

HB905,HD1

Measure Title: RELATING TO DELIVERY OF GOVERNMENT SERVICES.

Report Title: Health and Human Services Delivery Plan; Procurement

Description: Requires the directors of Department of Health and Department of Human Services to collaborate with contracted health and human services providers to develop and update annually a health and human services delivery plan. Effective July 1, 2030. (HB905 HD1)

Companion: SB1141

Package: None

Current Referral: HTH/HMS, WAM

Introducer(s): YAMANE, AQUINO, CULLEN, MANAHAN, YAMASHITA

NEIL ABERCROMBIE
GOVERNOR OF HAWAII



LORETTA J. FUDDY, A.C.S.W., M.P.H.
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In reply, please refer to:
File:

Senate Committee on Health
Senate Committee on Human Services

March 23, 2011

Testimony of Loretta J. Fuddy, A.C.S.W., M.P.H.
Interim Director of Health
HB905 HD1, Relating to Health

1 **Department's Position:** Comments and recommendations

2 **Fiscal Implications:** Unknown start-up costs, unspecified expenses depending on outcome of plans

3 **Purpose and Justification:** The Hawaii Department of Health expects net gains for the public as a
4 result of collaborative planning with the Department of Human Services and contracted service
5 providers.

6
7 As currently drafted, the planning process will occur amidst sweeping and simultaneous healthcare
8 change: 1) ARRA HITECH's health information exchange, electronic medical records, and Medicaid
9 incentive program; and 2) ACA's health insurance exchange, payment reform, accountable care
10 organizations, and Medicaid expansion. These changes will disproportionately impact the contracted
11 providers HB905 HD1 compels to participate in the planning process.

12

13 Therefore the department respectfully recommends:

- 1 1) Removing or delaying the requirement for mandatory provider participation to allow them to
2 focus on meeting pressing federal mandates, and/or
- 3 2) Pushing back the report due date from 2012 to 2014, when the first round of medical records,
4 Medicaid expansion, and insurance exchanges are expected to come online. This will allow
5 all parties the opportunity to assess how federal mandates have addressed gaps in service
6 delivery, cost-effectiveness, and quality improvement; and permit DOH and DHS leadership
7 needed time to re-orient their agencies.
- 8
- 9 Thank you for the opportunity to comment.

NEIL ABERCROMBIE
GOVERNOR



AARON S. FUJIOKA
ADMINISTRATOR

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TESTIMONY
OF
AARON S. FUJIOKA
ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE
SENATE COMMITTEES
ON
HEALTH
AND
HUMAN SERVICES

March 23, 2011

2:45 PM

HB 905, HD1

RELATING TO DELIVERY OF GOVERNMENT SERVICES.

Chair Green, Chair Chun Oakland, Vice-Chair Nishihara, Vice-Chair Ihara and committee members, thank you for the opportunity to testify on HB 905, HD1. This bill requires the Departments of Health (DOH) and Human Services (DHS) to collaborate with contracted health and human services providers to develop and update annually a health and human services delivery plan. Developing and updating a health and human services delivery plan is a departmental programmatic matter.

The State Procurement Office recommends this delivery plan be placed with the respective department's statute under HRS chapter 321, department of health, and chapter 346, department of human services.

Thank you.

