June 7, 2019 GOV. MSG. NO. 1192

The Honorable Ronald D. Kouchi, President and Members of the Senate
Thirtieth State Legislature
State Capitol, Room 409
Honolulu, Hawai‘i 96813

The Honorable Scott K. Saiki, Speaker and Members of the House of Representatives
Thirtieth State Legislature
State Capitol, Room 431
Honolulu, Hawai‘i 96813

Dear President Kouchi, Speaker Saiki, and Members of the Legislature:

This is to inform you that on June 7, 2019, the following bill was signed into law:

SB1240 SD1 HD1 CD1 RELATING TO MEDICAID WAIVER.
ACT 091 (19)

Sincerely,

DAVID Y. IGE
Governor, State of Hawai‘i
A BILL FOR AN ACT

RELATING TO MEDICAID WAIVER.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAI'I:

SECTION 1. The legislature finds that the State's department of health developmental disabilities division operates the medicaid intellectual and developmental disabilities home and community-based services waiver under the medicaid services section 1915(c) of the Social Security Act (HCBS I/DD waiver) on behalf of the department of human services med-QUEST division, which is the state medicaid agency. The HCBS I/DD waiver is reviewed and approved by the United States Department of Health and Human Services Centers for Medicare and Medicaid Services (CMS) and has many requirements to ensure appropriate and efficient provision of services and supports to people with intellectual and developmental disabilities.

The legislature further finds that CMS requires that states provide participant safeguards to ensure the health, safety, and rights of HCBS I/DD waiver participants and ensure services are delivered by qualified providers. The developmental disabilities division conducts an initial review of all
applications from provider agencies to ensure medicaid requirements are met. The med-QUEST division conducts final review approval. HCBS I/DD waiver provider agencies are required to follow waiver standards and policies and procedures for staff training and supervision to ensure the health and safety in the settings where participants receive HCBS I/DD waiver services. The developmental disabilities division conducts oversight and continuous quality assurance to ensure safe and appropriate practices by HCBS I/DD waiver provider-agencies. The med-QUEST division oversees monitoring activities performed by the developmental disabilities division. The developmental disabilities division also conducts certification of adult foster homes where many waiver participants reside.

The legislature also finds that not all waiver participants who live in residential settings require nursing services, and that requirements for nursing certifications by all providers of services in these settings add cost and burden to waiver provider agencies, which may impact access to services for participants with intellectual and developmental disabilities.

Providing an exclusion for agencies serving participants in the medicaid intellectual and developmental disabilities waiver
will ensure that waiver participants continue to have access to
services from qualified HCBS I/DD waiver provider agencies with
a workforce that is continuously monitored to meet waiver
requirements in alignment with state and federal standards.

SECTION 2. Section 321-14.8, Hawaii Revised Statutes, is
amended by amending subsection (c) to read as follows:

"(c) A service provider agency [under contract for
services with the city and county of Honolulu elderly affairs
division] shall be exempt from the licensing requirement of this
section[] when services are provided:

(1) Under contract for services with the city and county
of Honolulu, elderly affairs division; or

(2) Exclusively to participants in the medicaid home and
community based services waiver, pursuant to section
1915(c) of the Social Security Act, by an agency
approved by the department of human services med-QUEST
division."

SECTION 3. Statutory material to be repealed is bracketed
and stricken. New statutory material is underscored.

SECTION 4. This Act shall take effect on July 1, 2019.

APPROVED this 7 day of JUN, 2019

GOVERNOR OF THE STATE OF HAWAII
S.B. No. 1240, S.D. 1, H.D. 1, C.D. 1

THE SENATE OF THE STATE OF HAWAI‘I

Date: April 30, 2019
Honolulu, Hawaii 96813

We hereby certify that the foregoing Bill this day passed Final Reading in the Senate of the Thirtieth Legislature of the State of Hawai‘i, Regular Session of 2019.

President of the Senate

Clerk of the Senate
We hereby certify that the above-referenced Bill on this day passed Final Reading in the House of Representatives of the Thirtieth Legislature of the State of Hawaii, Regular Session of 2019.

Scott K. Saiki  
Speaker  
House of Representatives

Brian L. Takeshita  
Chief Clerk  
House of Representatives