

**HB 326**

**HD1, SD1**

NEIL ABERCROMBIE  
GOVERNOR



PATRICIA McMANAMAN  
DIRECTOR

PANKAJ BHANOT  
DEPUTY DIRECTOR

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

March 30, 2011

MEMORANDUM

TO: Honorable David Y. Ige, Chair  
Senate Committee on Ways and Means

FROM: Patricia McManaman, Director

SUBJECT: **H.B. 326, H.D. 1, S.D. 1 – RELATING TO HEALTH**

Hearing: Tuesday, March 30, 2011, 9:30 a.m.  
Conference Room 211, State Capitol

PURPOSE: The purpose of this bill is to provide telehealth services coverage for Medicaid and QUEST patients using Kona hospital's medical van program and establish a Medicaid innovation council with the authority to direct the Department of Human Services.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of Part I of this bill that would establish a pilot mobile van program in an attempt to expand access to care. DHS, however, believes that there should be a mechanism to evaluate the program's safety and effectiveness. DHS does not support amending chapter 346, Hawaii Revised Statutes to establish a pilot program.

DHS supports the use of telemedicine that has been demonstrated to be safe and effective. However, DHS also understands the need to improve access to care and to

pilot innovative ideas and technologies with potential for improving quality and efficiency. Any and all analyses of the data from this pilot should be transparent and shared with DHS to evaluate whether to end, continue, or expand the pilot.

DHS would be interested in pursuing the role of telemedicine to communicate with an individual's primary care provider or for a scheduled remote consultation when referred by the primary care provider. These provisions would help ensure patient safety and reduce unnecessary fragmentation of care resulting from unmanaged telehealth use. Removing DHS' responsibility for ensuring patient safety as would occur under this bill is not recommended.

DHS respectfully recommends that if this pilot program is enacted that it be in a Session Law that does not amend chapter 346, Hawaii Revised Statutes.

**DHS strongly opposes Part II of this bill which would establish a Hawaii Medicaid Modernization and Innovation Council to establish a patient centered home health pilot program within the Medicaid program.**

There is also no funding identified to establish the Modernization and Innovation Council and to support the Council's administrative and operational expenses. The Executive Director of the Council is to receive a salary not more than the deputy director of the Department of Human Services and can hire staff not subject chapters 76 and 89, Hawaii Revised Statutes. In addition, the 31 council members are to be reimbursed for expenses.

Given the State's current fiscal situation and the significant shortfalls in our health care payments program (HMS 401), DHS cannot provide funding for this proposed Council and cannot support appropriations beyond what Governor Abercrombie has proposed in the Executive Biennium Budget for 2012-2013 for DHS.

DHS is already pursuing health home pilots.

Our Medicaid program is diverse with different health plans relying on differing provider networks. For example, the majority of AlohaCare members receive their care through FQHCs, but the majority of HMSA members receive their care from other providers, many of whom are solo practitioners. We strongly oppose a one-size fits all approach that as proposed by this bill would alienate private practitioners and serve to benefit nearly exclusive federally qualified health centers. We need to be sensitive to the differences of all the providers who serve our Medicaid recipients.

We welcome stakeholder input as DHS pursues the medical/health home. DHS has not in any way prohibited its health plans from pursuing the medical/health home, and some plans have chosen to do so. DHS intends to take a more proactive approach by requiring health plans to have medical/health home pilots. This will allow us to better understand what works in Hawaii and with different providers.

Part II would give an external entity the authority of the single state Medicaid agency. DHS is recognized as the single state agency for Medicaid by the federal Centers for Medicare and Medicaid Services and as such is the agency responsible for administering the State's Medicaid programs.

The council should have no authority to set criteria and have the power to certify and therefore supersede federal regulations on the definition, composition, and certification of a medical home. An independent council with the authority to dictate direction to DHS as proposed by the bill is likely to conflict with guidance from the Centers for Medicare and Medicaid Services (CMS). Additionally, the bill does not acknowledge that implementation of council recommendations are subject to CMS approval or would be state-only funded.

Thank you for this opportunity to provide testimony.

# HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association March 30, 2011

The Honorable Suzanne David Y. Ige, Chair  
The Honorable Michelle Kidani, Vice Chair  
Senate Committee on Ways and Means

**Re: HB 326 HD1, SD1 – Relating to Health**

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

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on HB 326, HD1, SD1 which would authorize the Department of Human Services (DHS) to allow QUEST-eligible individuals to access telehealth services. This Bill is the companion measure to SB 285, which this Committee previously considered, and the Senate passed over to the House. HMSA supports Part I of this measure with recommended amendments. But, we have no comments on the other parts of the Bill.

The Legislature authorized \$350,000 in Act 162, SLH 2009, for the purchase of a mobile medical van for services to the South Kona, Ka'u, and upper Puna areas of Hawaii Island, and Kona Hospital is in the process of procuring the van. This Bill is an attempt to ensure the efforts of the Hospital to secure non-governmental funding for the operations of the van and to allow for QUEST-eligible individuals to access those services. HMSA will be assisting Kona Hospital with a two-year pilot program to help finance the operations of the medical van program. HMSA recognizes Hawaii Island's unique demographics – a population widely dispersed over a large geographic area – making a mobile medical van a potentially ideal service.

We ask that Part I of the Bill be amended to restore language from an amended version of SB 285. (A copy of the proposed amendment is attached.) We believe that language more appropriately reflects the intent of the pilot program to serve as wide a segment of the Kona-Kau community as possible. In addition, it reinforces our commitment to assist with the financing of the pilot program, while also addressing the concern of the prior committees that this law be applicable to similar programs outside of Kona community.

Supporting these kinds of telehealth services gained national attention when President Barack Obama included the goal of making "it possible for business to deploy the next generation of high-speed wireless coverage to 98 percent of all Americans" in his State of the Union address. One of the examples he provided regarding this was to ensure the ability of patients to "have face-to-face video chats" with their physicians. Thank you for the opportunity to testify. Again, HMSA is pleased to support Part I of this Bill with the suggested amendments.

Sincerely,

A handwritten signature in black ink, appearing to read 'JD'.

Jennifer Diesman  
Vice President, Government Relations

**Suggested Amendment to Part I, Section 2 of HB 326, HD1, SD1**

SECTION 2. Chapter 346, Hawaii Revised Statutes, is amended by adding a new section to be appropriately designated and to read as follows:

**"Sec. 346- Telehealth services; medicaid and QUEST.**

(a) The department shall not require:

(1) The department's approval for a health plan under the department's medicaid or QUEST program to deliver services using a telehealth service; or

(2) In-person visits to qualify any telehealth service for coverage under the department's medicaid or QUEST program.

This section shall apply only to a mobile medical van program operating in a county with a population of less than two hundred fifty thousand persons, to include a program operated by Kona community hospital through a partnership with a non-profit mutual benefit society operating in the State that provides health care coverage to at least six hundred thousand members.

(b) An eligible mobile health van program shall be operated by a qualified provider.

(c) For the purposes of this section, "telehealth" means the use of telecommunications services, as defined in section 269-1, including real-time video conferencing-based communication, secure interactive and non-interactive web-based communication, and secure asynchronous information exchange, to transmit patient medical information, including diagnostic-quality digital images and laboratory results for medical interpretation and diagnosis, for the purpose of delivering enhanced health care services and information to parties separated by distance. A standard telephone contact, facsimile transmission, or an email text, in combination or by itself, does not constitute a telehealth service for the purposes of this section."



## Hawai'i Primary Care Association

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www.hawaiipca.net

### Senate Committee on Ways and Means

The Hon. David Ige, Chair

The Hon. Michelle Kidani, Vice Chair

## Testimony in Support of House Bill 326, HD 1 SD 1

### Relating to Health

Submitted by **Beth Giesting, Chief Executive Officer**

March 30, 2011, 9:30 a.m., Room 211

The Hawai'i Primary Care Association represents all community health centers of Hawai'i. We support House Bill 326 HD1 SD1, which **establishes a Medicaid Modernization and Innovation Council to create a health care home pilot program *within existing state Medicaid programs* and perform other duties as directed by the Legislature.**

The purpose of this council is to address long term systemic changes in Medicaid to ensure a sustainable health care program for Hawai'i.

With its current focus only on cutting benefits, and developing administrative strategies without expert stakeholder input, the Department of Human Services will lead Hawai'i down a road that may present an even greater budget crisis by 2014, when significant changes in Medicaid must be implemented under the Affordable Care Act. More than two dozen organizations in Hawai'i are committed to the Medicaid Modernization and Innovation Council contained in this bill and have requested to be members. While the Department of Human Services contends that the council as proposed in this measure is unmanageable, ineffective, and usurps its authority, the number of supporters/members actually speaks to the fact that many organizations in Hawai'i dealing with Medicaid issues believe their voices are *not* heard by the Department of Human Services, and have not been for many years, thus warranting the creation of a formal council recognized by the Legislature and Executive Branch.

Further, in an economic climate where resources are vanishing and we have heard for over a year that the Medicaid division in the Department, "does not have the resources" to get anything done, it is disappointing that the Department would downplay and ultimately reject a diverse group of healthcare experts willing to volunteer their time and resources to modernize Medicaid. Given that this comprehensive effort would transform Medicaid into a program that would save hundreds of millions of dollars, improve the patient experience, and improve the health of Hawai'i's people, the Department's conflicting and inadequate response to this effort is extremely troubling and raises serious questions.

**A patient-centered health care home** is not an actual structure, but a linked approach to providing health care that **improves the patient experience, improves health outcomes, and reduces per capita**

**costs.** This model will transform the health care system from one that is reactive and costly to one that is proactive and efficient.

According to the Patient Centered Primary Care Collaborative, “Investing in primary care patient centered medical homes results in improved quality of care and patient experiences, and reductions in expensive hospital and emergency department utilization.”

**Nearly 40 states have implemented some form of patient-centered health care home model** (also known as medical home). All of these showed a level of improvement in care, cost, or both. Some of the notable examples include:

- Group Health Cooperative of Puget Sound reduced costs by \$10 per person per month. **Potential Hawai‘i savings for Medicaid: \$32 million per year.**
- Intermountain Healthcare Medical Group Care Management reduced costs by \$640 per patient per year. **Potential Hawai‘i savings for Medicaid: \$169 million per year.**
- Colorado Medicaid and SCHIP reduced costs by \$215 per child per year. **Potential savings in Hawai‘i Medicaid/SCHIP: \$28 million per year.**

In Hawai‘i, the following organizations are involved in some form of patient-centered health care/medical home program:

- Kaiser Permanente
- HMSA
- Hawai‘i Pacific Health
- Hawai‘i Independent Physicians Association
- Bay Clinic
- Hāmākua Health Center
- Wai‘anae Coast Comprehensive Community Health Center
- Kalihi-Pālana Health Center
- Waimānalo Community Health Center
- West Hawai‘i Community Health Center
- AlohaCare

As private physicians and health plans transform their health care delivery systems into health/medical homes, it makes sense for the State to work with consumers, providers, and plans to explore the same path for Medicaid. **Physicians and health care professionals will not want to implement multiple versions of health/medical homes for their patients:** one model for privately insured patients, another for Medicaid enrollees. In addition to the significant cost savings in Medicaid that could be achieved with the implementation of a health home model, the timing to look at the model now is sensible.

**The Affordable Care Act of 2010 provides financial resources for programs and states to implement patient-centered models of care:**

- Eight state demonstration projects coordinating care and payment from Medicare, Medicaid, and private health plans;
- The Advanced Primary Care Practice Demonstration for Medicare patients at community health centers;
- State demonstrations to integrate care for dual eligible (Medicare and Medicaid) individuals;



- A health home option for Medicaid enrollees that provides a 90% FMAP (federal match) for covered services during the first 8 fiscal quarters of the program.

Under the Affordable Care Act, the Centers for Medicare & Medicaid Services (CMS) were directed to formally establish a new Center for Medicare and Medicaid Innovation (Innovation Center). The Innovation Center will explore innovations in health care delivery and payment that will enhance the quality of care for Medicare and Medicaid beneficiaries, improve the health of the population, and lower costs through quality improvement.

**Creating a Hawai'i council to focus on innovation in our local Medicaid issues is a natural complement to the national efforts of the Innovation Center, and key to transformation of the Medicaid system.** Modernization of our Medicaid program cannot be done in a vacuum by government: **consumer, insurer, community and provider input must be incorporated**, and the Council provides a comprehensive, fact-based forum for that input.

The Council could also function as a multipurpose entity, addressing numerous Medicaid modernization issues and innovation concepts including: patient centered health home, information technology, eligibility systems, the Hawai'i health insurance exchange role in Medicaid eligibility and enrollment, and health care for COFA migrants.

In closing, we stress the need for a comprehensive transformation of Hawai'i's Medicaid system that improves quality health care, supports living well, and is cost effective. This kind of innovation does not come easy. In many respects, it is easier to cut benefits, reduce eligibility, and require the use of generic drugs for Medicaid enrollees. However, unless we fundamentally reform the direction of Medicaid, program costs will still rage out of control and, more importantly, the health of people could be negatively affected, driving costs higher still.

We ask you to support House Bill 326 House Draft 1 Senate Draft 1. Thank you for the opportunity to testify.



## HAWAII MEDICAL ASSOCIATION

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Phone (808) 536-7702 Fax (808) 528-2376 www.hmaonline.net

**Wednesday, March 30, 2011, 9:30 a.m, Conference Room 211**

To: COMMITTEE ON WAYS AND MEANS  
Senator David Ige, Chair  
Senator Michelle Kidani, Vice Chair

From: Hawaii Medical Association  
Dr. Morris Mitsunaga, MD, President  
Linda Rasmussen, MD, Legislative Co-Chair  
Dr. Joseph Zobian, MD, Legislative Co-Chair  
Dr. Christopher Flanders, DO, Executive Director  
Lauren Zirbel, Community and Government Relations

Re: HB 326 HD1 SD1 Relating to Health

Chairs & Committee Members:

Hawaii Medical Association **supports PART 2** of this bill.

The patient centered health home model provides comprehensive person centered health. This model will transform the health care system from one that is responsive and costly to one that is proactive and efficient. A patient centered health home is not an actual structure, but a linked approach to providing health care that improves the patient experience, improves health outcomes, and reduces per capita costs. According to the Patient Centered Primary Care Collaborative, "Investing in primary care patient centered medical homes results in improved quality of care and patient experiences, and reductions in expensive hospital and emergency department utilization. There is now even stronger evidence that investments in primary care can bend the cost curve, with several major evaluations showing that patient centered medical home initiatives have produced a new savings in total health care expenditures for the patients served by these initiatives."

Nearly 40 states have implemented some form of patient-centered health care home (also known as medical home) model as a means to help improve patient outcomes but also, to help reduce the long term costs of care. All of these patient-centered models showed some level of improvement in care, cost, or both. Some of the notable examples include:

- Group Health Cooperative of Puget Sound reduced costs by \$10 per person per month (potential Hawai'i savings for Medicaid: \$32 million per year).
- Intermountain Healthcare Medical Group Care Management reduced costs by \$640 per patient per year (potential Hawai'i savings for Medicaid: \$169 million per

### OFFICERS

PRESIDENT - MORRIS MITSUNAGA, MD PRESIDENT-ELECT - ROGER KIMURA, MD  
SECRETARY - THOMAS KOSASA, MD IMMEDIATE PAST PRESIDENT - DR. ROBERT C. MARVIT, MD TREASURER  
- STEPHEN KEMBLE, MD EXECUTIVE DIRECTOR - CHRISTOPHER FLANDERS, DO

- year).
- Colorado Medicaid and SCHIP reduced costs by \$215 per child per year (potential savings in Hawai'i Medicaid/SCHIP: \$28 million per year).

Under the Affordable Care Act, the Centers for Medicare & Medicaid Services (CMS) were directed to formally establish a new Center for Medicare and Medicaid Innovation (Innovation Center). The Innovation Center will explore innovations in health care delivery and payment that will enhance the quality of care for Medicare and Medicaid beneficiaries, improve the health of the population, and lower costs through quality improvement. The Innovation Center will consult stakeholders across the health care sector including hospitals, doctors, consumers, payers, taxes, employers, advocates, relevant federal agencies and others to obtain direct input on its operations and to build partnerships with those that are interested in its work. The organization will test models, establish an information clearinghouse of best practices in health care innovation, and create learning communities that help providers rapidly implement these new care models. Creating a Hawai'i council to focus on innovation in our local Medicaid issues is a natural complement to the national efforts of the Innovation Center, and key to system transformation in Medicaid. Modernization of our Medicaid program cannot be done in the vacuum of government; consumer, insurer, community and provider input must occur. The Council could address numerous Medicaid modernization issues and innovation concepts including: patient centered health home, information technology, eligibility systems, the Hawai'i health insurance exchange, and health care for COFA migrants.

Thank you for the opportunity to testify.

LĀNA‘I COMMUNITY HEALTH CENTER

P. O. Box 630142  
Lāna‘i City, HI 96763-0142



Phone: 808-565-6919 x114  
Fax: 808-565-9111  
dshaw@lanaicommunityhealthcenter.org

*The Community is our Patient -- men, women, children, uninsured, insured!*

March 28, 2011

**TO: The Senate Ways and Means Committee**

**Regarding: Support of House Bill 326 H.D. 1 S.D. 1 (Relating to Health), on Wednesday, March 30, 2011, at 9:30 A.M. in Room 211 at the State Capitol**

I am writing in support of this bill. Support of the council for Patient-Centered Health Care Home is particularly important as a patient-centered health care home is not an actual structure, but a linked approach to providing health care that improves the patient experience, improves health outcomes, and reduces per capita costs. This model will transform the health care system from one that is reactive and costly to one that is proactive and efficient.

According to the Patient Centered Primary Care Collaborative, "Investing in primary care patient centered medical homes results in improved quality of care and patient experiences, and reductions in expensive hospital and emergency department utilization."

Nearly 40 states have implemented some form of patient-centered health care home model (also known as medical home). All of these showed a level of improvement in care, cost, or both. Some of the notable examples include:

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*E Ola nō Lāna‘i*

LIFE, HEALTH, AND WELL-BEING FOR LĀNA‘I

### **Health Care Home / Medical Home in Hawai'i**

Lana'i Community Health Center is implementing the patient-centered health care home program, along with many other in Hawai'i. Such as:

- Kaiser Permanente
- HMSA
- Hawai'i Pacific Health
- Hawai'i Independent Physicians Association
- Bay Clinic
- Hamakua Health Center
- Wai'anae Coast Comprehensive Community Health Center
- Kalihi-Palama Health Center
- Waimanalo Community Health Center
- West Hawai'i Community Health Center
- AlohaCare

### **Patient-Centered Health and the Affordable Care Act**

The Affordable Care Act of 2010 provides financial resources for programs and states to implement patient-centered models of care:

- Eight state demonstration projects coordinating care and payment from Medicare, Medicaid, and private health plans;
- The Advanced Primary Care Practice Demonstration for Medicare patients at community health centers;
- State demonstrations to integrate care for dual eligible (Medicare and Medicaid) individuals;
- A health home option for Medicaid enrollees that provides a 90% FMAP (federal match) for covered services during the first 8 fiscal quarters of the program.


### **Why a Council?**

Under the Affordable Care Act, the Centers for Medicare & Medicaid Services (CMS) were directed to formally establish a new Center for Medicare and Medicaid Innovation (Innovation Center). The Innovation Center will explore innovations in health care delivery and payment that will enhance the quality of care for Medicare and Medicaid beneficiaries, improve the health of the population, and lower costs through quality improvement.

Creating a Hawai'i council to focus on innovation in our local Medicaid issues is a natural complement to the national efforts of the Innovation Center, and key to transformation of the Medicaid system. Modernization of our Medicaid program cannot be done in the vacuum of government: consumer, insurer, community and provider input must occur, and the Council provides a comprehensive, fact-based forum for that input.

The Council could also function as a multipurpose entity, addressing numerous Medicaid modernization issues and innovation concepts including: patient centered health home, information technology, eligibility systems, the Hawai'i health insurance exchange, and health care for COFA migrants.

Please support this bill.



D. V. Shaw, PhD, MPH, MBA, FACMP



**Hamakua Health Center, Inc.**  
45-549 Plumeria Street  
Honokaa, Hawaii 96727

To: **Senate Ways and Means Committee**  
The Hon. David Y Ige, Chair  
The Hon. Michelle Kidani, Vice Chair

**Testimony in Support of House Bill 326 H.D.1, S.D.1**  
**Relating to Health**

**March 30, 2011 9:30 a.m. Agenda, Room 211**

Submitted by Susan B. Hunt, MHA, Chief Executive Officer

Hamakua Health Center strongly supports House Bill 326 HD1, SD1 which provides telehealth services coverage for Medicaid and QUEST patients using Kona Hospital's medical van program. Access to healthcare is a priority for our members and we support measures, programs, and policies that improve access to healthcare rather than limit it. Patients seen at the mobile van can be referred for follow up treatment, if necessary, to community health centers, thereby creating a seamless continuum of health care and reducing inappropriate use of emergency rooms. This continuum is an example of how a health care home works: expanding access, creating relationships between providers, improving the patient experience, and saving the system money.

Hamakua Health Center also strongly supports the section of this bill which creates the Medicaid Modernization and Innovation Council and empowers the Council to develop a patient-centered health care home pilot program for Medicaid enrollees.

A patient-centered health care home is not an actual structure, but a linked approach to providing health care that improves the patient experience, improves health outcomes, and reduces per capita costs. This model will transform the health care system from one that is reactive and costly to one that is proactive and efficient. According to the Patient Centered Primary Care Collaborative, "Investing in primary care patient centered medical homes results in improved quality of care and patient experiences, and reductions in expensive hospital and emergency department utilization."

Hamakua Health Center has been building upon the patient centered health care home since 2003 by participating in the federal Bureau of Primary Care Health Disparities Collaboratives. We are also a key stakeholder in the Hawaii Island Beacon Community. We find it essential that the State Department of Human Services MedQUEST Division be at the table as we develop our State's infrastructure for transforming how health care is delivered.

Under the Affordable Care Act, the Centers for Medicare & Medicaid Services (CMS) were directed to formally establish a new Center for Medicare and Medicaid Innovation (Innovation Center). The Innovation Center will explore innovations in health care delivery and payment that will enhance the quality of care for Medicare and Medicaid beneficiaries, improve the health of the population, and lower costs through quality improvement.

Creating a Hawai'i council to focus on innovation in our local Medicaid issues is a natural complement to the national efforts of the Innovation Center, and key to transformation of the Medicaid system. Modernization of our Medicaid program cannot be done in the vacuum of government: consumer, insurer, community and provider input must occur, and the Council provides a comprehensive, fact-based forum for that input which will help to coordinate the approach and not duplicate efforts.

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, March 28, 2011 12:42 PM  
**To:** WAM Testimony  
**Cc:** ronaldt@hawaii.edu  
**Subject:** Testimony for HB326 on 3/30/2011 9:30:00 AM

Testimony for WAM 3/30/2011 9:30:00 AM HB326

Conference room: 211  
Testifier position: support  
Testifier will be present: No  
Submitted by: Ronald Taniguchi  
Organization: Individual  
Address:  
Phone:  
E-mail: [ronaldt@hawaii.edu](mailto:ronaldt@hawaii.edu)  
Submitted on: 3/28/2011

**Comments:**

I strongly support the initiatives to create a patient-centered medical home model pilot and innovation in the state Medicaid program as proposed in the amendments to HB 326 HD1.



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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, March 28, 2011 12:58 PM  
**To:** WAM Testimony  
**Cc:** clee@waimanalohc.org  
**Subject:** Testimony for HB326 on 3/30/2011 9:30:00 AM

Testimony for WAM 3/30/2011 9:30:00 AM HB326

Conference room: 211  
Testifier position: support  
Testifier will be present: No  
Submitted by: Christina Lee  
Organization: Individual  
Address:  
Phone:  
E-mail: [clee@waimanalohc.org](mailto:clee@waimanalohc.org)  
Submitted on: 3/28/2011

Comments:

Patient-Centered Health Care Home

A patient-centered health care home is not an actual structure, but a linked approach to providing health care that improves the patient experience, improves health outcomes, and reduces per capita costs. This model will transform the health care system from one that is reactive and costly to one that is proactive and efficient.

According to the Patient Centered Primary Care Collaborative, "Investing in primary care patient centered medical homes results in improved quality of care and patient experiences, and reductions in expensive hospital and emergency department utilization."

Nearly 40 states have implemented some form of patient-centered health care home model (also known as medical home). All of these showed a level of improvement in care, cost, or both. Some of the notable examples include:

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Health Care Home / Medical Home in Hawai'i The following organizations are involved in some form of patient-centered health care / medical home program:

- Kaiser Permanente
- HMSA
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- Hamakua Health Center
- Wai'anae Coast Comprehensive Community Health Center
- Kalihi-Palama Health Center
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- AlohaCare

## Patient-Centered Health and the Affordable Care Act

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### Why a Council?

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The Council could also function as a multipurpose entity, addressing numerous Medicaid modernization issues and innovation concepts including: patient centered health home, information technology, eligibility systems, the Hawai'i health insurance exchange, and health care for COFA migrants.

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**From:** mailinglist@capitol.hawaii.gov  
**Sent:** Monday, March 28, 2011 1:14 PM  
**To:** WAM Testimony  
**Cc:** ghunt@westhawaiiichc.org  
**Subject:** Testimony for HB326 on 3/30/2011 9:30:00 AM

Testimony for WAM 3/30/2011 9:30:00 AM HB326

Conference room: 211  
Testifier position: support  
Testifier will be present: No  
Submitted by: Gayle Hunt  
Organization: Individual  
Address:  
Phone:  
E-mail: [ghunt@westhawaiiichc.org](mailto:ghunt@westhawaiiichc.org)  
Submitted on: 3/28/2011

**Comments:**

I support HB 326. Not only will a mobile medical van increase access to care for very rural Big Island QUEST patients, but the creation of a council empowered to develop a patient-centered health care home pilot program for Medicaid enrollees would significantly increase quality of care and reduce expensive hospital and ER utilization. Please vote YES!

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**From:** Jane Woolsey [jwoolsey@molokaichc.org]  
**Sent:** Tuesday, March 29, 2011 8:01 AM  
**To:** WAM Testimony  
**Subject:** Strong Support for HB326 HD1 SD1

RE: House Bill 326, H.D. 1 S.D. 1 (Relating to Health), on Wednesday, March 30, 2011, at 9:30 A.M. in room 211 at the State Capitol.

Aloha,  
I am writing today to urge your complete support of this bill and measure ensuring the forward progress of access to health care for the poor and needy.

Being at the forefront of transition to the Patient Centered Medical Home as stated in the Affordable Care Act of 2010, Community Health Centers across the nation are answering the call.

We too, in our beloved state of Hawaii must respond.

Approval of this bill supports increased access to care for QUEST patients in rural parts of the Big Island through use of a mobile van. **The bill also contains a Part II, which creates the Medicaid Modernization and Innovation Council** and empowers the Council **to develop a patient-centered health care home pilot program for Medicaid enrollees.** The comprehensive, integrated nature of the patient-centered health care home is best exemplified by projects like the mobile van, as it increases access to essential primary care services and creates a vehicle through which coordinated care among community providers can be facilitated.

We here in Moloka'i are currently holding neighborhood public meetings to gather the voiced needs and requests of our community. The request heard over and over again from all parts of the island is to "bring the medical care to us". Transportation is an undeniable barrier to health care for our community and I am certain in all rural areas of Hawaii. As the gas prices continue to rise this barrier will not only continue but worsen.

**Nearly 40 states have implemented some form of patient-centered health care home** model (also known as medical home). All of these showed a level of improvement in care, cost, or both. Some of the notable examples include:

- Group Health Cooperative of Puget Sound reduced costs by \$10 per person per month. **Potential Hawai'i savings for Medicaid: \$32 million** per year.
- Intermountain Healthcare Medical Group Care Management reduced costs by \$640 per patient per year. **Potential Hawai'i savings for Medicaid: \$169 million** per year.
- Colorado Medicaid and SCHIP reduced costs by \$215 per child per year. **Potential savings in Hawai'i Medicaid/SCHIP: \$28 million** per year.

The time is now to begin this change in the delivery system of health care before the underserved and indigent populations of our great state become the victims of something out of their control. We must be their voice to ensure equal access to healthcare.

I thank you in advance for your support of HB326, HD1, SD1.

Respectfully submitted,

Jane Woolsey RN

**LIVE. WELL.**

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**Mission Statement: To provide and promote accessible comprehensive individual and community health care to the people of Molokai with respect and aloha**

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