

SB425, SD1

Measure Title: RELATING TO MEDICAID.

Report Title: Medicaid; HMS; QUEST; Wellness; Pilot Program; Appropriation

Description: Creates a wellness pilot program within medicaid. Appropriates funds. (SD1)

Companion:

Package: None

Current Referral: HMS/HTH, WAM

Introducer(s): GALUTERIA



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 Green, M.D., Chair
Senate Committee on Health

FROM: Patricia McManaman, Interim Director

SUBJECT: **S.B. 425, S.D.1 – RELATING TO MEDICAID**

Hearing: Thursday, February 10, 2011; 1:15 p.m.
Conference Room 229, Hawaii State Capitol

PURPOSE: The purpose of this bill is to create a wellness pilot program within Medicaid and to appropriate funds for the pilot program.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the intent of this bill. Creating evidence-based health and wellness alternatives that reduce incidence of chronic disease and support Medicaid recipients in maintaining healthier lifestyles is a laudable goal. However, given the State's fiscal situation, DHS does not support spending general funds on this wellness pilot project when those funds could instead be used for other purposes such as preserving health care benefits.

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

HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association

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 425 SD1 – Relating to Medicaid

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

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on SB 425 SD1 which would create a wellness pilot program for individuals receiving services under Medicaid programs. HMSA supports this effort.

HMSA has been promoting the concept of wellness to our QUEST members for many years through the provision of various programs, screenings and educational outreach in the form of written materials and classes. These include:

- HealthPass – A health risk assessment and biometric screening
- Health Coaching – Classes, free to HMSA members, which provide the tools to quit smoking; how to develop a weight management and physical activity program; understand nutrition and manage stress
- Screening and Vaccination Reminders – A personalized birthday card reminding members to get needed services. (Members receive reminders based on age, sex, and recommendations in HMSA's Preventive Care Guidelines)
- He Hapai Pono - Provides an expectant woman and her family with educational materials, personal support with phone access to an OB-experienced registered nurse five days a week, guidelines on recognizing early warnings of complications, and information on risk factors

We believe that the provision of these services along with others, has the ability to affect our members' health outcomes in a positive fashion.

It is important to note that the wellness program outlined in SB 425 SD1 should examine any opportunities contained within federal legislation know as the Affordable Care Act (ACA). The ACA has numerous provisions for Medicaid demonstration programs around payment reform emphasizing quality outcomes which could fit neatly with the proposed wellness program outlined in this measure. Thank you for the opportunity to offer testimony in support of SB 425 SD1.

Sincerely,

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

Jennifer Diesman
Vice President
Government Relations

ChunOakland2 - Tyrell

From: Drorbaugh M [mjdror@hawaii.rr.com]
Sent: Wednesday, February 09, 2011 10:59 AM
To: HMS Testimony
Subject: SB425, Relating to Medicaid

James E. Drorbaugh, MD

Pediatrician, retired

Measure: SB425, Relating to Medicaid

Committee on Human Services

Senator Suzanne Chun Oakland, Chair

Senator Les Ihara, Vice Chair

Committee on Health

Senator Josh Green, Chair

Senator Clarence K. Nishihara, Vice Chair

Date: Thursday, February 10, 2011

Time: 1:15 pm

Place: Room 016

Good afternoon Senator Chun Oakland and Senator Green and members of the Committees,

My testimony is in support of the intent of this Act to foster preventive and proactive patient behavior to stay well and reduce the incidences of chronic illness.

In 2004, Finklestine published research which indicated that the medical cost in Hawaii for treating the medical complications experienced by obese adults was \$290,000,000. Medicare spent \$30 million, medicaid spent \$90 million and \$170 million came from other sources.

Pediatricians and other health care professionals have "best practice" protocols for screening, evaluating and treating children who are overweight and obese. Successful proactive treatment of children will prevent them from becoming obese adults who will require treatment of the medical complications.

Because of their one-on-one relationship with patients, pediatricians and other health care professionals are in a position to motivate the required behavioral changes.

We know that medicaid is in very serious financial difficulties. However we ask for a consideration of a pilot program which would demonstrate the effectiveness of treatment. There will be social, health and economic benefit for the patients and cost savings to the health care system as well.

Thank you for the opportunity to present this testimony.

James E. Drorbaugh, MD