



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

February 25, 2014

TO: The Honorable Karl Rhoads, Chair  
House Committee on Judiciary

FROM: Barbara Yamashita, Deputy Director

SUBJECT: **H.B. 2262, H.D. 1 - RELATING TO REPORTING DEATHS TO  
STATE AGENCIES**

Hearing: Tuesday, February 25, 2014; 2:00 p.m.  
Conference Room 325, State Capitol

**PURPOSE:** The purpose of this bill is to authorize the Department of Health (DOH) to disclose lists of names of persons whose deaths have been recorded by DOH, to state agencies that maintain official lists of persons and are prohibited by federal law from sharing information from the lists.

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) supports this Administration bill that will allow the Department of Health (DOH) to share death information with other state agencies, including date of death.

This bill will allow the DHS to receive the date of death information necessary to stop capitation payments to the Medicaid health plans for deceased persons by clarifying that the DHS can receive from the DOH, the date of a vital event, not just verification of it.

The DHS provides medical coverage to individuals through managed care health plans that are paid on a capitated basis. These payments continue until the DHS is notified that a recipient is no longer eligible or has died. Without a date of death, the DHS cannot recover payments made following the date of death and can only stop payments prospectively.

The DHS greatly appreciates inclusion of its proposed amendment in the H.D. 1 that would allow the establishment of an electronic interface with automated verification of vital statistics events and dates of events. If developed by the end of calendar year 2015, 90% matching Medicaid federal funds can be utilized to build an interface from the DHS eligibility system to the vital statistics database, through the state data services hub. For maintenance and operations, DHS can receive 75% matching Medicaid federal funds for its share of the costs. Other agencies could then develop an interface to the state data services hub and be able to exchange vital statistics data.

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

**TESTIMONY BY SANDRA YAHIRO  
ADMINISTRATOR, HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND  
DEPARTMENT OF BUDGET AND FINANCE  
STATE OF HAWAII  
TO THE HOUSE COMMITTEE ON JUDICIARY  
ON  
HOUSE BILL NO. 2262, H.D.1**

**February 25, 2014, 2:00 p.m.**

**RELATING TO REPORTING DEATHS TO STATE AGENCIES**

Chairperson Rhoads and Members of the Committee,

The purpose of this bill is to authorize the Department of Health (DOH) to disclose lists of names of persons whose deaths have been recorded by DOH, to state agencies that maintain official lists of persons and are prohibited by federal law from sharing information from the lists.

The Hawaii Employer-Union Health Benefits Trust Fund (EUTF) Board of Trustees strongly supports this Administration bill that will allow the EUTF to receive death information so that EUTF can timely terminate Medicare Part B reimbursements to deceased retirees and deceased retirees' spouses. Additionally, we are not opposed to the amendments in H.D.1.

For your information, the EUTF reimburses Medicare retirees and their Medicare spouses for their Medicare Part B premiums. Currently, the standard monthly Part B premium is \$104.90 per month. Since EUTF currently is unable to secure death information on a timely basis, it is estimated that we pay over one-quarter million dollars per year to deceased retirees and spouses. Oftentimes, EUTF does not find out about deaths until months, and sometimes years, after the death. This bill will allow us to

receive death information regularly and timely from the Department of Health, and, as such, stop Medicare Part B reimbursements to deceased retirees or spouses saving the State thousands of dollars each year.

Thank you for the opportunity to testify.