



HAWAII MEDICAL ASSOCIATION

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Wednesday, February 16, 2011, 2:45 P.M., Conference Room 229

To: 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 1381 RELATING TO THE HAWAII HEALTH AUTHORITY

In Support

Chairs & Committee Members:

Hawaii Medical Association supports SB 1381, which extends by one year the deadline for the Hawaii health authority to submit to the legislature a comprehensive health plan for all individuals in the State.

We hope that the provider community will have a meaningful place in the discussion about which benefits are necessary for patients to lead healthy and productive lives and how we can improve access to affordable health insurance for self employed and part-time workers.

We need to look at holistic approaches to altering our healthcare sector. The current structure has rendered the practice of medicine uneconomical in rural neighbor island communities and has resulted in decreased life spans for these populations.

One of our members who is a Cardiologists was denied a small business loan to practice on the Big Island because the bank did not believe that practicing medicine was a viable business. She was forced to commute to Oahu to practice. This is a direct result of the high population of Quest patients on the neighbor islands. If we don't improve Medicaid, our system will collapse.

Farming out medical decisions to "Managed Care" by insurance administrators so they can deny care, deny payment, reject prescriptions and generally make Patients and Physicians lives miserable is not the answer to savings in medicine.

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

We must eliminate administrative waste and transform our healthcare system into one that is sustainable. Reimbursement and malpractice reforms are sorely needed if we hope to avoid Hawaii's projected 50% shortage of doctors in the next decade. We are already short over 600 doctors and this is a direct result of reimbursements not meeting the cost of providing services and an increasingly intolerable level of administrative burden forced upon physicians by "Managed Care".

Thank you for the opportunity to testify.

HMSA



An Independent Licensee of the Blue Cross and Blue Shield Association

February 16, 2011

The Honorable Josh Green, M.D., Chair
The Honorable Clarence K. Nishihara, Vice Chair
Senate Committee on Health

Re: SB 1381 – Relating to the Hawaii Health Authority

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

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on SB 1381 which extends the reporting deadline for the Hawaii Health Authority (Authority) to submit a comprehensive health plan for all individuals in the State to the Legislature 20 days prior to the convening of the 2012 Legislature. HMSA offers comments on this Bill.

Pursuant to HRS Section 332H-2, the Authority was made responsible for developing an overall health plan for the State that would (1) incorporate eligibility for inclusion in a health plan for all individuals; (2) determine all reimbursable services to be paid by the Authority; (3) determine all approved providers of services in a health plan for all individuals; (4) evaluate cost effectiveness of all aspects of a health plan for all individuals; and (5) establish a budget for a health plan for all individuals in the State.

While the Authority has yet to be established, federal action effectively has superseded this model of State health care planning. Pursuant to the Affordable Care Act (ACA), by January 1, 2014, each state must have created a fully operable health insurance exchange (Exchange), through which individuals will “shop” for their health plans. If, by January 2013, a state has not made sufficient progress in creating its Exchange, the U.S. Department of Health and Human Services (HHS) will move to establish an Exchange for that state, effectively taking over the state’s health care system.

Both houses of the Legislature are considering legislation to build an Exchange in Hawaii. And, this Committee took assertive action to create such an Exchange when it passed SB 1348 earlier this month. Given these actions, the extension of the Authority’s reporting deadline may not be necessary.

Thank you for the opportunity to testify today.

Sincerely,

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

Jennifer Diesman
Vice President
Government Relations

green1 - Karen

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 15, 2011 12:16 PM
To: HTHTestimony
Cc: maguinger@hawaii.rr.com
Subject: Testimony for SB1381 on 2/16/2011 2:45:00 PM

Testimony for HTH 2/16/2011 2:45:00 PM SB1381

Conference room: 229
Testifier position: support
Testifier will be present: Yes
Submitted by: Mary A Guinger
Organization: Individual
Address:
Phone:
E-mail: maguinger@hawaii.rr.com
Submitted on: 2/15/2011

Comments:

I support this bill to establish the Hawaii Health Authority to submit a comprehensive health care for all of Hawaii.
The Authority will identify cost efficient universal health care for all.
Hawaii, like the rest of the United States, is paying the most for health care in the world.
Yet health care does not cover all the people of Hawaii.
This reduces our economic productivity and increases our vulnerability.

TESTIMONY
SB 1381
ROOM 229
2/16/1011
2:45 PM

Senate Health Committee

Chair Green and Members of the Committee:

I urge your support for SB 1381, changing the end date for the work of the Hawaii Health Authority.

For over 20 years A. Q. McElrath (one of the authors of the Hawaii Prepaid Act) has been advocating for revisions in the way Hawaii delivers healthcare to residents of the State - to adapt to the socio/political changes that have transpired since 1974. She has emphasized the need to “rationalize” a system that has become splintered, unequal in application, unaffordable for small employers and the self insured, and fundamentally broken.

(A simple analogy is what happens to a five year old computer that has never been defragmented – it stops working, or works so inefficiently it is no longer useful or effective at doing its task.)

Our healthcare system needs to be “defragged”. A cohesive, coherent, affordable, data driven, and rational model needs to be implemented in Hawaii, and throughout the U.S. SB1381 restarts the Hawaii Health Authority, a body charged with developing a plan to “defrag” Hawaii’s healthcare non-system. With your support Hawaii can look forward to a rational, affordable, benefit and beneficiary driven, comprehensive plan by July 1, 2012.

Jory Watland, Coordinator
Health Care for All Hawaii

STEPHEN B. KEMBLE, M.D.

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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

Re: SB1381, Relating to Health

I am testifying in support of SB 1381, which postpones the due date for a report from the Hawaii Health Authority (HHA), with draft legislation, from January 2011 to January 2012.

The 2009 Hawaii Legislature passed Act 11 to create the HHA, tasked with designing and then managing a universal health care system for Hawaii that covers everyone in the State. As you know, then Governor Lingle refused to appoint the HHA, so the law was never implemented. The law is still in force, but the due date for the HHA's report to the legislature has passed, so all we need to begin the planning process is to postpone the due date for the report by a year. This is exactly what this bill does.

Time is of the essence in planning for health care reform, as most aspects of the Patient Protection and Affordable Care Act (PPACA) are scheduled to be implemented in January 2014, including creation of health insurance exchanges. If Hawaii intends to move forward with designing and implementing a universal health care system, as called for in Act 11-2009, then we need to develop a specific proposal and file for the necessary Federal waivers to allow it to be implemented in lieu of an exchange. Alternatively, if we are unable to secure such waivers we need to plan on implementing the Hawaii health insurance exchange in a way that provides a stepping stone toward universal health care, and not a more fragmented and expensive form of exchange that would have to be dismantled later in order to achieve cost-effective, sustainable, universal health care. Models for how to do this, using provisions in the PPACA, are already being developed in Vermont, Connecticut, and other States.

The worst-case scenario would be to do nothing and allow the Federal government to establish an insurance exchange for us that would bring in mainland style health insurance plans that undo all the advantages of our Prepaid Health Care law.

Stephen Kemble, MD
February 12, 2010

green1 - Karen

From: mailinglist@capitol.hawaii.gov
Sent: Friday, February 11, 2011 8:54 PM
To: HTHTestimony
Cc: leslieg@maui.net
Subject: Testimony for SB1381 on 2/16/2011 2:45:00 PM

Testimony for HTH 2/16/2011 2:45:00 PM SB1381

Conference room: 229
Testifier position: support
Testifier will be present: No
Submitted by: Leslie Hartley Gise MD
Organization: Individual
Address:
Phone:
E-mail: leslieg@maui.net
Submitted on: 2/11/2011

Comments:
Date: 2/10/11

To: Sen Green, Chair, Sen Nishihara, Vice Chair and Members of the Senate Health Committee

From: Leslie Hartley Gise MD, Clinical Professor, JABSOM

Re SB 1381

SUPPORT

I support SB 1381 because:

It is a pathway to universal health care.

Universal health care is the right thing to do.

Real insurance, with one risk pool, pools the risk, covers everyone automatically, like Medicare, and covers everyone with less expense than any other plan.