



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
TWENTY-SIXTH LEGISLATURE, 2011**

ON THE FOLLOWING MEASURE:

S.B. NO. 420, S.D. 3, RELATING TO HEALTH.

BEFORE THE:

HOUSE COMMITTEES ON HEALTH AND ON HUMAN SERVICES

DATE: Friday, March 18, 2011 **TIME:** 11:00 a.m.

LOCATION: State Capitol, Room 329

TESTIFIER(S): David M. Louie, Attorney General, or
Ann Andreas, Deputy Attorney General

Chair Yamane, Chair Mizuno, and Members of the Committees:

The Department of the Attorney General provides the following comments on this bill.

Section 9, on page 9, lines 3-10, makes an appropriation to be expended by the Department of Human Services "to establish an office to promote meaningful use and certify the eligibility of providers to obtain federal funds." We are aware of federal funds available to help states develop electronic health records as long as those records meet a federal definition of "meaningful use." If that is the purpose of the section, we suggest amending the bill at page 9, line 7, as follows: "to establish an office to promote meaningful use of electronic health records and certify the eligibility of providers to obtain federal funds."

The appropriations listed in section 10, on pages 9-11, are intended to finance design and construction projects and other improvements at seven community health centers. Each of the community health centers named in section 10 is organized as a domestic nonprofit corporation. To enable the Department of Health to expend the grants described in section 10, the appropriate language referencing the standards in chapter 42F,

Hawaii Revised Statutes (Grants and Subsidies), must be added to the bill. We suggest that the bill be amended at page 9, lines 11 through 14, to read as follows:

"SECTION 10. The following sums, or so much thereof as shall be sufficient to finance the projects listed in this section, are hereby appropriated out of the general revenues of the State of Hawaii for fiscal year 2011-2012, as grants pursuant to chapter 42F, Hawaii Revised Statutes, and to be distributed as follows:".

Because the contracts with and payments to the community health centers identified in section 10 will require the use of the nonprofit corporations' legal names, appropriations using the legal names of the nonprofit entities are required. We suggest replacing the trade names used in paragraphs 2 through 7, with the following corporate names:

At page 9, lines 20 and 21, replace the trade name "Waianae Coast Comprehensive Health Center" with "Waianae District Comprehensive Health and Hospital Board, Incorporated";

At page 10, line 5, replace the trade name "Hana Community Health Center" with "Hana Health";

At page 10, line 11, replace the trade name "Kauai Community Health Center" with "Ho'ola Lahui Hawaii";

At page 10, line 16, replace the trade name "Molokai Community Health Center" with "Molokai Ohana Health Care, Inc.";

At page 10, line 21, replace "Kalihi Palama Health Center" with "Kalihi-Palama Health Center (Hale Ho'ola Hou)".

If the Committees decide to pass this bill, we respectfully request that you make the suggested changes.

HMSA



An Independent Member of the Blue Cross and Blue Shield Association

LATE TESTIMONY

March 18, 2011

The Honorable Ryan I. Yamane, Chair
The Honorable John M. Mizuno, Chair
House Committees on Health and Human Services

Re: SB 420 SD3 – Relating to Health

Dear Chair Yamane, Chair Mizuno, and Members of the Committees:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on SB 420 SD3 which would appropriate funds to the Department of Health (DOH) and the Department of Human Services (DHS) to expand certain health care services to qualified individuals and to finance projects at designated Federally Qualified Health Centers (FQHCs) throughout the State. HMSA takes no position on the majority of this measure but respectfully proposes an amendment.

The Office of the National Coordinator for Health Information Technology and the Centers for Medicare and Medicaid Services (CMS) jointly implemented the Medicare and Medicaid Electronic Health Record (EHR) incentive programs. In relation to this program, regulations specify the technical capabilities EHR technology must have to be certified and to support providers in achieving the meaningful use objectives. The CMS regulations implement the changes to the Medicare and Medicaid programs by specifying the objectives providers must achieve in 2011 and 2012 to be meaningful users.

States are eligible for 100 percent federal financial participation for incentive payments made to Medicaid eligible professionals and eligible hospitals for adopting, implementing and upgrading and the meaningful use of certified EHR technology. At the same time, federal payments are conditioned on CMS approval of several key documents detailing a state's plan to develop basic infrastructural components to run the program. With first-year incentive payments available in 2011 and required by 2016, states should be engaged in efforts to obtain the required approvals.

The DHS here in Hawaii has already submitted the initial documentation (the first step of a three part process) to CMS and now needs to complete a State Medicaid HIT Plan (SMHP) in order to proceed with the process to receive these federal dollars. Although this effort has been delayed due to resourcing issues at the Department, we believe that engaging in this process, sooner rather than later, is vital as the QUEST provider and facility community continues to face an unclear financial future with the QUEST program.

We appreciate the proactive approach taken by the Administration to request funding for two temporary positions and for the electronic health record program through the Governor's Message dated February 22nd 2011 which would provide monies under Program ID HMS 902 to be used to complete the documentation process required by CMS. These temporary positions are 90 percent federally funded and the budgetary request represents the state's required 10 percent match.

We are respectfully requesting the inclusion of language to outline the timeframes the Department would have to take action, by requiring the completion of the SMHP by the end of this year. It is important to note that the funding being offered to facilities and providers in the community would be substantial.

The language being proposed today would create a new Section 11 and have the current Section 11 and 12 be renumbered to Sections 12 and 13. The newly added Section 11 would be added to Page 11, Line 7 as follows:

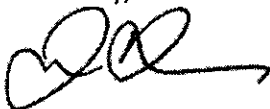
SECTION 11.

The Department of Human Services shall submit the State Medicaid Health Information Technology Plan based on the Health Information Technology Planning Advanced Planning Document to the Centers for Medicare and Medicaid Services no later than December 31, 2011 in order to take advantage of federal monies being provided to Medicaid providers and hospitals as incentives for adopting certain health information technology.

We believe that this language will ensure that the state capitalizes on all funding opportunities in a timely fashion as outlined in the amendment.

Thank you for the opportunity to testify. Again, HMSA respectfully requests the inclusion of the proposed amendment in SB 420 SD3.

Sincerely,



Jennifer Diesman
Vice President
Government Relations

LATE TESTIMONY



HOUSE COMMITTEE ON HEALTH
Rep. Ryan Yamane, Chair

HOUSE COMMITTEE ON HUMAN SERVICES
Rep. John Mizuno, Chair

Conference Room 329
March 18, 2011 at 11:00 a.m.

Supporting Section 3 of SB 420 SD 3 and proposing an amendment.

The Healthcare Association of Hawaii (HAH) 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. Our members employ more than 40,000 people statewide, delivering quality care to the people of Hawaii. Thank you for this opportunity to testify in support of Section 3 of SB 420 SD 3, which appropriates funds that will enable federally qualified health centers (FQHCs) to continue to provide care to uninsured people. We would also like to propose an amendment to the bill to hasten the adoption of electronic health records, which can improve care by enabling functions that paper medical records cannot fulfill.

FQHCs provide health care to about 30,000 uninsured people in Hawaii, who are among the 125,000 total that FQHCs serve. FQHCs serve a key role in delivering primary care services, particularly in rural areas. Strong and viable health centers can have an impact on constraining health care costs in Hawaii due to their emphasis on primary care and prevention. Timely access to primary care services can alleviate future and more costly health care encounters like emergency room and inpatient hospital admissions.

Regarding electronic health records, Section 9 of the bill appropriates funds to establish an office to promote meaningful use objectives that providers must meet in order to qualify for federal funds. Federal funds will become available this year to qualifying providers, and many providers are anxious to meet the qualifications to receive the federal funding. However, the State must have an electronic health records plan in place before that can happen. The State has received federal funds for planning. The Healthcare Association would like to assure providers that they will be able to adopt electronic health records and qualify for federal funds in a timely manner. As such, we would like to propose the following amendment:

The Department of Human Services shall submit the State Medicaid Health Information Technology Plan based on the Health Information Technology Planning Advanced Planning Document to the Centers for Medicare and Medicaid Services no later than December 31, 2011 in order to take advantage of federal monies being provided to Medicaid providers and hospitals as incentives for adopting certain health information technology.

Although the other provisions of SB 420 SD 3 may be worthwhile, the Healthcare Association takes no position on them. Thank you for this opportunity to testify on the bill.



Hawai'i Primary Care Association

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House Committee on Health

The Hon. Ryan I. Yamane, Chair

The Hon. Dee Morikawa, Vice Chair

House Committee on Human Services

The Hon. John M. Mizuno, Chair

The Hon. Jo Jordan, Vice Chair

Testimony in Support of Senate Bill 420 S.D. 3

Relating to Health

Submitted by Beth Giesting, Chief Executive Officer

March 18, 2011, 10:25 a.m., Room 211

The Hawai'i Primary Care Association represents all community health centers of Hawaii. **We strongly support Senate Bill 420 Senate Draft 3** which appropriates funds to provide health care for the uninsured, privately insured, or newly insured families and individuals. This bill recognizes the priority of health and living well in our communities.

This bill also provides funding for seven shovel ready community health center capital improvement project requests that will create jobs, health care, and repeated investment in our communities.

Thank you for the opportunity to testify on this measure.



Papa Ola Lokahi
Nana I Ka Pono Na Ma

LATE TESTIMONY

Papa Ola Lokahi
894 Queen Street
Honolulu, Hawaii 96813

Phone: 808.597.6550 ~ Facsimile: 808.597.6551

Papa Ola Lokahi

is a non-profit Native Hawaiian organization founded in 1988 for the purpose of improving the health and well-being of Native Hawaiians and other native peoples of the Pacific and continental United States.

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Ke Alaui

Executive Director

Hardy Spoehr

TESTIMONY: SB 420, SD 3, Relating to Health

HOUSE COMMITTEE ON HEALTH

Rep. Ryan Yamane, Chair

Rep. Dee Morikawa, Vice Chair

COMMITTEE ON HUMAN SERVICES

Rep. John Mizuno, Chair

Rep. Jo Jordan, Vice Chair

Hardy Spoehr, Executive Director

Friday, March 18, 2011

11:00am

Conference Room 329

State Capitol

Aloha Chairs Yamane and Mizuno, Vice Chairs Morikawa and Jordan and Members of the House Committees on Health and on Human Services. Papa Ola Lokahi (POL) strongly supports this measure.

Hawai'i's community health centers play a critical role in the health care of thousands of our island residents, many of whom are Native Hawaiians and their families. This support will enable our community health centers to continue to provide their clients with critically-important care.

Thank you for the opportunity to provide testimony on this important measure.

LATE TESTIMONY

Kalihi-Palama Health Center
915 North King Street
Honolulu, Hawaii 96817

House Committee on Health
Representative Ryan Yamane, Chair
Representative Dee Morikawa, Vice Chair

Testimony on SB 420 SD 3 Community Health Center Omnibus Bill
Submitted by Emmanuel Kintu, Chief Executive Officer/Executive Director
March 18, 2011, 11:00 a.m., Room 329

Kalihi-Palama Health Center (KPHC) supports SB 420 SD 3 Community Health Center Omnibus Bill. Federally Qualified Community Health Centers (FQHCs) have demonstrated that they are a foundation of Hawaii's Health Care Safety Net. When we do our work effectively, we provide comprehensive, integrated, culturally appropriate health care. We improve clinical outcomes, **improve the health and wellness of our communities, reduce total health care costs** and stimulate the economies of the communities where we operate.

FQHCs are willing and able to partner with the State of Hawaii to improve the health of wellness of our communities while reducing the total cost of health care and stimulating the economies of our communities by bringing in additional Federal funding.

KPHC is seeking \$8 million over two years to enable us to design, build, equip and furnish a new 36,000 square foot facility that will house most of KPHC's Health Care and Social Services under one roof, at 710 North King Street. The total cost of the new facility will be \$15.9 million. KPHC will raise \$8 million to match the \$8 million provided by the State.

In accordance with the expectations stipulated in the Patient Protection and Accountable Care Act (PPACA), by 2014, KPHC will need to demonstrate capacity to provide comprehensive, integrated primary care to up to 33,000 patients. We need to design and build a community health center that will enable us to provide culturally appropriate care in an effective and efficient manner. This facility will enable our community to maximize Federal funding available under the PPACA.

KPHC served 4 out of every 10 uninsured patients on Oahu in 2009. With full implementation of the PPACA, we project that our patient population will increase to about 28,000 in 2014 and stabilize at around 30,000 by 2015.

KPHC plans to convert existing facilities at 915 and 952 North King Street into facilities for much needed services for the elderly, special populations and for community engagement and workforce skills activities.



LATE TESTIMONY

The Official Sponsor of Birthdays

March 17, 2011

Committee on Health
Representative Ryan Yamane, Chair
Representative Dee Morikawa, Vice Chair

Committee on Human Services
Representative John Mizuno, Chair
Representative Jo Jordan, Vice Chair

Hearing:

11:00 a.m., March 18, 2011
Hawaii State Capitol, Conference Rm. 329

RE: SB420, SD3

Testimony in Strong Support with Proposed Amendments

Chairs Yamane and Mizuno, and members of the joint committee. On behalf of the American Cancer Society Hawaii Pacific Inc., thank you for the opportunity to offer this testimony and comments in support of SB420, SD3 which appropriates funds to the Department of Health and the Department of Human Services to expand certain health care services to qualified individuals and to finance projects at designated federally qualified health centers throughout the State.

For over 60 years the American Cancer Society in Hawaii has been leading the fight against cancer in Hawaii. We have made much progress in saving lives through early detection of cancers through screening procedures offer by our state's community health centers. In addition to providing cancer screenings, such as mammography and pap smears, our community health center often coordinate cancer treatment services, surgery and chemotherapy with hospitals and other providers.

Earlier this session, we testified in strong support of two breast and cervical cancer screening bills, HB602 and SB156. Both measures, if funded, would have provided additional mammograms and pap smears for at risk women.

Today, with the approbation of Senator Galuteria, the bill's sponsor and Beth Giesting, Chief Executive Officer of the Hawaii Primary Care Association, we request an amendment to this measure that would allow for additional breast and cervical cancer screening services for Hawaii's uninsured and indigent women, of which a very high percentage are community health center patients.

We would also point out that because of the economic downturn our community health centers have had addition burdens placed upon them with an increase demand for health care services, including breast and cervical cancer screenings.

We recommend adding the following language to SECTION 3, on page 7, line 2, which now reads, "...State, which may include primary medical, dental, and behavioral...", to "...**State, which may include primary medical, breast and cervical cancer screening, dental, and behavioral...**". [new text underscored].

We would also request inclusion of the following appropriation language from HB602:

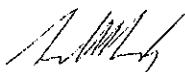
"SECTION 2. There is appropriated out of the general revenues of the State of Hawaii the sum of \$ _____ or so much thereof as may be necessary for fiscal year 2011-2012 and the same sum or so much thereof as may be necessary for fiscal year 2012-2013 to the department of health for breast and cervical cancer screening to reach more women who are eligible to be screened under the screening program.

The sum appropriated shall be expended by the department of health for the purposes of this Act."

If passed, SB420, SD3 will ensure that uninsured and indigent women will not be turned away because of a lack funding for mammograms or pap smears.

We thank you for the opportunity to offer this testimony here today, and ask for the committee's favorable consideration.

Respectfully,



George S. Massengale, JD
Director of Government Relations

LATE TESTIMONY

morikawa2 - Grant

From: Jill Oliveira [oliveiraj009@gmail.com]
Sent: Thursday, March 17, 2011 4:42 PM
To: HLTtestimony
Subject: Support for SB 429 SD 3 (Relating to Health), Hearing scheduled for 3/18/11 @ 11 am in Rm 329

I wish to submit this testimony in strong support of SB 429 SD 3, Relating to Health.

This bill will support critical funding and resources needed to provide services to 125,000 existing patients across the state of Hawaii, and, 107,000 potential patients entering the system in the next five years.

This funding request includes provisions for direct care services and infrastructure development.

I have been a mental health care provider in the Community Health Center system for the past 10 years and know first hand the broad reach these centers have for medically underserved populations across our state who would otherwise be unable to access care.

Please support these measure and allow Community Health Centers to continue to provide critical primary care, dental care, behavioral health care, and outreach services to those most in need.

Sincerely,

Dr. Jill Oliveira Gray
Licensed Clinical Psychologist

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From: mailinglist@capitol.hawaii.gov
Sent: Thursday, March 17, 2011 5:29 PM
To: HLTtestimony
Cc: clee@waimanalohc.org
Subject: Testimony for SB420 on 3/18/2011 11:00:00 AM

Testimony for HLT/HUS 3/18/2011 11:00:00 AM SB420

Conference room: 329
Testifier position: support
Testifier will be present: No
Submitted by: Christina Lee
Organization: Individual
Address:
Phone:
E-mail: clee@waimanalohc.org
Submitted on: 3/17/2011

Comments:

Funding for Community Health Centers

Ensure that critical resources necessary for providing services to 125,000 existing patients - and the 107,000 potential patients entering the system in the next five years - are available to health centers statewide. This funding request includes provisions for direct care services and infrastructure development.

- Restoration of general funds for health centers while maintaining the community health center special fund.
- Provide resources for mandated outstation eligibility workers.
- Provide resources for children's outreach.
- Provide support for the Immigrant Health Initiative so that CHCs are able to continue services to underserved populations.
- Development of health center infrastructure is now past a critical threshold: expansion of overcrowded facilities and implementation of information technology that are compliant with Meaningful Use rules are essential to meeting population needs and ensuring health care-/medical-home certification.
- Finally, funding for the adult dental benefit in Medicaid not only addresses immediate oral health needs, but reduces other medical and social costs associated with poor dental health.