

Legislative Federal Economic Stimulus Program Oversight Commission

9/28/10

DRAFT

I. Meeting called to order- 10:03 AM

Members present-

Aaron Johanson- appointee of the House Minority Leader
Representative Michael Magaoay- House of Representatives member
Michael Kitamura- appointee of Senator Akaka
Kyle Chock- appointee of the Senate President
Kate Stanley- appointee of the Speaker of the House
Ed Kemp- appointee of Senator Hemmings

Members not present-

Jennifer Sabas- appointee of Senator Inouye
Senator Shan Tsutsui- Senate member
Mark Anderson- appointee of the Governor
Kehau Yap- appointee of Congresswoman Hirono

Others present- Keira Kamiya- office of Senator Tsutsui; Judy Fomin- office of Representative Magaoay; Ted Baker- Legislative Reference Bureau; members of the public

II. Adoption of Minutes

With minor corrections, the minutes of the 7/13/10 meeting were approved

III. General Business

- A. The Chair thanked Representative Magaoay for his legislative service and support of the Commission
- B. There are no presentations presently scheduled for the 12/7 meeting so it will be used if extra presentations need to be added and for discussion of the outline of the Commission's final report

IV. Overview of Federal Stimulus Funds

- A. Presentation of the National Park Service (NPS) by Frank Hays, Pacific Area Director
 1. Highlights
 - Using a spread sheet to be posted on the Commission's webpage, the NPS detailed ARRA-funded projects being conducted in Hawaii National Parks, using the Visitor Contact Station in Hawaii Volcanoes National Park and the Intermodal Transfer Station at Pearl Harbor's World War II Valor in the Pacific National Monument as notable examples

- All projects were chosen from a list of existing priorities using selection criteria that included resource protection, visitor enjoyment/service, and energy efficiency/sustainability
- All contracts were awarded through the NPS contract office pursuant to existing regulations with review of solicitors and lawyer
- An ARRA team was established for tracking project progress with weekly meetings
- Most of the 15 ARRA projects are complete or nearing completion, with \$13.2 million expended from an authorized amount of \$17.5 million
- Nationally, \$750 million was authorized for 100 projects

2. Discussion

- The number of jobs retained/created by funds expended by federal agencies are tracked differently than where the funds are expended by state or local governments, with contractors reporting job numbers for projects administered by federal agencies
- While the Department of the Interior has an ARRA website, job numbers reported by contractors appear on the federal ARRA website because agencies like NPS were focused on getting the best deal for taxpayers, as oppose to tracking the job impacts of ARRA spending
- The extent to which NPS ARRA jobs went to local contractors is shown on the NPS spreadsheet prepared for the Commission

B. Presentation of the Hawaii Primary Care Association (HPCA) by Beth Giesting, Chief Executive Officer

1. Highlights

- Using the answers to the Commission's questionnaire already posted on the Commission's webpage, HPCA reviewed ARRA funded expenditures in Hawaii
- Increased Demand for Services (IDS) formula funds stabilize and enhance the capacity of community health centers to serve increasing numbers of uninsured and underinsured people; of \$2.7 million awarded for services statewide, \$1.9 million had been expended as of 6/30/10 with 43.34 FTE's supported

- Capital Improvement Program formula grants (CIP) fund building renovation, construction, health information technology and other capital improvements at community health centers; of \$7.3 million awarded statewide, \$2.4 million had been expended as of 6/30/10 with 20.73 jobs supported
- Other ARRA funds in the amount of \$2.3 million have been awarded on a competitive basis for a weight loss intervention project construction of a community health center facility and health information technology implementation; \$115 thousand of this amount had been expended
- In addition to job support, ARRA funds that used to expand timely access to primary preventive health care services are expected to result in long term savings of \$27 million that would be incurred for health care services that would ultimately be required without it

2. Discussion

- Funding has provided safety net care for 125,000 people across the State, 73% of whom are below 100% of the poverty rate, including 30,000 uninsured, homeless, and Native Hawaiian people
- With 1,300 employees in 2009 including 84 doctors, 56 physician's assistants, 43 mental health workers, and 43 dentists/hygienists, the community health centers are a model for provision of services under health care reform
- After ARRA funds are expended, IDS funding will be supported by Affordable Care Act funding; the major challenge is the lack of facilities
- 50% of patients have Quest/Medicaid, 10% have Medicare, 25% are uninsured, and 15% have private health insurance, with patient payments determined on a sliding scale based on verified income
- The apparent delay in CIP spending by Neighbor Island centers is mostly due to the small size of the centers and limited staffing there
- Ongoing funding for IT is less of an issue because the centers are more used to using advanced IT and can take advantage of the improved IT infrastructure as it becomes available, with operating funds already in place
- One goal of the Affordable Care Act is to ensure access to health care, not just to provide access to health insurance, and thereby provide health care

to those who have been uninsured and uncared for and gave ended up in hospital emergency rooms where it is much more expensive to provide health care)

C. Other Discussion

1. Commission member Kemp has done an analysis of the Council on Economic Advisors' indirect job retention/creation calculation methodology
2. Job numbers for federally administered projects appear on recovery.org
3. The Department of the Interior has reported 64.81 jobs retained/created in Hawaii

V. Public Comments

There were no comments or questions from members of the public present at the meeting.

VI. Adjournment

With a reminder that the next meeting would be held on October 12, 2010, with presentations from the Department of Education, Office of the Governor, and the Charter Schools, the meeting was adjourned at 11:01 a.m.