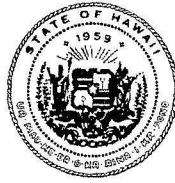


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STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

February 25, 2008

MEMORANDUM

TO: Honorable Marcus R. Oshiro, Chair
House Committee on Finance

FROM: Lillian B. Koller, Director

SUBJECT: **H.B. 2761 H.D.1 – RELATING TO WOMEN’S HEALTH**

Hearing: Monday, February 25, 2008 11:15 a.m.
House Conference Room 308, State Capitol

PURPOSE: The purpose of this bill is to require extended post-partum and interconception care to six months for all women of childbearing age who participate in Hawaii’s QUEST program.

DEPARTMENT’S POSITION: The Department of Human Services does not support this bill as written. The Department would like to inform the Committee that none of the mandatory or optional Medicaid benefits in our Medicaid programs are mandated by statute as this bill proposes to do for extended post-partum and interconception care. The extended post-partum and interconception care benefit provided in this bill is an optional Medicaid benefit. If this bill is passed, this optional benefit will become a mandatory benefit.

This will mean that in the event where allocated program funds are insufficient to meet program wide service demands, other services may be subject to reductions while

extended post-partum and interconception care services must be maintained because this bill, if passed, would mandate these extended services.

Also, in order to receive Federal reimbursement, the Department would have to submit an amendment to the Hawaii Medicaid State Plan, which must be approved by the Federal Centers for Medicare and Medicaid Services (CMS), to add extended post-partum and interconception care services for an additional four (4) months as a benefit. Currently, Federal regulation allows for pregnancy-related and postpartum services for a 60-day period after the pregnancy ends and any remaining days in the month in which the 60th day falls.

If approval is not received from CMS, and extended post-partum and interconception care services are required to be provided by statute as this bill proposes, these services must be totally State funded and must apply to both the QUEST program as well as the Medicaid Fee-For-Service program for the aged, blind or disabled population.

Hawaii's QUEST program serves approximately 3,300 pregnant women a year. Projected costs to allow for the additional four (4) months of postpartum coverage through Hawaii QUEST is based on the current capitation rate for pregnant women per member per month (PMPM) as follows:

There are 3,300 pregnant women with income up to 185% of the FPL x \$331.09 PMPM x 4 additional months = \$4,370,388. The total amount of \$4,370,388 in State general funds will be needed as Federal regulations only permit the coverage of a 60-day period after the pregnancy ends and any remaining days in the month in which the 60th day falls . The number of women who would continue to be eligible after giving birth is unknown at this time. Many of these women who give birth will most likely qualify for TANF benefits, as they will now be categorically eligible with the

consideration of the child and provided their income does not exceed 185% of the 2006 FPL. Other women who give birth may qualify for QUEST or they may qualify for other programs such as QUEST-ACE or QUEST-Net which offer limited benefits.

In as much as these options will require additional State appropriations, DHS respectfully requests that such funding not adversely impact nor replace the priorities in the Executive Supplemental Budget.

Thank you for this opportunity to testify.



Hawai'i Primary Care Association

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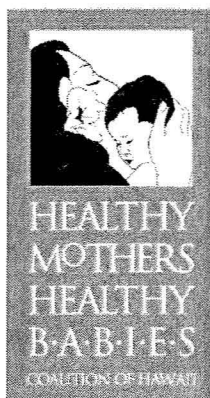
Tel (808) 536-8442 Fax (808) 524-0347

To: **House Committee on Finance**
The Hon. Marcus R. Oshiro, Chair
The Hon. Marilyn B. Lee, Vice Chair

Testimony in Support of House Bill 2761, HD 1
Relating to Women's Health
Submitted by Beth Giesting, CEO
February 25, 2008, 11:15 a.m. agenda, Room 308

The Hawai'i Primary Care Association endorses this measure. We believe it offers cost-effective means to contribute to the improved health of women of child-bearing age and reduce unintended pregnancies and poor birth outcomes. Whatever additional funding is required will be more than off-set by the savings in perinatal and pediatric care associated with the reduced number of pregnancies.

Thank you for the opportunity to support this bill.



February 25, 2008

Committee: Finance

HB 2761 HD1: Relating to Women's Health

Honorable Chairperson Oshiro and Members of the House Finance Committee:

My name is Jackie Berry, Executive Director for Healthy Mothers Healthy Babies of Hawaii (HMHB). HMHB is committed to promoting and improving reproductive, pregnancy and family wellness through research, training, advocacy and community awareness.

HMHB is testifying today in support of HB 2761 that requires not less than 6 months post-partum and interconception care for women of childbearing age who are participants in the Hawaii QUEST health insurance program.

Affordability of care is a major concern for women, and improved access to preconception and interconception care is needed. Many women in Hawaii go without health insurance simply because they can not afford it, and Medicaid is a primary mechanism for extending health coverage to women of Hawaii with low incomes and who do not have health insurance. Medicaid has been demonstrated to be effective in improving access to health care for women with low incomes.

Having access to extended health insurance for women on QUEST would provide additional post-partum resources and family planning services during a critical time when an unintended pregnancy may occur.

Thank you for the opportunity to testify.