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# A BILL FOR AN ACT

RELATING TO HEALTH.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1 SECTION 1. The legislature finds that according to the

2 American College of Physicians:

3 (1) The United States (U.S.) health care system is  
4 inadequately prepared to meet the current, let alone  
5 the future health care needs of an aging population;

6 (2) Health care costs are growing faster than the economy,  
7 leaving employers, government, and individuals  
8 straining under the financial burden; and

9 (3) Health care outcomes in the U.S. are poorer than in  
10 other industrialized nations that spend less on their  
11 health care systems.

12 The legislature also finds that the U.S. system of private  
13 and government-funded health insurance programs emphasize  
14 uncoordinated, episodic treatment for acute care, where a  
15 disproportionate amount of resources are paid for specialty or  
16 in-patient procedures, or emergency department visits compared



1 to payments for primary and preventative care and care  
2 management.

3 The legislature further finds that a model sometimes termed  
4 "the patient-centered health care home" has resulted in better  
5 patient health and lower costs. This model is based on:

- 6 (1) Continuity in the relationship between the primary  
7 care provider and the patient;
- 8 (2) A whole-person/family orientation rather than a  
9 disease orientation;
- 10 (3) Integration and coordination of patient care;
- 11 (4) Processes that increase quality and reduce errors,  
12 including use of electronic health records, technology  
13 that improves communication, and the development and  
14 measurement of outcomes; and
- 15 (5) Timely access to care that also overcomes geographic,  
16 economic, and cultural barriers.

17 The legislature further finds that certain individuals and  
18 families require additional help to navigate the health care  
19 delivery system and to effectively make use of health care  
20 services. The services that provide this additional assistance  
21 are referred to as "enabling services."



1           The federally qualified health centers located in medically  
2 underserved areas or serving medically underserved populations  
3 have developed an appropriate model for a patient-centered  
4 health care home that can effectively deliver this additional  
5 assistance. The key standards for the model are community  
6 participation, cultural appropriateness, training and economic  
7 development, and enabling services.

8           The purpose of this Act is to direct payment of funds to  
9 federally qualified health centers to support these federally  
10 qualified health centers as patient-centered health care homes  
11 to improve patient care, reduce errors, and reduce the overall  
12 fiscal burden on the state's health care system.

13           SECTION 2. (a) The department of health shall establish a  
14 federally qualified health center pilot project for fiscal years  
15 2010-2011 and 2011-2012.

16           (b) As used in this section, "enabling services" includes:

17           (1) Case management assessment: a non-medical assessment  
18           that includes the use of an acceptable instrument  
19           measuring socioeconomic, wellness, or other non-  
20           medical health status;

21           (2) Case management treatment facilitation: a meeting with  
22           a center-registered patient or the patient's



1 household/or family member, where the patient's  
2 treatment plan is developed or facilitated by a case  
3 manager. The plan shall incorporate the services of  
4 multiple providers or health care disciplines;

5 (3) Case management referral: the facilitation of a visit  
6 for a registered patient of the center to a health  
7 care or social service provider;

8 (4) Financial counseling/eligibility assistance: the  
9 counseling of a patient presumed to have a family  
10 income of three hundred per cent of poverty level or  
11 less, which results in a completed application to a  
12 sliding fee scale or health insurance program  
13 including medicaid or medicare;

14 (5) Health education/supportive counseling-individual: the  
15 provision of health education or supportive services  
16 to individuals in which wellness, preventive disease  
17 management, or other improved health outcomes are  
18 sought through behavior change methodology;

19 (6) Health education/supportive counseling-group: the  
20 provision of health education or supportive services  
21 to groups of twelve or fewer individuals in which  
22 wellness, preventive disease management, or other



- 1 improved health outcomes are sought through behavior  
2 change methodology;
- 3 (7) Interpretation: the provision of interpreter services  
4 by a third party (other than the primary care giver)  
5 intended to reduce barriers to a limited English-  
6 proficient patient, or a patient with documented  
7 limitations in writing or speaking skills sufficient  
8 to affect the outcome of a medical visit or procedure;
- 9 (8) Outreach: patient services that result in the  
10 conversion of a patient without a primary care  
11 provider to one who has been accepted into a  
12 provider's panel;
- 13 (9) Transportation: the provision of direct assistance to  
14 a patient by an employee or contractor of a primary  
15 care center to reduce barriers for a patient assigned  
16 to a primary care panel at a community health center;  
17 and
- 18 (10) Other: any other services provided by an employee or  
19 contractor of a primary care center that reduces  
20 access barriers for a patient assigned to a primary  
21 care panel at a community health center.



1 (c) The pilot project shall be funded through available  
2 sources as follows:

3 (1) Up to seventy-five per cent of funds shall be used to  
4 pay for uninsured services on a fee-for-service basis  
5 as follows:

6 (A) Level I: \$95 per visit, during which the  
7 federally qualified health center provides a  
8 primary medical, behavioral health, or dental  
9 clinic visit, and all enabling services  
10 delineated above, as needed. In addition, the  
11 federally qualified health center will assist  
12 uninsured patients with public insurance  
13 applications, and track and report data regarding  
14 patients who remain uninsured;

15 (B) Level II: \$100 per visit, during which all Level  
16 I services are provided. In addition, the  
17 federally qualified health center shall report on  
18 no less than one process or clinical outcome  
19 measure, as negotiated with the department of  
20 health;

21 (C) Level III: \$105 per visit, during which all Level  
22 I services are provided. In addition, the



1           federally qualified health center shall report on  
2           not less than six performance measures, as  
3           negotiated with the department of health;

4           and

5           (2) At least twenty-five per cent of funds, in addition to  
6           those funds not used for uninsured services on a fee-  
7           for-service basis, shall be used to strengthen and  
8           improve federally qualified health centers in terms of  
9           quality improvement, care management, health  
10          information, enhanced access systems, emergency  
11          preparedness, and facility improvement.

12          (d) The department of health shall submit a report of its  
13          findings and recommendations to the legislature no later than  
14          twenty days prior to the convening of the regular sessions of  
15          2011, 2012, and 2013.

16          SECTION 3. This Act shall take effect upon its approval.



S.B. NO. 1094  
S.D. 2  
H.D. 1

**Report Title:**

Federally Qualified Health Centers; Patient-centered Health Care

**Description:**

Directs the Department of Health to establish a pilot project funding federally qualified health centers to provide services based on a patient-centered health care home model. (SB1094 HD1)

