

THE WHITE HOUSE

WASHINGTON

March 7, 1994

The Honorable Kenneth T. Hiraki
State of Hawaii House of Representatives
State Capitol
Honolulu, Hawaii 96813

Dear Representative Hiraki:

Thank you for your letter of support. Hawaii has shown tremendous leadership by adopting innovative reforms in the health care system. We believe that, with the passage of national health reform legislation, every state can realize the benefits of providing efficient, high quality health care.

You highlighted in your letter the need for long-term care. As you know, the Health Security Act establishes a long-term care program through a new state entitlement. Under the Act, states with approved plans are entitled to federal funds to provide home- and community-based services and related activities for individuals with disabilities. This could enable up to 2.2 million older Americans to stay at home while receiving the long-term supports they need. States will also have the flexibility to design and define community-based service systems and may elect to offer vouchers or cash directly to eligible individuals. Additional long-term care options, including an increase in the amount that Medicaid recipients in nursing homes may retain for living expenses as well as tax incentives to make private long-term care insurance more affordable, will enable all Americans to better protect themselves against the high cost of long-term care.

In addition, the Act creates standards for private long-term care insurance policies. Federal grants will be available for states that establish programs to monitor and enforce these standards. Consumer education grants will also be available for states to develop long-term care insurance information and counseling programs.

The proposed Health Security Act will provide a broad range of long-term care options and health care security for all Americans. Thank you again for your best wishes.

Sincerely yours,



Hillary Rodham Clinton