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February 6, 2009

MEMORANDUM

TO: Honorable Ryan I. Yamane, Chair  
House Committee on Health  
  
Honorable John M. Mizuno, Chair  
House Committee on Human Services

FROM: Lillian B. Koller, Director

SUBJECT: **H.B. 989 – RELATING TO CHILDREN'S HEALTH CARE**

Hearing: Friday, February 6, 2009, 9:00 AM.  
Conference Room 329, State Capitol

PURPOSE: The purpose of this bill is to amend Act 236, Session Laws of Hawaii 2007, which established the Hawaii children's health care program, to extend the program for three more years and require that participants receive primary health care services at federally qualified health centers. Appropriates general funds.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this bill to expand health insurance to uninsured children, provided its passage does not adversely impact nor replace priorities in the Executive Biennium Budget, but opposes the access limitation imposed.

Children do not choose whether or not to have health insurance, and preventive care especially recommended immunizations is something a child should not go without. While health insurance helps remove a barrier to receiving health care, insurance without access is useless. DHS believes that patients should not be limited in which providers they can see, and that every effort should be made to increase the number of providers available. DHS also values continuity of care such that a child could still continue to see his or her usual provider.

This bill limits access to only Federally Qualified Health Centers (FQHCs). At a time when the FQHCs report an increased strain on the health care safety-net, adding to the strain while limiting patient choice and provider access would seem unwise. Although patients should be able to receive care from FQHCs, they should not be required to do so.

Since children eligible for the children's health care program must not be eligible for any State or Federal public health care program, the health insurers participating in the program should be required to ensure eligibility by documenting and reporting quarterly to DHS and the Legislature, income, citizenship, and duration of legal residency for each enrollee. We would like to point out that Keiki Care coverage has limited benefits compared to the free benefits in Medicaid for children. That is why we need to ensure that children who qualify for Medicaid will get into Medicaid with its better benefits instead of Keiki Care for the child's sake.

DHS also believes that a basic benefits package should be required by all participating health insurers.

Thank you for the opportunity to comment on this bill.



**Democratic Party of Hawaii  
Kupuna Caucus**

**February 5, 2009**

LATE

Re: Testimony

From: Patrick Stanley, Co-Chair Kupuna Caucus, DPH  
To: House Committees on Health and Human Services

Hearing Date: February 6, 2009, 9:00 am

Measure: HB 989 Relating to Children's Health Care

**SUPPORTS:** The Kupuna Caucus of the Democratic Party of Hawaii supports this measure to care for our grandchildren through the Children's Health Care Program. At Convention in 2008, delegates to the DPH State Convention passed Resolution 08-18 calling for adequate health, social, housing and transportation programs for the families of Hawaii's Kupuna, amongst other means. HB 989 is an important part of efforts to do so.

# HMSA



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LATE

February 6, 2009

The Honorable Ryan Yamane, Chair  
The Honorable John Mizuno, Chair  
House Committees on Health and Human Services

## Re: HB 989 – Relating to Children’s Health Care

Dear Chair Yamane, Chair Mizuno and Members of the Committees:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify in support of HB 989 which would amend Act 236, Session Laws of Hawaii 2007 to extend the Hawaii children’s health care program (HMSA’s Keiki Care Plan) and require that participants receive care through Federally Qualified Health Centers.

As you aware, after the passage of Act 236 HMSA entered into a contract with the State Department of Human Services (DHS) to offer the Keiki Care plan to children who fell into the gap group of uninsured. After a delayed start due to an extensive Request for Proposal and contracting period, HMSA began providing services in April 2008. Over the course of the 7 months that the plan was in operation we experienced an enrollment increase of approximately 100 children per month.

Unfortunately in October DHS made the decision that the state would no longer support the Keiki Care plan. With only a few days notification HMSA decided to fund the program through the remainder of the year and engaged in an extensive outreach program to families through mailings and phone calls. Despite our best efforts it is likely that many of the former Keiki Care plan members are once again without health care coverage due to economic circumstances.

We appreciate the legislature’s attempt to continue this worthy program that was meeting its goals and operating in a successful manner. We support HB 989 and look forward to working towards its implementation again. Thank you for the opportunity to testify in support of HB 989.

Sincerely,

A handwritten signature in cursive script that reads "Jennifer Diesman".

Jennifer Diesman  
Assistant Vice President  
Government Relations