

NEIL ABERCROMBIE
GOVERNOR



PATRICIA McMANAMAN
INTERIM DIRECTOR

PANKAJ BHANOT
DEPUTY DIRECTOR

LATE

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

February 25, 2011

MEMORANDUM

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

FROM: Patricia McManaman, Interim Director

SUBJECT: **S.B. 1468, S.D.1 - RELATING TO HEALTH**

Hearing: Friday, February 25, 2011; 9:00 a.m.
Conference Room 211, 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 because it will require a significant general fund appropriation not included in the Governor's Executive Biennium Budget.

DHS appreciates the intent of this bill to provide stakeholder input into DHS Medicaid-related policies and procedures. However, rather than the council advising DHS, it will have the authority to direct DHS. This authority and timeline in the bill would most likely not result in federal approval, and any expenditures would be state-only funded, including the salary of an executive director.

The scope of the council is also too limited, and addresses only the medical home, something that DHS is already pursuing. DHS will establish a forum for receiving on-going stakeholder input regarding the implementation of Affordable Care Act (ACA) provisions and designing the Medicaid program for 2014, when the Medicaid expansion provisions become effective. The ACA is the most significant change to Medicaid since its inception, and stakeholder input is critical.

DHS recommends instead, that a council be established within and led by DHS for the purpose of *advising* DHS on the implementation of ACA. This suggested approach precludes the need for an appropriation and will ensure that actions are federally compliant in order to receive federal matching funds. It also helps move us forward as a community toward 2014.

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



LATE

94-450 Mokuola Street, Suite 106, Waipahu, HI 96767
808.675.7300 | www.ohanahealthplan.com

Friday, February 25, 2011

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

From: 'Ohana Health Plan

Re: Senate Bill 1468, Senate Draft 1 - Relating to Health

Hearing: Friday, February 25, 2011, 9:00 a.m.
Hawai'i State Capitol, Room 211

Since February 2009, 'Ohana Health Plan has provided services under the Hawai'i QUEST Expanded Access (QExA) program. 'Ohana is managed by a local team of experienced health care professionals who embrace cultural diversity, advocate preventative care and facilitate communications between members and providers. Our philosophy is to place members and their families at the center of the health care continuum.

'Ohana Health Plan is offered by WellCare Health Insurance of Arizona, Inc. WellCare provides managed care services exclusively for government-sponsored health care programs serving approximately 2.3 million Medicaid and Medicare members nationwide. 'Ohana has utilized WellCare's national experience to develop an 'Ohana care model that addresses local members' healthcare and health coordination needs.

We appreciate this opportunity to submit these comments on Senate Bill 1468, Senate Draft 1 – Relating to Health.

While we appreciate the intent of this measure to develop a system of delivering comprehensive, integrated, and holistic health care services to patients, including preventative and lifestyle health services, while drawing down an enhanced 90% federal match, we oppose Section 2 as it is currently written. We feel that this particular concept has not yet been fully developed and implementation of such a robust and comprehensive project at this time would not allow it to reap its full potential as there are still many issues that need to be worked out.

For example, many of the existing health plans are doing similar models of care, and even more so, the parameters of this program are very much duplicative in both the structure and services that are already in effect under the state's QUEST Expanded Access (QExA) program, which now after two years of going live are able to show positive results of increased health quality and cost savings to the state.

From: mailinglist@capitol.hawaii.gov
Sent: Thursday, February 24, 2011 10:07 PM
To: WAM Testimony
Cc: makamine@waimanalohc.org
Subject: Testimony for SB1468 on 2/25/2011 9:00:00 AM

LATE

Testimony for WAM 2/25/2011 9:00:00 AM SB1468

Conference room: 211
Testifier position: comments only
Testifier will be present: No
Submitted by: May Akamine
Organization: Waimanalo Health Center
Address:
Phone:
E-mail: makamine@waimanalohc.org
Submitted on: 2/24/2011

Comments:

Waimanalo Health Center stands with Waianae Coast Comprehensive Health Center in the recommendation to have the Accountable Healthcare Alliance of Rural Oahu be one of the voting members of the HMMIC. Mahalo.