATED)

SFY 2009 (actual)	SFY 2010 (projected)	SFY 2011 (projected)	% Change SFY 2009–2011
8,886	9,000	9,500	7%

STATE UNIT ON AGING TOTAL EXPENDITURE REDUCTIONS – ACTION TAKEN

SFY 2009–2010	SFY 2010–2011
None	None

STATE UNIT ON AGING SERVICE DEMAND AND EXPENDITURE CHANGES

Program	Change in Expenditures		Change in Service Requests SFY 2009–2010
	SFY 2009–2010	SFY 2010–2011	
Adult Foster Care	NA	NA	
Adult Day Care	+	0	
Adult Protective Services	NA	NA	
Assisted Living	NA	NA	
Behavioral Supports	NA	NA	
Case Management	+	0	
Chore	0	0	
Community Transition	NA	NA	
Congregate Meals	+	0	
Day Habilitation	NA	NA	
Disease Prevention/Health Promotion	+	+	
Elder Abuse Prevention	+	+	
Environmental Modifications			
Equipment and Supplies			
Family Caregiver Support			
Food Stamps/Supplemental Nutrition Assistance Program			
Foreclosure Counseling	NA	NA	
Homemaker			
Home-Delivered Meals	+	0	
Housing Assistance	NA	NA	
Information and Referral	0	0	
Legal Assistance Development	0	0	
LIHEAP			
Long-Term Care Ombudsman	0	0	
Nutritional Supplements	NA	NA	
Occupational Therapy	NA	NA	
Personal Care/Assistance	+	0	
Physical Therapy	NA	NA	
Recreational Therapy	NA	NA	
Residential Habilitation	NA	NA	
Respite			
Senior Community Service Employment Program	NA	NA	
Senior Centers	0	0	
Speech Therapy	NA	NA	
State Adult Guardianship Program	NA	NA	
State Pharmaceutical Assistance	NA	NA	
Supported Employment	NA	NA	
Supported Living	NA	NA	
Transportation	0	0	
+ Expenditure/demand increase	0	No change in expenditure/demand	DK Don't know
- Expenditure/demand decrease	NA	Program not administered by SUA	

STATE UNIT ON AGING NON-MEDICAID HCBS EXPENDITURES

SFY 2009 (actual)	SFY 2010 (projected)	SFY 2011 (appropriation)	% Change SFY 2009–2010
\$5,544,447	\$5,624,172	\$5,624,172	1%

MEDICAID LONG-TERM SERVICES & SUPPORTS

NUMBER OF BENEFICIARIES: WAIVERS & NURSING FACILITIES

Waiver Name	Avg. Daily Caseload			% Change SFY 2009–2010
	SFY 2009	SFY 2010	SFY 2011 (planned)	
Nursing Home Without Walls *	900	0	0	-100%
Residential Alternative Community Care Program *	1,200	0	0	-100%
HIV Community Care Program *	30	0	0	-100%
Nursing Facility Services	Avg. Daily Census 2010		Expected Change 2011	
NF Average Daily Census				

- Hawaii implemented a mandatory managed care program for 41,000 clients who are 65 or older, or individuals with disabilities of any age on February 1, 2009. Clients receive primary, acute, and long-term services and supports (LTSS) in this managed care program.
- Home and community-based services (HCBS) waivers were discontinued on January 31, 2009, and the clients were moved into managed care; the number served are estimates for the month of January 2009.

LTSS EXPENDITURES (FEDERAL AND STATE)

Service	SFY 2009	SFY 2010 (Estimate)	SFY 2011 (Appropriation)	% Change SFY 2009–2010
HCBS Waivers (For Older People and Adults with Physical Disabilities) *	\$15,561,000	\$0	\$0	-100%
Medicaid LTSS State Plan				
Nursing Facility				

- HCBS waivers were discontinued on January 31, 2009, and the clients were moved into managed care. The state no longer tracks expenditure data for LTSS because it is part of the capitation payments in managed care.

LTSS PROVIDER PAYMENT RATE CHANGES

Provider Type	SFY 2009–2010 % change	SFY 2010–2011 % change
Nursing Home	0	+0.8%
Home Health	0	0
Personal Care Services		
HCBS Waiver Services		
+ Provider rate increase - Provider rate decrease 0 No change in provider rate		NA Not applicable

- The state is no longer setting service-specific rates because all services are included in the managed care capitated rate.

OPTIONS, OUTLOOK, AND PROMISING PRACTICES

The Medicaid agency and State Unit on Aging were asked about their intent to pursue options under health care reform, to provide their thoughts on the outlook for LTSS, and to share promising practices in their state. This section combines information from both agencies if both agencies responded.

See the Overview for descriptions of these provisions.

State's Intent to Pursue LTSS Provisions in the Affordable Care Act	Very Likely	Somewhat Likely	Not Likely	Don't Know
State Balancing Incentive Program				X
Community First Choice Option			X	
Money Follows the Person Demonstration				
1. Apply for new program				
2. Apply for extension of existing program	X			
Medical/Health Home Initiative				
1. Agency applying for planning grant				X
2. State plan amendment to establish medical/health home services				X
3. Apply to establish community health teams				X

STATE PRIORITIES: 18 24 MONTHS

- Strengthening the working relationship between the State Unit on Aging (SUA) and the Medicaid agency.
- Increasing SUA and Area Agencies on Aging awareness and enhancing the working relationship with disability advocates.
- Expanding Hawaii's Aging and Disability Resource Center (ADRC) statewide through significant systems change efforts. Initiating a consumer-directed service option (first through the Community Living Program by identifying at-risk individuals through the ADRC and linking them to HCBS to retain them in the community, offering options of consumer-directed services or agency-directed services).

STATE ISSUES

- Ensuring financial sustainability of ADRC and other initiatives that will need increased funding for staff and consumer supports.
- Assuring that the programs encouraging HCBS are in place and meet the clients' needs, if this is the clients' choice.

STATE PROMISING PRACTICES

- The QUEST Expanded Access (QExA) managed care program, which provides acute, primary, and LTSS to adults over age 65 and individuals with disabilities of any age.
- State-funded KUPUNA CARE program (HCBS supports targeted to older adults).
- Hawaii Healthy Aging Partnership, delivering chronic disease self-management programs statewide.
- EnhanceFitness provided in targeted communities with plans to expand to geographic areas statewide.

The information in this profile represents information available to state officials at a point in time. Surveys were conducted from June through September 2010. Hawaii's fiscal year begins July 1 and ends June 30.

