

SB1468

Measure
Title:

RELATING TO HEALTH.

Report
Title:

Hawaii Patient Centered Health Home Pilot Program; Hawaii Medicaid Modernization and Innovation Council

Description:

Establishes the Hawaii patient centered health home pilot program. Establishes the Hawaii medicaid modernization and innovation council to design and implement the program. Council ceases to exist on 6/30/13.

Companion:

Package:

None

Current
Referral:

HMS/HTH, WAM

Introducer(s):

CHUN OAKLAND, BAKER, GREEN, IGE,
IHARA, KIDANI, SHIMABUKURO, TOKUDA,
Ryan

NEIL ABERCROMBIE
GOVERNOR



PATRICIA McMANAMAN
INTERIM DIRECTOR

PANKAJ BHANOT
DEPUTY DIRECTOR

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

February 10, 2011

MEMORANDUM

TO: The Honorable Suzanne Chun Oakland, Chair
Senate Committee on Human Services

The Honorable Josh B. Green, M.D., Chair
Senate Committee on Health

FROM: Patricia McManaman, Interim Director

SUBJECT: **S.B. 1468 - RELATING TO HEALTH**

Hearing: Thursday, February 10, 2011; 1:15 p.m.
Conference Room 016, State Capitol

PURPOSE: The purpose of the bill is to establish a Hawaii Medicaid modernization and innovation council to establish a patient centered health home pilot program within the Medicaid program, and to address other priorities as identified by the legislature.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) opposes this bill.

The council should have no authority to 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), otherwise

DHS could simply follow that guidance negating the need for such a council. Additionally, the bill does not acknowledge that implementation of council recommendations are subject to CMS approval.

However, DHS would welcome and be willing to facilitate stakeholder input with its contracted health plans as they implement and evaluate medical home pilots.

There is no evidence that health homes improve the quality or efficiency of health care. A recent review of medical homes by the National Institutes of Health (<http://www.ncbi.nlm.nih.gov/pmc/articles/PMC2790523/?tool=pubmed>) concluded, "No matter how carefully managed, there is not yet evidence to suggest that turning individual practices into medical homes as defined by the NCQA metric will bring about large-scale improvement in improved health outcomes or cost-savings in the short or medium term." According to this review, the North Carolina evaluation, that is often mistakenly cited as evidence for medical homes "also involved other elements such as the development of public-private partnerships and local networks," in effect creating a Medicaid managed care program. The authors further concluded, "Advocates for medical homes should be wary of overstating its short-term benefits."

The largest evaluation to date of the patient-centered medical home (http://www.annfammed.org/cgi/content/full/8/Suppl_1/S57) concluded, "In the NDP [National Demonstration Project], 2 years of effort yielded substantial adoption of PCMH components, although there was modest impact on quality of care and no improvement in patient-rated outcomes."

The real potential of the health home is shifting from a reactive individual-based model to a proactive population-based one. Currently providers do not get reimbursed for utilizing registry functionality to provide routine preventive care and disease management outside of the examination room. The financial incentive is based on

quantity of care. Changing reimbursement methodology to instead incentivize quality of care is already being pursued.

Given the lack of evidence of the effectiveness of the patient centered medical home, much still needs to be learned. DHS encourages its contracted health plans to pilot various reimbursement methodologies, and anticipates requiring its health plans to pilot a quality-based reimbursement methodology in its next QUEST contract for which a request for information was recently issued. HMSA for example, the Medicaid managed care health plan serving the vast majority of QUEST enrollees, is already implementing the medical home model.

The requirements of supporting and implementing the council's mandates are likely to require that resources are redirected from pursuit of other optional activities such as the Medicaid electronic health record incentives and innovative care delivery for individuals eligible for both Medicaid and Medicare, both of which would bring in significant federal funding and/or decrease general fund expenditures.

Thank you for the opportunity to provide testimony on this bill.

OFFICE OF INFORMATION PRACTICES

STATE OF HAWAII
NO. 1 CAPITOL DISTRICT BUILDING
250 SOUTH HOTEL STREET, SUITE 107
HONOLULU, HAWAII 96813
TELEPHONE: 808-586-1400 FAX: 808-586-1412
EMAIL: oip@hawaii.gov

To: Senate Committees on Human Services and on Health

From: Cathy L. Takase, Acting Director

Date: February 10, 2011, 1:15 p.m.
State Capitol, Room 016

Re: Testimony on S.B. No. 1468
Relating to Health

Thank you for the opportunity to submit testimony on S.B. No. 1468.

This bill would establish a Hawaii Medicaid Modernization and Innovation council to implement a Hawaii Patient Centered Health Home pilot program. OIP has no position on the creation of the council or the pilot program, but is testifying with concerns about a provision at page 13, lines 8-12, that would give the council a special permitted interaction under the Sunshine Law.

The Sunshine Law generally requires board members to discuss board business in a meeting, but provides for several specific circumstances, called "permitted interactions," in which board members may properly discuss board business outside a meeting. These permitted interactions are carefully balanced to both facilitate board members' ability to communicate, and protect the public's interest in having access to the board's discussions. For instance, there is a permitted interaction (section 92-2.5(b), HRS) that allows less than a quorum of a board to be assigned to investigate a specific matter of the board and report back to the board. This existing permitted interaction (1) is limited in duration, as it

envisions the group working together on one issue, and ceasing to exist after making its report on that issue; (2) is limited in scope of subject matter, since it involves investigation of one particular issue rather than a range of related topics; and (3) assures the public's ability to be informed about the discussions and testify about the issue, since it requires that the group report back and that the full board wait to discuss the report until a later meeting.

The permitted interaction proposed in this bill lacks any of those public protections, and seems instead to be intended to allow the council members to have standing subcommittees and workgroups that function entirely outside the Sunshine Law. OIP has serious concerns about allowing a board that is ostensibly subject to the Sunshine Law to conduct a large part of its work outside the Sunshine Law and without the protections of the public interest afforded by the Sunshine Law. OIP would therefore recommend that this provision be deleted, and that the council instead use the existing permitted interactions in conducting its business consistent with all other government boards.

Thank you for the opportunity to testify.



HO'ŌLA LĀHUI HAWAI'I
P.O. Box 3990; Līhu'e, Hawai'i
Phone: 808.240.0100 Fax: 808.246.9551

Senate Committee on Human Services

The Hon. Suzanne Chun Oakland, Chair

The Hon. Les Ihara Jr., Vice Chair

Senate Committee on Health

The Hon. Josh Green, M.D., Chair

The Hon. Clarence K. Nishihara, Vice Chair

Testimony in Support of Senate Bill 1468

Relating to Health

Submitted by David Peters, Chief Executive Officer

February 10, 2011, 1:15 p.m., Room 016

We strongly support Senate Bill 1468, which establishes a Medicaid Modernization and Innovation Council to create a health care home pilot program and other duties as directed by the Legislature.

We continue to see that Primary Care is the best method to lower health care costs, prevent unnecessary hospitalizations and decrease use of emergency rooms for primary care needs. As Hawaii continues to see increasing morbidity and mortality related to chronic conditions especially in Native Hawaiians, we will have to implement a model that supports patients in their quest to become healthier and avoid complications from their health conditions.

The Patient Centered Medical Home Model is one way to provide a stable environment for patients to receive the care they need and establish strong relationships with a team of individuals to assure better outcomes AND it is less costly than the current system. Placing an emphasis on the primary care reduces costs and services on the tertiary care side.

The council is the first step in assuring that we can successfully transition to this model of care that we so desperately need in our communities. The need to transform Medicaid rather than cut benefits, reduce eligibility and eliminate needed services will go a long way to reduce long term costs. If we continue the current strategy to cut costs to solve an immediate need we will only face increasing costs and with poor outcomes.

We ask you to support Senate Bill 1468, and pass the measure out of committee.



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

To: **Senate Committee on Health**
The Hon. Josh Green, M.D., Chair
Senate Committee on Human Services
The Hon. Suzanne Chun-Oakland, Chair

Testimony in Support of Senate Bill 1468
Relating to Health

February 10, 2011 1:15 p.m. Agenda, Room 016
Submitted by Susan B. Hunt, MHA, Chief Executive Officer

Hamakua Health Center strongly supports 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.

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.

We appreciate the long-term, unwavering support that the Legislature has given our CHCs, our patients, and our communities. We urge your support for **SB1468**.



Hawai'i Primary Care Association

345 Queen Street | Suite 601 | Honolulu, HI 96813-4718 | Tel: 808.536.8442 | Fax: 808.524.0347
www.hawaiiipca.net

Senate Committee on Human Services

The Hon. Suzanne Chun Oakland, Chair

The Hon. Les Ihara Jr., Vice Chair

Senate Committee on Health

The Hon. Josh Green, M.D., Chair

The Hon. Clarence K. Nishihara, Vice Chair

Testimony in Support of Senate Bill 1468

Relating to Health

Submitted by Beth Giesting, Chief Executive Officer

February 10, 2011, 1:15 p.m., Room 016

The Hawai'i Primary Care Association represents all community health centers of Hawaii. **We strongly support Senate Bill 1468, which establishes a Medicaid Modernization and Innovation Council to create a health care home pilot program and other duties as directed by the Legislature.**

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 Hawaii, 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

- Wai'anae Coast Comprehensive Community Health Center
- Kalihi-Palama Health Center
- Waimanalo 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 Senate Bill 1468, and pass the measure out of committee. Thank you for the opportunity to testify.

Initiative Type	State	Target Population	Focus of Care	Health and Savings Outcomes
Medicaid Sponsored PCMH	Colorado	Medicaid / CHIP	All children's conditions, Diabetes, Cardiovascular, Depression, Back Pain	-Median Annual Costs 22% lower for general conditions, 33% lower for chronic conditions. - 72% of PCMH children with well-child visits (versus 27% for control)
	North Carolina	Medicaid / CHIP	All conditions	-Cumulative \$975M savings (6 years) - 40% decrease in asthma-related hospitalizations - 16% decrease in emergency room visits
	South Carolina	BCBS Palmetto - 22 sites	Diabetes	- 36.3% fewer inpatient days for PCMH patients -Total costs 6.5% lower in PCMH patient population - 12.4% reduction in emergency room visits -PCMH patients improved in six of ten quality metrics
Private Payor Sponsored PCMH	North Dakota	BCBS MeritCare System	Diabetes	- 51% lower hospital admission rates than control - 27% fewer emergency room visits than control -PCMH patient costs 27% lower than control
	Washington	Group Health Cooperative of Puget Sound Pilot	All conditions	- 16% reduction of hospital admissions - 29% reduction in emergency room visits - \$10 PMPM reduction in costs for PCMH over control
Integrated Delivery System PCMH Models	Pennsylvania	Geisinger Health Systems Medicare Beneficiaries	All conditions	-Overall reduction of medical costs by 9% - 74% improvement in preventive care - 35% improvement in diabetes care - 22% improvement in coronary artery disease care
	Maryland	John Hopkins School of Medicine Medicare Beneficiaries	All conditions	-Total inpatient days decreased by 24% - 15% reduction in emergency room visits
Other PCMH	Michigan	Genesee Health Plan - 25,000 adults	All conditions	-72% of adults identified PCP - 50% reduction in emergency room visits - 15% reduction in hospitalizations - 36% reduction in smoking - 137% increase in mammography screening rates

HMSA



Blue Cross
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of Hawaii

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February 10, 2011

The Honorable Suzanne Chun Oakland, Chair
The Honorable Josh Green M.D., Chair
Senate Committees on Human Services and Health

Re: SB 1468 – Relating to Health

Dear Chair Chun Oakland, Chair Green, and Members of the Committees:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to support the intent of SB 1468 which would establish the Hawaii patient centered medical home (PCMH) pilot project within the Medicaid program and would create a Medicaid modernization and innovation council.

HMSA has taken great strides towards encouraging providers and facilities to increase the quality of care provided. One of the ways which we are doing this is by pursuing a new methodology of provider reimbursement that rewards health care providers for quality rather than volume. This is reflective of the type of program described within SB 1468. We believe that transitioning to this new payment model and away from simply paying for services based on volume is a vital part of creating an economically sustainable health care delivery system. In fact, we have already begun working towards the application of this program to our QUEST plan.

Our only concern would be to ensure that the language of SB 1468 does not impede current progress taking place within the community. For example, there may be a way to incorporate existing certification standards created by a health plan's PCMH model. Perhaps a PCMH certified physician, certified by a health plan's PCMH, would be able to utilize this credentialing for all other PCMH models in the state. Again, we are supportive and look forward to engaging the entire community on this important change to our health care system.

We also believe that the creation of the Medicaid Modernization and Innovation Council would formally establish a group to discuss potential ways to contain the cost of care for the state's neediest population. If we could make one slight suggestion to the group's members we would suggest that there is representation from an individual with a background in finance. Thank you for the opportunity to testify on SB 1468.

Sincerely,

A handwritten signature in black ink, appearing to read 'JD', with a long horizontal flourish extending to the right.

Jennifer Diesman
Vice President
Government Relations



HAWAII MEDICAL ASSOCIATION

1360 S. Beretania Street, Suite 200, Honolulu, Hawaii 96814
Phone (808) 536-7702 Fax (808) 528-2376 www.hmaonline.net

Thursday, February 10, 2011 1:15 p.m. Conference Room 016

To: COMMITTEE ON HUMAN SERVICES
Senator Suzanne Chun Oakland, Chair
Senator Les Ihara, Jr., Vice Chair

COMMITTEE ON HEALTH
Senator Josh Green, M.D., Chair
Senator Clarence K. Nishihara, 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: SB 1468 Relating to Health

In Support

Chairs & Committee Members:

Hawaii Medical Association supports SB 1468.

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

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- STEPHEN KEMBLE, MD EXECUTIVE DIRECTOR - CHRISTOPHER FLANDERS, DO

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 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.



SENATE COMMITTEE ON HUMAN SERVICES
Senator Suzanne Chun Oakland, Chair

SENATE COMMITTEE ON HEALTH
Senator Josh Green, M.D., Chair

Conference Room 016
Feb. 10, 2011 at 1:15 p.m.

Supporting SB 1468.

The Healthcare Association of Hawaii advocates for 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 SB 1468, which requires the Department of Human Services to create a patient-centered health home pilot program within the State's Medicaid program.

The patient-centered health care home, also known as the medical home, is intended to create a structure with processes that improve the patient experience, improve health outcomes, and reduce per capita costs. It is designed to transform the health care system from one that is reactive and costly to one that is proactive and efficient.

Nearly 40 states have implemented a form of the patient-centered health care home, and all of them have shown improvement in care, cost, or both. In Hawaii, a number of organizations are involved in some form of patient-centered health care home, such as Kaiser Permanente, HMSA, Aloha Care, Hawaii Pacific Health, the Hawaii Independent Physicians Association, and several community health centers.

The federal Affordable Care Act (ACA) provides financial resources for programs and states to implement patient-centered models of care that Hawaii can take advantage of. The ACA will also create a center to facilitate innovations in Medicare and Medicaid. This innovation center would be able to assist the council created by SB 1468 to guide the creation of the patient-centered health care home.

For the foregoing reasons, the Healthcare Association supports SB 1468.



Family Health Centers

February 8, 2010

Senate Human Services and Health Committee

Re: STRONG SUPPORT OF SENATE BILL 1468

Dear Senate Human Service and Health Committee Members,

I am writing on behalf of the organization of Bay Clinic, Inc, our 155 staff, and our 18,000 patients whom we serve. Bay Clinic has 7 sites that serve the medically underserved populations of East and South Hawaii Island. We provide care to the Medicaid, Medicare, uninsured, and underinsured populations of our Island. Our patients face barrier to health care access which we are working to address through innovations such as the Patient Centered Medical Home.

We support SB 1468. This bill establishes the Hawaii patient centered health home pilot program and establishes the Hawaii Medicaid modernization and innovation council to design and implement the program. This helps support the modernization and innovation in Hawaii's Medicaid system. The current system is costly with poor health outcomes. Transformation of the Medicaid system is critical to providing quality, cost effective health care in Medicaid.

A patient centered health care home is an approach to 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.

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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**Administrative
Offices**
224 Haili Street
Hilo, HI 96720
808-961-4071

**Bay Clinic
Family Health Center**
73 Pu'uohonu Pl. Ste. 204
Hilo, HI 96720
808-934-3280

**Hilo
Family Health Center**
1178 Kino'ole St.
Hilo, HI 96720
808-969-1427

**Ka'u
Family Health Center**
95-5583 Mamalahoa Hwy.
Na'alehu, HI 96772
808-929-7311

**Kea'au
Family Health Center**
16-192 Piliimua St.
Kea'au, HI 96749
808-930-0400

**Pahoa
Family Health Center**
15-2866 Pahoa Vil. Rd.
Bldg. C. Ste. A.
Pahoa, HI 96778
808-965-9711

**Pahoa Women's
Health Center**
15-2866 Pahoa Vil.
Rd. Bldg. F. Ste. A.
Pahoa, HI 96778
808-965-3038



Family Health Centers

- 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.**

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Yvonne Gilbert, MPH
Secretary
*Program Director
Arc of Kona*

Tanya Aynessazian
CEO
Volcano Arts Center

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Dental Director

Charlotte Grimm APRN
Clinical Operations Director

Health Care Home / Medical Home in Hawaii

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
- 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.

**Administrative
Offices**
224 Haili Street
Hilo, HI 96720
808-961-4071

**Bay Clinic
Family Health Center**
73 Pu'uuhonu Pl. Ste. 204
Hilo, HI 96720
808-934-3280

**Hilo
Family Health Center**
1178 Kino'ole St.
Hilo, HI 96720
808-969-1427

**Ka'u
Family Health Center**
95-5583 Mamalahoa Hwy.
Na'alehu, HI 96772
808-929-7311

**Kea'au
Family Health Center**
16-192 Pilimua St.
Kea'au, HI 96749
808-930-0400

**Pahoa
Family Health Center**
15-2866 Pahoa Vil. Rd.
Bldg. C. Ste. A.
Pahoa, HI 96778
808-965-9711

**Pahoa Women's
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15-2866 Pahoa Vil.
Rd. Bldg. F. Ste. A.
Pahoa, HI 96778
808-965-3038



Family Health Centers

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.

On behalf of the staff, and our patients, please support SB 1468.

Mahalo,

Paul Strauss CEO on behalf of Bay Clinic, Inc.

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**Administrative
Offices**
224 Haili Street
Hilo, HI 96720
808-961-4071

**Bay Clinic
Family Health Center**
73 Pu'uuhonu Pl. Ste. 204
Hilo, HI 96720
808-934-3280

**Hilo
Family Health Center**
1178 Kino'ole St.
Hilo, HI 96720
808-969-1427

**Ka'u
Family Health Center**
95-5583 Mamalahoa Hwy.
Na'alehu, HI 96772
808-929-7311

**Kea'au
Family Health Center**
16-192 Pilimua St.
Kea'au, HI 96749
808-930-0400

**Pahoa
Family Health Center**
15-2866 Pahoa Vil. Rd.
Bldg. C. Ste. A.
Pahoa, HI 96778
808-965-9711

**Pahoa Women's
Health Center**
15-2866 Pahoa Vil.
Rd. Bldg. F. Ste. A.
Pahoa, HI 96778
808-965-3038

www.bayclinic.org Email: bcicomments@bayclinic.org
Bay Clinic, Inc. is a nonprofit 501 (c) 3 organization.



Senate Committee on Commerce and Consumer Affairs
Sen Rosalyn Baker, Chair

February 4, 2011

Senate Committee on Health
Sen Josh Green, Chair

Honorable Chairpersons and committee members;

I am writing in support of SB-1468 creating a pilot Medical Home Team;

Physician Assistants, long standing members of Hawaii's Primary Care health workforce, should specifically identified as a part of the overseeing Council, and included among those professionals who provide services as part of the patient centered "Medical Home" model.

The National Committee on Quality Assurance, NCQA, has included PAs, and PA-led clinics, as a part of its definition of Pt Centered Medical Home; Hawaii ought to have the same policy as it develops it's Medical Home Team definitions.

Thank you for the opportunity to express strong support for this bill and these amendments.

Dan Domizio PA, MPH
Clinical Director and CEO
Puna Community Medical Center
Pahoa, Hawaii

Senate Bill 1468 creates the Medicaid Modernization and Innovation Council and empowers the Council to develop a patient-centered health care home pilot program for Medicaid enrollees.

Testimony in Support of Section of Senate Bill 1468

February 10, 2011 at 1:15 p.m. Room 016

Submitted by Amy Bauchens

A patient-centered health care home is an 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.

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 the vacuum of government: consumer, insurer, community and



MAIN CLINIC:

1881 Nani Street
Wailuku, HI 96793
(808) 871-7772
Fax (808) 873-6320

SATELLITE CLINICS:

Ka Hale A Ke Ola
Resource Center
670-A Waiale Drive
Wailuku, HI 96793

Na Hale O Wainee
Homeless Resource
Center
15 Ipu'Aumakua,
Lahaina, HI 96761

Senate Committee on Human Services

The Hon. Suzanne Chun Oakland, Chair
The Hon. Les Ihara, Vice Chair

Senate Committee on Health

The Hon. Josh Green, M.D., Chair
The Hon. Clarence Nishihara, Vice Chair

**Testimony in Support of Senate Bill 1468
Relating to Health**

**Submitted by Dana Alonzo-Howeth, Executive Director
February 10, 2011, 1:15 p.m., Room 016**

Our health center supports the establishment of the Hawaii patient centered health care home pilot program and the Hawaii Medicaid modernization and innovation council to design and implement the program.

This is a wonderful opportunity to transform the health care system from one that is reactive and costly to one that is proactive and efficient. We are proud of the fact that many of our sister health centers are involved in some form of patient-centered health care / medical home program and look forward to our health center growing in this direction and learning from these pilot programs and council.

Thank you for the opportunity to support this measure.



Health Committee

Senator Josh Green, Chair
Clarence K. Nishihara, Vice Chair

Commerce and Consumer Protection Committee

Senator Rosalyn H. Baker, Chair
Senator Brian T. Taniguchi, Vice Chair

Wednesday, February 9, 2010

Support of SB 1468: Relating to Patient Centered Health Homes and the Hawaii Medicaid Modernization and Innovation Council

Honorable Chairpersons and Committee Members:

I am writing as a PA who has practiced in the state of Hawaii for 22 years, and as president of Kauai Community Health Alliance.

The Hawaii Academy of Physician Assistants (HAPA) supports SB 1468, with amendments, which will establish a Hawaii Medicaid Modernization and Innovation council to establish a Patient Centered Health Home pilot program within the Medicaid program.

HAPA believes that physician assistants (PAs), long standing members of Hawaii's Primary Health Care workforce, should be specifically identified as a part of the overseeing Council, and have included an amendment to this effect.

The bill lists members of the Home Care Team that includes Ambulatory Care Providers. HAPA interprets this language to include physician assistants as Ambulatory Care Providers without specifically naming physician assistants as part of the team. The National Committee on Quality Assurance, NCQA, has included PAs, and PA-led clinics, as a part of its definition of the Patient Centered Medical Home.

HAPA feels that due to provider shortages in rural areas of Hawaii that the state of Hawaii would benefit from similar policies as it develops its Medical Home Team definitions.

We ask your support in passing SB 1468 with the attached amendment. Thank you for this opportunity to testify.

Respectfully,
James Winkler
President
Kauai Community Health Alliance
2460 Oka St.,
Kilauea, HI 96754

Testimony in support of Senate Bill 1468

Feb 10 2011

Aloha Committee chairs and committee members:

I support Senate bill 1468 in designating a group to develop Health Center Medical, Health care homes to better serve the patients in Hawaii. Hawaii's Health Care system through community health centers have served 125,000 Hawaii citizens in the last year. Most of these patients were uninsured or underinsured and come from rural communities. Community Health centers are consumer driven and governed.

Thank you for allowing me to submit testimony in support of Senate Bill 1468. Mahalo for your support of community health centers.

Kauila Clark, Chair elect for the National Association of Community Health Centers

Health Committee

Senator Josh Green, Chair

Clarence K. Nishihara, Vice Chair

Commerce and Consumer Protection Committee

Senator Rosalyn H. Baker, Chair

Senator Brian T. Taniguchi, Vice Chair

Hawaii Academy of Physician Assistants

Tuesday, February 8, 2010

Support of SB 1468 : Relating to Patient Centered Health Homes and the Hawaii Medicaid Modernization and Innovation Council

Honorable Chairpersons and Committee Members:

The Hawaii Academy of Physician Assistants (HAPA) supports SB 1468, with amendments, which will establish a Hawaii Medicaid Modernization and Innovation Council to establish a Patient Centered Health Home pilot program within the Medicaid program.

HAPA feels that physician assistants (PAs), long standing members of Hawaii's Primary Health Care workforce, should be specifically identified as a part of the overseeing Council and have included an amendment to this effect. The bill lists members of the Home Care Team which includes Ambulatory Care Providers. HAPA interprets this language to include physician assistants as Ambulatory Care Providers without specifically naming physician assistants as part of the team.

The National Committee on Quality Assurance, NCQA, has included PAs, and PA-led clinics, as a part of its definition of the Patient Centered Medical Home. HAPA feels that due to provider shortages in rural areas of Hawaii that the state of Hawaii would benefit from similar policies as it develops its Medical Home Team definitions.

We ask your support in passing SB 1468 with the attached amendment. Thank you for this opportunity to testify.

Fielding Mercer, PA-C

President Elect

Hawaii Academy of Physician Assistants

A BILL FOR AN ACT

RELATING TO HEALTH.

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

SECTION 1. The legislature finds that improving the Medicaid health care system of Hawaii will require a comprehensive and coordinated approach. Dr. Donald Berwick, Administrator of the Centers for Medicare and Medicaid Services, has long supported broad system change with linked goals through the "Triple Aim" approach. The Triple Aim focuses on improving the individual experience of care, improving the health of populations, and reducing per capita costs of care for populations. Achieving such interdependent goals in health care requires balance, collaboration, data, and innovation. The legislature finds that one such innovation and opportunity endorsed by the Patient Protection and Affordable Care Act (Public Law 111-148) as amended by the Health Care and Education Reconciliation Act of 2010 (Public Law 111-152), together known

as the Affordable Care Act, is the patient centered medical home model, also known as the patient centered health home.

A patient centered health home is a model of delivering comprehensive, integrated, and holistic health care services to patients, including preventative and lifestyle health services. It is not necessarily a physical structure, but rather a collection of health care providers and community organizations that work collectively to provide and manage patient health. The primary provider within a health home works with a health care team to provide comprehensive and integrated services to patients. The health home team may include a primary care provider, behavioral health provider, care manager or patient care coordinator, and allied health professionals.

The collaborative nature of the patient centered health home systematically works to reduce health disparities for patients with multiple chronic diseases like diabetes, hypertension, and depression, which are aggressive drivers of cost. Patient centered health care homes improve patient outcomes by integrating and coordinating care across the entire continuum of care, providing holistic health care services, and transforming the delivery of health care by moving patient treatment away from acute, incident-based care, toward a more proactive, wellness-oriented, and healthy patient behavior paradigm.

A 1999 study of standard doctor visits published in the Journal of the American Medical Association revealed that doctors interrupted patients after 23 seconds of problem explanation, and spent just 1.3 minutes giving information. Fifty per cent of patients left without understanding what the doctor said, and ninety-one per cent of patients had no active involvement in their own decision making process. By having patients take an active and informed role in their own health, and partnering them with a proactive health care team that works collectively to encourage healthy lifestyles, the patient centered health care home reduces long-term costs by focusing on wellness, education, and preventive services, which not only reduce general health care costs but also more costly emergency room and inpatient facility use.

To facilitate the most efficient use of resources and to enhance patient care through extensive care coordination, a patient centered health home and the health care team must employ health information technology that enables sharing of patient and treatment data and collection and reporting at the patient and provider level. Health homes should have electronic health record systems that meet the Centers for Medicare and Medicaid Services' federal meaningful use guidelines.

Transformation of health care delivery must simultaneously be accompanied by a reassessment of reimbursement. Given the

enhanced level of services provided by patient-centered health care homes, it is essential that organizations operating under this model be reimbursed for the array of services that ultimately contribute to long-term cost savings. The reimbursement model should pay for services provided and outcomes produced. A comprehensive reimbursement strategy for a Medicaid health home model includes consistent fee-for-service reimbursement based on existing prospective payment system guidelines, reimbursement for enhanced health care home services, based on a per member per month formula, and organizational incentive payments for improving total population health in the chronic diseases areas identified.

The legislature finds that the Affordable Care Act grants states the option to provide health homes to Medicaid enrollees with chronic conditions and receive a ninety per cent federal medical assistance percentage for those enrollees for the first eight fiscal quarters. The legislature further finds that the Affordable Care Act also provides financial support and incentives for health systems that move toward team based, collaborative methods of care and wellness.

The purpose of this Act is to establish a Hawaii Medicaid modernization and innovation council to establish a patient centered health home pilot program within the Medicaid program,

and to address other priorities as identified by the legislature.

SECTION 2. (a) No later than January 1, 2012, the department of human services shall establish and implement the Hawaii patient centered health home pilot program within the Medicaid program in accordance with the provisions determined by the Hawaii Medicaid modernization and innovation council established in section 3 of this Act. The Hawaii patient centered health home pilot program shall provide comprehensive, person-centered, and integrated primary care services to state health care program members using a health home model of care delivery. Beginning January 1, 2012, members of state health care programs shall receive care through certified health homes provided by medical home teams. The pilot program shall terminate no later than June 30, 2013; provided that the Hawaii patient centered health home pilot program, upon the council's recommendation and approval by the legislature and the governor, may be continued as a permanent program at that time.

(b) Definitions. When used in this Act:

"Commissioner" means the state insurance commissioner of the department of commerce and consumer affairs.

"Council" means the Hawaii Medicaid modernization and innovation council established in section 3 of this Act.

"Health home" means a provider of primary care services that meets the requirements for participation in the Hawaii patient centered health home pilot program established by this Act.

"Member" means any qualified enrollee of a state health care program.

"Primary care services" means health care that includes primary medical, behavioral, mental, and dental services.

"State health care program" means any Medicaid funded health care program administered by the department of human services including QUEST, QUEST-ACE, QUEST-Net, QUEST-Expanded Access, Basic Health Hawaii, and Hawaii Premium Plus.

SECTION 3. (a) No later than July 1, 2011, there shall be established within the department of human services for administrative purposes the Hawaii Medicaid modernization and innovation council to be appointed by the governor as provided in section 26-34. The council shall be comprised of twenty-six voting members with geographic representation from across the State as follows:

- (1) The director of human services, or the director's designee, as an ex officio voting member;
- (2) The director of health, or the director's designee, as an ex officio voting member;

- (3) The state insurance commissioner, as an ex officio voting member;
- (4) The lieutenant governor of the State of Hawaii;
- (5) One representative of a not-for-profit health plan offered as a plan in any state health care program;
- (6) One representative of a nonprofit health provider association;
- (7) One representative of a local behavioral health professional association;
- (8) Six patient-consumer representatives, at least three of whom serve on the board of a federally qualified health center;
- (9) One oral health provider;
- (10) One representative of the business sector;
- (11) One licensed advanced practice registered nurse;
- (12) One licensed physician assistant
- (13) One non-physician mental health provider;
- (14) One licensed primary care physician practicing family medicine to be appointed from a list of nominees submitted by the speaker of the house of representatives;
- (15) One licensed primary care physician practicing geriatric medicine to be appointed from a list of

nominees submitted by the speaker of the house of representatives;

- (16) One representative of a health plan offered as a plan in any state health care program to be appointed from a list of nominees submitted by the speaker of the house of representatives;
- (17) One representative of any allied or complimentary health profession that provides support to primary care physicians and medical home teams to be appointed from a list of nominees submitted by the speaker of the house of representatives;
- (18) One licensed primary care physician practicing pediatric medicine to be appointed from a list of nominees submitted by the president of the senate;
- (19) One representative of a local medical professional association to be appointed from a list of nominees submitted by the president of the senate;
- (20) One representative of a health plan offered as a plan in any state health care program to be appointed from a list of nominees submitted by the president of the senate; and
- (21) One representative of any allied or complimentary health profession that provides support to primary care physicians and medical home teams to be appointed

from a list of nominees submitted by the president of the senate.

(b) To the extent permissible by law and in addition to any other duties prescribed by law, the council shall develop and implement the Hawaii patient centered health home pilot program established in section 2 of this Act. The council shall develop a program that is consumer-driven, culturally appropriate, and family centered and that optimizes access and provides team based, integrated, and holistic care delivery.

The council shall:

- (1) Adopt a definition, criteria, and standards for health home that takes into consideration the recommendations of the Patient-Centered Primary Care Collaborative Joint Principles of the Patient-Centered Medical Home and the National Committee for Quality Assurance Patient-Centered Medical Home Certification Standards, and is consistent with the definition of "health home services" contained in Title 42 United States Code Section 1396w-4;
- (2) Consult with any local health plan or provider that has implemented a medical home or health home model of care in Hawaii, consider the criteria and standards utilized by the health plan or provider, and determine whether the criteria and standards are appropriate for

- inclusion in the council's criteria and standards for the Hawaii patient centered health home pilot program;
- (3) Certify health homes that meet the standards established by the council;
 - (4) Adopt a definition of the medical home team that includes providers within the medical home, including:
 - (A) A primary care provider;
 - (B) Behavioral health provider;
 - (C) Care manager or patient care coordinator;
 - (D) Nursing staff;
 - (E) Nutritionists and dieticians;
 - (F) Oral health care provider;
 - (G) Pharmaceutical provider;
 - (H) Ambulatory care providers; and
 - (I) Other specialty care providers.
 - (5) Develop quality and performance measures that certified health homes in the pilot program must report to the council, health plans, and department of human services;
 - (6) Develop a payment methodology for certified health homes that shall include a per member per month care coordination fee; consistent fee-for-service reimbursement, payment for any services not reimbursed

under current Medicaid or prospective payment system guidelines but that are recommended as a covered service in the health home pilot program developed by the council, and organizational incentive payments for improving total population health in the chronic diseases areas and other metrics as adopted by the council; provided that for federally qualified community health centers the payment methodology is in addition to, and no less than, existing prospective payment system rates; and

- (7) Develop annual reporting requirements for certified health homes and health plans to report to the council, department of human services, and legislature on:
 - (A) The number of members in the program and characteristics of members including income, ethnicity, language, complex or chronic condition, age, and sex;
 - (B) The number and geographic distribution of health home providers;
 - (C) The performance and quality of health homes in treating complex chronic condition patient populations;
 - (D) Measures of preventive care;

- (E) Health home payment methodology arrangements compared with costs related to implementation and payment of care coordination fees; and
- (F) Estimated and actual impact of health homes on health disparities.

(c) The council shall select a chairperson by a majority vote of its members. A majority of the members serving on the council shall constitute a quorum to do business. The council may form workgroups and subcommittees, including individuals who are not council members, to:

- (1) Obtain resource information from medical professionals, insurers, health care providers, community advocates, and other individuals as deemed necessary by the council;
- (2) Make recommendations to the council; and
- (3) Perform other functions as deemed necessary by the council to fulfill its duties and responsibilities.

(d) Two or more council members, but less than a quorum, may discuss matters relating to official council business in the course of their participation in a workgroup or subcommittee, and such discussion shall be a permitted interaction as provided for in section 92-2.5.

(e) Members of the council shall serve without compensation but shall be reimbursed for expenses, including travel expenses, necessary for the performance of their duties.

(f) The council may appoint, without regard to chapters 76 and 89, an executive director who shall serve at the pleasure of the council and whose duties shall be set by the council. The salary of the executive director shall be set by the council; provided that the salary shall not exceed the salary of the deputy director of the department of human services. The executive director may also appoint other personnel, without regard to chapters 76 and 89, to work directly for the executive director.

(g) The council may require reports as necessary in the form specified by the council from state agencies and program and service providers of any state health care program.

(h) No later than twenty days prior to the convening of the regular session of 2012, the council shall submit to the legislature, the governor, the director of health, and the director of human services a report relating to the development of the program containing:

- (1) The progress of the council; and
- (2) Any and all criteria, standards, measurements, payment methodology, and other requirements of the Hawaii

patient centered health home pilot program adopted by the council pursuant to this section.

(i) No later than twenty days prior to the convening of the regular session of 2013 the council shall submit to the legislature, the governor, the director of health, and the director of human services a report relating to the implementation of the program containing information and data regarding the problems experienced with the program, benefits of the program, and the practical application of the program. The report shall also contain an opinion as to whether the program is a practical approach to modernizing Medicaid-centered health care and recommendations as to whether the program should be continued.

Based on the council's recommendation, the legislature and the governor may determine whether to continue the Hawaii patient centered health home pilot program.

(j) The council shall cease to exist on June 30, 2013.

SECTION 4. This Act shall take effect upon its approval.

INTRODUCED BY: _____

Report Title:

Hawaii Patient Centered Health Home Pilot Program; Hawaii
Medicaid Modernization and Innovation Council

Description:

Establishes the Hawaii patient centered health home pilot program. Establishes the Hawaii Medicaid modernization and innovation council to design and implement the program. Council ceases to exist on 6/30/13.

The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.

Changes are underscored.

Health Committee
Senator Josh Green, Chair
Clarence K. Nishihara, Vice Chair
Commerce and Consumer Protection Committee
Senator Rosalyn H. Baker, Chair
Senator Brian T. Taniguchi, Vice Chair

Justin Greges, PA-C
Tuesday, February 8, 2010
Support of SB 1468: Relating to Patient Centered Health Homes and the Hawaii
Medicaid Modernization and Innovation Council

Honorable Chairpersons and Committee Members:

The Hawaii Academy of Physician Assistants (HAPA) supports SB 1468, with amendments, which will establish a Hawaii Medicaid Modernization and Innovation council to establish a Patient Centered Health Home pilot program within the Medicaid program. HAPA believes that physician assistants (PAs), long standing members of Hawaii's Primary Health Care workforce, should be specifically identified as a part of the overseeing Council and have included an amendment to this effect.

The bill lists members of the Home Care Team which includes Ambulatory Care Providers. HAPA interprets this language to include physician assistants as Ambulatory Care Providers without specifically naming physician assistants as part of the team. The National Committee on Quality Assurance, NCQA, has included PAs, and PA-led clinics, as a part of its definition of the Patient Centered Medical Home. HAPA feels that due to provider shortages in rural areas of Hawaii that the state of Hawaii would benefit from similar policies as it develops its Medical Home Team definitions. We ask your support in passing SB 1468 with the attached amendment.

Thank you for this opportunity to testify.

Justin Greges, PA-C

Health Committee

Senator Josh Green, Chair
Clarence K. Nishihara, Vice Chair

Commerce and Consumer Protection Committee

Senator Rosalyn H. Baker, Chair
Senator Brian T. Taniguchi, Vice Chair

Jun Elegino, PA-C

Tuesday, February 8, 2010

Support of SB 1468: Relating to Patient Centered Health Homes and the Hawaii Medicaid Modernization and Innovation Council

Honorable Chairpersons and Committee Members:

The Hawaii Academy of Physician Assistants (HAPA) supports SB 1468, with amendments, which will establish a Hawaii Medicaid Modernization and Innovation council to establish a Patient Centered Health Home pilot program within the Medicaid program. HAPA believes that physician assistants (PAs), long standing members of Hawaii's Primary Health Care workforce, should be specifically identified as a part of the overseeing Council and have included an amendment to this effect.

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We ask your support in passing SB 1468 with the attached amendment. Thank you for this opportunity to testify.

Jun Elegino, PA-C

Chief Hospitalist Physician Assistant
Tripler Army Medical Center

ChunOakland2 - Tyrell

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 09, 2011 10:41 AM
To: HMS Testimony
Cc: dpuhi@molokaichc.org
Subject: Testimony for SB1468 on 2/10/2011 1:15:00 PM

Testimony for HMS/HTH 2/10/2011 1:15:00 PM SB1468

Conference room: 016
Testifier position: support
Testifier will be present: No
Submitted by: Desiree R. Puhi
Organization: Molokai Community Health Center
Address: P.O. Box 2040 Kaunakakai
Phone: 808-553-4505
E-mail: dpuhi@molokaichc.org
Submitted on: 2/9/2011

Comments:
Senate Health Committee

February 9, 2011

Regarding Senate Bill 1468

Dear Honorable Chair and Committee:

My name is Desiree Puhi, Executive Director of the Molokai Community Health Center on the island of Molokai, Hawaii. I am writing in strong support of SB 1468 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.

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.

Mahalo,
Desiree Puhi, Executive Director

ChunOakland2 - Tyrell

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 09, 2011 9:42 AM
To: HMS Testimony
Cc: mlee@waimanalohc.org
Subject: Testimony for SB1468 on 2/10/2011 1:15:00 PM

Testimony for HMS/HTH 2/10/2011 1:15:00 PM SB1468

Conference room: 016
Testifier position: support
Testifier will be present: No
Submitted by: Mavis Lee
Organization: Waimanalo Health Center
Address: 41-1347 Kalanaiana'ole Hwy Waimanalo HI 96795
Phone: 808-259-7948
E-mail: mlee@waimanalohc.org
Submitted on: 2/9/2011

Comments:

ChunOakland2 - Tyrell

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 09, 2011 8:53 AM
To: HMS Testimony
Cc: kauail@aol.com
Subject: Testimony for SB1468 on 2/10/2011 1:15:00 PM

Testimony for HMS/HTH 2/10/2011 1:15:00 PM SB1468

Conference room: 016
Testifier position: support
Testifier will be present: No
Submitted by: Laura Novell
Organization: Lanai Community Health Center
Address: POB 630698 Lanai City HI
Phone: 956-533-0911
E-mail: kauail@aol.com
Submitted on: 2/9/2011

Comments:

Testimony in Strong Support of SB 1468

Relating to **Senate Bill 1468 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.**

Aloha,

I am the board chair of the Lana`i Community Health Center and I would like my testimony to reflect that I am strongly in support of SB 120 **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."

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 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
- Wai'anae Coast Comprehensive Community Health Center
- Kalihi-Palama Health Center
- Waimanalo Community Health Center
- West Hawai'i Community Health Center
- AlohaCare

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 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.

ChunOakland2 - Tyrell

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 08, 2011 12:35 PM
To: HMS Testimony
Cc: jwmorris58@yahoo.com
Subject: Testimony for SB1468 on 2/10/2011 1:15:00 PM

Categories: Red Category

Testimony for HMS/HTH 2/10/2011 1:15:00 PM SB1468

Conference room: 016
Testifier position: comments only
Testifier will be present: No
Submitted by: Joseph W Morris, PA-C
Organization: Individual
Address: 1897 Ranger Loop, #184 Honolulu, Hawaii 96818-5072
Phone: 808-721-9957
E-mail: jwmorris58@yahoo.com
Submitted on: 2/8/2011

Comments:

Health Committee
Senator Josh Green, Chair
Clarence K. Nishihara, Vice Chair
Commerce and Consumer Protection Committee Senator Rosalyn H. Baker, Chair Senator Brian T. Taniguchi, Vice Chair

Joseph W. Morris, PA-C
Tuesday, February 8, 2010
Support of SB 1468: Relating to Patient Centered Health Homes and the Hawaii Medicaid Modernization and Innovation Council

Honorable Chairpersons and Committee Members:

The Hawaii Academy of Physician Assistants (HAPA), along with myself, support SB 1468, with amendments, which will establish a Hawaii Medicaid Modernization and Innovation council to establish a Patient Centered Health Home pilot program within the Medicaid program. HAPA and I, believe that physician assistants (PAs), long standing members of Hawaii's Primary Health Care workforce, should be specifically identified as a part of the overseeing Council and have included an amendment to this effect.

The bill lists members of the Home Care Team which includes Ambulatory Care Providers. HAPA interprets this language to include physician assistants as Ambulatory Care Providers without specifically naming physician assistants as part of the team. The National Committee on Quality Assurance, NCQA, has included PAs, and PA-led clinics, as a part of its definition of the Patient Centered Medical Home. HAPA feels that due to provider shortages in rural areas of Hawaii that the state of Hawaii would benefit from similar policies as it develops its Medical Home Team definitions.

We ask your support in passing SB 1468 with the attached amendment. Thank you for this opportunity to testify.

Very Respectfully;
Joseph W. Morris, PA-C

ChunOakland2 - Tyrell

From: mailinglist@capitol.hawaii.gov
Sent: Wednesday, February 09, 2011 7:56 AM
To: HMS Testimony
Cc: clee@waimanalohc.org
Subject: Testimony for SB1468 on 2/10/2011 1:15:00 PM

Testimony for HMS/HTH 2/10/2011 1:15:00 PM SB1468

Conference room: 016
Testifier position: support
Testifier will be present: No
Submitted by: Christina Lee
Organization: Individual
Address:
Phone:
E-mail: clee@waimanalohc.org
Submitted on: 2/9/2011

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 Hawaii The following organizations are involved in some form of patient-centered health care / medical home program:

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- Waimanalo Community Health Center
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- 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:

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- 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.