

**SCR 210**

# HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association

March 22, 2010

The Honorable David Ige, Chair  
The Honorable Josh Green M.D., Vice Chair  
Senate Committee on Health

**Re: SCR 210 – Requesting the Establishment of an Advisory Committee to make Recommendations Regarding the Creation of a Hawaii All-Payer Health Claims Database for the Purpose of Transparent Public Reporting of Health Care Information.**

Dear Chair Ige, Vice Chair Green and Members of the Committee:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify in support of SCR 210 which would establish an Advisory Committee to work towards creating a more transparent health care system in Hawaii.

It is an exciting and historical time for health care in the nation. Although it is unclear how health care reform will impact Hawaii, and regardless how it might, the time is right for the state to begin working towards increased transparency throughout our system. Many measures this year were introduced regarding transparency which spurred a dialogue on the subject and emphasized the fact that all of the stakeholders will need to work together to determine the best way to provide useful information to consumers. We believe that the language in SCR 210 is an excellent first step and necessary for this initiative to move forward and progress.

As such, we look forward to working with all health care stakeholders in the community as we shape Hawaii's health care future. Thank you for the opportunity to testify today.

Sincerely,

Jennifer Diesman  
Vice President  
Government Relations



SENATE COMMITTEE ON HEALTH  
Senator David Ige, Chair

Conference Room 016  
March 22, 2010 at 2:45 p.m.

**Supporting SCR 210.**

The Healthcare Association of Hawaii represents its member organizations that span the entire spectrum of health care, including all acute care hospitals, as well as long term care facilities, home care agencies, and hospices. Thank you for this opportunity to testify in support of SCR 210, which requests the Insurance Commissioner to establish an advisory committee to make recommendations on the creation and maintenance of a database consisting of all health care claims in Hawaii.

States have begun to develop methods of collecting and distributing uniform health care information. Comprehensive all-payer, all-claims databases are being viewed as a driver for health care delivery improvement because of the ability to provide uniform data that can be utilized for comparisons and analysis. The data collected can be used for multiple purposes, including accountability of public dollars, payment reform development, decision-making tools for consumers, provider performance comparisons, and targeting public health projects. All-payer claims data collection programs consist of claims paid by all health care payers, including health insurance companies and third party administrators.

This concurrent resolution convenes all parties that have a stake in an all-payer claims database so they can begin to develop it. The Healthcare Association of Hawaii is named as one of the members of the committee, and we welcome the opportunity to represent our members in this effort.

For the foregoing reasons, the Healthcare Association of Hawaii supports SCR 210.



## Hawaii Association of Health Plans

March 22, 2010

The Honorable David Ige, Chair  
The Honorable Josh Green M.D., Vice Chair

Senate Committee on Health

**Re: SCR 210 – Requesting the Establishment of an Advisory Committee to make Recommendations Regarding the Creation of a Hawaii All-Payer Health Claims Database for the Purpose of Transparent Public Reporting of Health Care Information.**

Dear Chair Ige, Vice Chair Green and Members of the Committee:

My name is Howard Lee and I am President of the Hawaii Association of Health Plans (“HAHP”). HAHP is a non-profit organization consisting of seven (7) member organizations:

AlohaCare  
Hawaii Medical Assurance Association  
HMSA  
Hawaii-Western Management Group, Inc.

MDX Hawai‘i  
University Health Alliance  
UnitedHealthcare

Our mission is to promote initiatives aimed at improving the overall health of Hawaii. We are also active participants in the legislative process. Before providing any testimony at a Legislative hearing, all HAHP member organizations must be in unanimous agreement of the statement or position.

HAHP appreciates the opportunity to testify in support of SCR 210 which would convene an Advisory Committee to work towards the creation of an all payer database. We believe that SCR 210 is a necessary first step towards the provision of meaningful and useful information to consumers in regards to their health care. Transparency is surely an attainable goal, especially here in Hawaii and the Advisory Committee will begin to sort through the concerns and barriers to creating a more transparent system.

We appreciate the intent of SCR 210 and request the Committee see fit to pass it. Thank you for the opportunity to testify today.

Sincerely,

Howard Lee  
President

Testimony of  
Phyllis Dendle  
Director Government Relations

Before:  
Senate Committee on Health  
The Honorable David Y. Ige, Chair  
The Honorable Josh Green, M.D., Vice Chair

March 22, 2010  
2:45 pm  
Conference Room 016

**Re: SCR210 REQUESTING THE ESTABLISHMENT OF AN ADVISORY COMMITTEE TO MAKE RECOMMENDATIONS REGARDING THE CREATION OF A HAWAII ALL-PAYER HEALTH CLAIMS DATABASE FOR THE PURPOSE OF TRANSPARENT PUBLIC REPORTING OF HEALTH CARE INFORMATION**

Chair Ige and committee members, thank you for this opportunity to provide testimony on SCR 210 establishing a Hawaii all-payer health claims database advisory committee,

**Kaiser Permanente Hawaii supports this resolution.**

We opposed the bill heard earlier this session because as drafted it is not possible for us to comply with it. Because Kaiser Permanente Hawaii is an integrated health care delivery system, we do not generate billing claims like a typical insurer. These claims are the basis for All Payer Claims Database reporting. We provide services in the same way other hospitals and clinics do in Hawaii. The claims model therefore doesn't work for our system.

Following earlier hearings we sought information regarding how Kaiser Permanente programs in other states have participated with this kind of database looking for a model we could use. We cannot find any states that have included an integrated health care delivery system such as ours. With this committee we will have an opportunity to consider how this might be accomplished and create something new since existing models will likely not work.

Therefore we believe it is a good idea to create an advisory committee as proposed to work with the stakeholder to develop a database system that accurately reflects health care in Hawaii. Thank you for your consideration.