

HB 1752

HD1

Measure Title: RELATING TO HEALTH.

Report Title: Quality, Cost-Effective Healthcare; Appropriations (\$)

Description: Appropriates funds to provide primary medical, dental, and behavioral healthcare to uninsured and underinsured patients and restores basic adult dental benefits to medicaid enrollees. Appropriates moneys to community health centers to provide outreach and eligibility services as well as behavioral services and to establish health care homes for medicaid enrollees. Effective July 1, 2050. (HB1752 HD1)

Companion:

Package: None

Current Referral: HMS/HTH, WAM

Introducer(s): CARROLL, BELATTI, KOBAYASHI, OSHIRO, Creagan, Jordan, Woodson



EXECUTIVE CHAMBERS
HONOLULU

NEIL ABERCROMBIE
GOVERNOR

SENATE COMMITTEE ON HUMAN SERVICES
The Hon. Suzanne Chun Oakland, Chair
The Hon. Josh Green, Vice Chair

SENATE COMMITTEE ON HEALTH
The Hon. Josh Green, Chair
The Hon. Rosalyn H. Baker, Vice Chair

March 20, 2014, 1:45 p.m., Room 016

Testimony in Support: HOUSE BILL 1752, HD 1, RELATING TO HEALTH

Submitted by Beth Giesting, Healthcare Transformation Coordinator, Office of the Governor

Thank you for the opportunity to provide strong support for HB 1752, HD 1, Relating to Health. Our network of Federally Qualified Health Centers is a significant part of our plan for transforming Hawai'i's health care system. Their comprehensive approach to health care delivery is a model for patient-centered care since they feature an integrated care experience offering primary care, behavioral health, and dental care, plus a wide variety of access, care coordination, and case management services. They have long experience in chronic disease management strategies and have adopted electronic health records to support their practices. Laudably, FQHCs are going beyond clinical and support services and also breaking ground in addressing social determinants and improving the health of their communities.

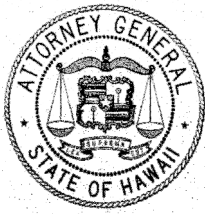
We ask your support especially for restoring funds to provide primary dental services for adults covered by Medicaid, as provided in Section 3. Unfortunately, the \$4 million needed for that program was taken out of the Medicaid budget in HB 1700, HD 1, and your support for restoring it is needed. A \$7,664,000 federal match will support these essential services.

We are strongly supportive of Sections 5 and 6, which will enable us to bring in significant federal

resources to build critical care coordination, case management, and other services needed by Medicaid patients with especially complex medical and socio-economic conditions. This is a significant step toward understanding and better meeting needs that will improve lives and save substantial dollars in our health care system. The amount needed for Section 5 is \$1 million, which will be doubled by federal funds to support the many administrative requirements for the health home state plan amendment.

Section 6 would appropriate funds from the health center special fund to attract a 9 to 1 federal match to pay for services tailored to the needs of complex patients using FQHCs. This is a tremendous opportunity to bring in significant federal funds that will change people's lives, support the FQHCs, and further the goals of healthcare transformation well beyond this project.

Thank you for the opportunity to testify.



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
TWENTY-SEVENTH LEGISLATURE, 2014**

ON THE FOLLOWING MEASURE:

H.B. NO. 1752, H.D. 1, RELATING TO HEALTH.

BEFORE THE:

SENATE COMMITTEES ON HUMAN SERVICES AND ON HEALTH

DATE: Thursday, March 20, 2014

TIME: 1:45 p.m.

LOCATION: State Capitol, Room 016

TESTIFIER(S): David M. Louie, Attorney General, or
Lili A. Young, Deputy Attorney General

Chairs Chun Oakland and Green and Members of the Committees:

The Department of the Attorney General provides the following comments.

This bill appropriates funds to the Department of Human Services and the Department of Health to provide services to qualified individuals. Two such appropriations are made to the Department of Human Services, the single state Medicaid agency, so that it can establish health homes in the State's Medicaid program pursuant to the Patient Protection and Affordable Care Act of 2010, as amended by the Health Care and Education Reconciliation Act of 2010 (collectively ACA). The term "health home" is specifically defined in section 2703(h) of ACA.

Section 5 on page 6, line 17, makes reference to the establishment of "health care homes" in Medicaid as provided in ACA. We propose amendments to section 5 on page 6, lines 14-18, as follows:

SECTION 5. 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 2014-2015 to establish health [eare] homes in medicaid as provided in the Patient Protection and Affordable Care Act;

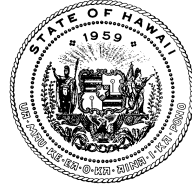
Section 6 on page 7, lines 3-14, seeks to appropriate moneys from the community health centers special fund. Section 321-1.65, Hawaii Revised Statutes, establishes the community health centers special fund and specifies that it is to "be administered and expended by the department of health." It is necessary to include wording in section 6 to authorize the transfer of moneys from this special fund from the Department of Health to the Department of Human

Services to establish health homes for Medicaid enrollees at community health centers pursuant to ACA. We propose amending section 6 on page 7, lines 3-14, as follows:

SECTION 6. There is appropriated out of the community health centers special fund the sum of \$ or so much thereof as may be necessary for fiscal year 2014-2015 to the department of health and such moneys shall be transferred to the department of human services to establish health [~~care~~] homes for medicaid enrollees at federally qualified community health centers as provided in the Patient Protection and Affordable Care Act; provided that no funds appropriated under this section shall be expended unless the department of human services obtains the maximum federal matching funds available for this appropriation.

The sum appropriated shall be expended by the department of [~~human services~~] health for the purposes of this Act.

We respectfully request that the Committee consider our comments.



STATE OF HAWAII
DEPARTMENT OF HEALTH
P.O. Box 3378
HONOLULU, HAWAII 96801-3378

In reply, please refer to:
File:

SENATE COMMITTEES ON HUMAN SERVICES AND HEALTH
H.B. 1752, H.D. 1, RELATING TO HEALTH

Testimony of Linda Rosen, M.D., M.P.H.
Director of Health

March 20, 2014

1 **Department's Position:** The Department defers Sections 3, 4, 5, and 6 to the DHS and supports
2 Sections 1, 2, and 7 of this measure, provided that its passage does not replace or adversely impact
3 priorities indicated in our Executive Supplemental Budget.

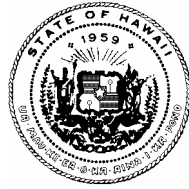
4 **Fiscal Implications:** This measure requests unspecified appropriations out of the general revenues of
5 the State of Hawaii in reference to Sections 2, 3, 4, 5 and 7, and an unspecified sum of monies from the
6 community health centers special fund in reference to Section 6.

7 **Purpose and Justification:** The purpose of this Act is to provide quality, cost-effective health care for
8 Hawaii residents who are uninsured, newly uninsured, underinsured, potential Medicaid enrollees, or
9 Medicaid enrollees. This measure seeks to synchronize the growth of community health centers with the
10 State's implementation of the ACA and its health care transformation efforts.

11 The Department defers Sections 3, 4, 5, and 6 to the DHS and supports Sections 1, 2, and 7,
12 provided that its passage does not replace or adversely impact priorities indicated in our Executive
13 Supplemental Budget. For purposes of clarity, the intent of Section 2 is to restore State funds that was
14 reduced by the Director of Health due to severe budgetary reductions in fiscal year 2010. As a result of
15 the reductions, funding for contracts with thirteen (13) FQHCs for the provision of primary care services
16 (medical, behavioral, dental treatment) and contracts with Hana Health (urgent/primary care services)

1 and Waianae Coast Comprehensive Health Center (emergency room services) were switched to the
2 community health centers special fund. If the State funds are restored to its original intended purpose
3 which is to fund the aforementioned contracted services, the community health centers special fund will
4 be used to provide capacity and infrastructure expansion for the FQHCs.

5 Thank you for this opportunity to testify on this measure.



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339
Honolulu, Hawaii 96809-0339

March 20, 2014

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, Director

SUBJECT: **H.B. 1752, H.D.1 - RELATING TO HEALTH**

Hearing: Thursday, March 20, 2014; 1:45 p.m.
Conference Room 016 , State Capitol

PURPOSE: The purpose of this bill is to appropriate unspecified funds to the Department of Health and the Department of Human Services to expand certain health care services to qualified individuals.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this measure.

The sections that apply to the DHS are sections 3, 4, and 5. Section 3 would fund the restoration of adult dental benefits; section 4 would fund out-stationed eligibility workers; and section 5 and 6 would fund health homes.

Section 3 requests an unspecified appropriation for basic adult dental benefits to Medicaid enrollees. The DHS has requested \$4,000,000 in State funds and \$7,664,163 in federal funds in the Supplemental Executive Budget in HMS 401 (Health Care Payments) to re-establish

an adult dental program for Med-QUEST adults. The Department believes dental care is important to an individual's overall health and proposes to provide dental benefits up to \$500 per person per benefit year and also provide medically needed dentures up to \$500 each for upper and lower dentures.

Section 4 of this measure requests an unspecified appropriation to provide outreach and eligibility services at Federally Qualified Health Centers (FQHCs). The Governor's budget, under HMS 902 - General Support for Health Care Payments, includes \$320,000 to support out-stationed eligibility workers (OEWs). In addition to the requested \$320,000 in the Executive Supplemental Budget, the DHS will continue to fund 23 OEWs at FQHCs and hospitals with \$667,000 already included in the DHS base budget. The FQHCs also receive funding for outreach workers through the Hawaii Primary Care Association (HPCA) from the Hawaii Health Connector, federal agencies, or other sources.

For the additional OEW funding request, the Department will be able to obtain only a 50% match from the federal government. Previously the Department had been able to receive 90% federal match. The HPCA had a contract for OEWs that ended December 31, 2013, for which the last year of funding was \$800,000 (\$80,000 general funds and \$720,000 federal funds).

Section 5 of the bill requests an appropriation to establish health homes with funds transferred from the Department of Health's community health centers special fund. The Governor's Executive Supplemental Budget included requests for \$2,016,000 in State funds and \$18,144,000 in federal funds for HMS 401 (Health Care Payments) and \$1,000,000 in state funds and \$1,000,000 in federal funds for HMS 902 (General Support for Health Care Payments) to establish a Health Homes Program under the Medicaid program. The intent of the funding request in the Executive Supplemental Budget is for non-FQHC providers because a separate

funding source is proposed in Section 6 of this bill to fund a health homes initiative through the FQHC providers.

The DHS respectfully requests the Legislature to support the funding requests for dental services, out-stationed eligibility workers, and health homes included in the Executive Supplemental Budget.

Thank you for the opportunity to testify on this measure.



STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
919 ALA MOANA BOULEVARD, ROOM 113
HONOLULU, HAWAII 96814
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
March 20, 2014

The Honorable Suzanne Chun Oakland, Chair
Senate Committee on Human Services
and

The Honorable Josh Green, Chair
Senate Committee on Health
Twenty-Seventh Legislature
State Capitol
State of Hawaii
Honolulu, Hawaii 96813

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

SUBJECT: HB 1752 HD1 – RELATING HEALTH

The State Council on Developmental Disabilities (DD) **SUPPORTS HB 1752 HD1**. The bill appropriates funds to provide primary medical, dental, and behavioral health care to uninsured and underinsured patients and restores basic adult dental benefits to Medicaid enrollees. Additionally, the bill appropriates moneys to community health centers to provide outreach and eligibility services, as well as behavioral services, and to establish health care homes for Medicaid enrollees.

This bill represents a comprehensive package of medical, dental, and behavioral health care services with emphasis on obtaining the maximum Federal matching funds available for the appropriations. The Council is pleased that Section 3 on Page 5, lines 8-15, for Fiscal Year 2014-2015 restores basic adult dental benefits to Medicaid enrollees. This provision would directly benefit adults with DD in providing oral health services that includes preventive, restorative, and prosthetic services.

The Council cannot emphasize enough the importance of comprehensive dental care services that include preventive, restorative, prosthetic, and emergency services for people with DD. We are all aware of how oral health, or the lack thereof, affects all aspects (emotional, psychological, and social) of our lives. Numerous individuals can share with you their experience of having a tooth or teeth extracted or acquiring serious health problems because necessary dental services were not available as a result of the termination of the Medicaid adult dental benefit coverage in 1996. Compounding the challenges is the limited number of dentists on the Neighbor Islands who are available and accessible to serve Medicaid and QUEST recipients.

Honorable Suzanne Chun Oakland
Honorable Josh Green
Page 2
March 20, 2014

We applaud the Legislature's initiative in restoring basic adult dental benefits to Medicaid enrollees through HB 1752 HD1.

Thank you for the opportunity to submit testimony **supporting HB 1752 HD1**.

Sincerely,



Waynette K.Y. Cabral, M.S.W.
Executive Administrator



J. Curtis Tyler, III
Chair



HPCCA

HAWAII PRIMARY CARE ASSOCIATION

Senate Committee on Human Services

The Hon. Suzanne Chun Oakland, Chair

The Hon. Josh Green, Vice Chair

Senate Committee on Health

The Hon. Josh Green, Chair

The Hon. Rosalyn H. Baker, Vice Chair

Testimony on House Bill 1752 House Draft 1

Relating to Health

Submitted by Robert Hirokawa, Chief Executive Officer

March 20, 2014, 1:45 pm, Room 016

The Hawaii Primary Care Association (HPCA), which represents the federally qualified community health centers in Hawaii, also known as “community health centers,” supports House Bill 1752 House Draft 1, making appropriations to the Departments of Health and Human Services for services to qualified individuals and families. We offer the following comments, based on funding amounts contained in the original draft HB 1752, in addition to our overall support:

- Section 2 of this measure appropriates \$6 million dollars in general funds to provide direct health care for uninsured and underinsured individuals; **we request the following amendment at page 5, line 1 “underinsured patients at community health centers, including but not limited to...”.**
- Section 3 of this measure appropriates \$4.8 million dollars to restore an adult dental benefit in Medicaid. All fourteen of our community health centers provide dental services. Given the correlation between dental health with other health conditions, and the fact that 50% of community health centers patients are Medicaid enrollees, we have long advocated for the restoration of adult dental benefits (aside from emergency procedures) and see this as a start.
- Section 4 appropriates \$800,000 in outreach funding for community health centers. **This funding is very different from the Out-Stationed Eligibility Worker funding contained in the House Budget.** Historically health centers have received funding for this important work from the State, however this ended in 2013. Outreach workers at community health centers provide an essential service to the State and communities by assisting individuals and families in applying for not just Medicaid, but other State assistance programs; we help identify services that may help the individual or family to stabilize their situation and improve the health of not only their person, but their circumstances...in other words this is one way in which we work to address the social determinants of health. The appropriation in Section 4 meets a need in our communities that is not provided by any other service or existing funding stream.

- Section 6 provides \$2 million dollars from the community health center special fund as an interdepartmental transfer from the Department of Health, to the Department of Human Services, to be used as an additional state match for a Medicaid health home state plan amendment to provide health home services to qualified patients at community health centers. Community health centers have been involved in health homes for over six years and completed our own health home pilot project last year with positive results. Thirteen of our fourteen health centers have applied for NCQA recognition as patient centered medical homes and six have been awarded Level 1, 2, or 3 (3 being the highest) recognition in the past few months. Health centers are ready to implement health homes and welcome the opportunity to leverage \$2 million dollars from the community health center special fund to draw down a federal match of \$18 million dollars.
- Section 7 provides funding for behavioral health services at community health centers. We recognize the critical need for these services in our communities; we are in crisis. Community health centers provide integrated primary care and behavioral health services and appreciate the support offered by Section 7. Behavioral health and its integration with primary care are key elements of the Governor's healthcare transformation plan and we look forward to continuing the discussion on how community health centers can support that effort.

Thank you for the opportunity to testify.



HO'OLA LAHUI HAWAI'I
P.O. Box 3990; Līhu'e, Hawai'i
Phone: 808.240.0100 Fax: 808.246.9551

March 20, 2014

COMMITTEE ON HUMAN SERVICES

Senator Suzanne Chun Oakland, Chair
Senator Josh Green, Vice Chair

COMMITTEE ON HEALTH

Senator Josh Green, Chair
Senator Rosalyn H. Baker, Vice Chair

Testimony in Support of HB 1752, HD1

Relating to Health

March 20, 1:45pm
Conference Room 16

Ho'ola Lahui Hawaii the only Federally Qualified Health Center and Native Hawaiian Health Care System on Kauai is strongly **SUPPORTING** this bill to provide community health centers additional resources to care for the underserved, uninsured, and residents without dental coverage.

We are encouraged that there are dental funds in this bill to restore to the adult dental benefit. It is very important that oral health be at the forefront of health care as many dental problems lead to more serious health deficits and basic dental is not just for cosmetic effect. It is vital to support the dental benefit restoration to Medicaid to those who are most in need. Prevention will save millions in restorative care services in the long term.

Given the critical need to address health care disparities, it is vital that the state maximize its resources by transferring \$2 million out of the community health center fund to bring in additional revenue from the federal government for Patient Centered Health Care Homes. This is a win as no additional funds from the state are required to support this effort.

Lastly, we believe that expanded outreach services are critical to bring people into care earlier rather than later. It is extremely important to assure that this occurs as it saves lives and money.

Respectfully Requested,

David Peters
Chief Executive Officer



March 19, 2014

TO: Committee on Human Services Committee on Health
Senator Suzanne Chun Oakland, Chair Senator Josh Green, Chair
Senator Josh Green, Vice Chair Senator Rosalyn H. Baker, Vice Chair

FROM: Dr. Vija Sehgal, Pediatrician, Chief Quality Officer and Associate Medical Officer
Waianae Coast Comprehensive Health Center / 697-3457 or wcchc@wcchc.com

RE: **Support for HB1752, HD1: Relating to Health**

The Waianae Coast Comprehensive Health Center (WCCHC) strongly supports HB1752: Relating to Health. Of WCCHC's 31,152 patients, 67% are at 100% of the federal poverty level or below, 11% are uninsured, and 58% are receiving coverage under QUEST, the State's Medicaid program. Morbidity and mortality indicators show that the Waianae coast ranks highest in the City and County of Honolulu, as well as the state, for obesity (43.5%), adults who smoke (26%), adults with diabetes (13.7%), diseases of the heart (260.4 deaths per 100,000), and cancer (197 deaths per 100,000).

The WCCHC has found from its own experience that an effective means of improving these dire statistics is through implementing the Patient-Centered Health Care Home (PCHCH) model, which has been shown to improve health outcomes, reduce long-term cost, and enhance the patient experience.

There are multiple and important components of this bill, all critical to improving the health and well-being of patients we serve throughout Leeward Oahu.

Related to the uninsured, 13.3% of the population on the Waianae coast is uninsured, which is the highest in the City & County of Honolulu.

Related to adult dental health services, 44% of the adult population on the Waianae Coast has not had a dental visit, which is the highest in the state. It is critical to restore adult dental benefits to address dental health needs and its relationship to other health conditions.

Outreach and eligibility is an essential component of the PCHCH. Restoration of state funding is needed to support our patients and families to stabilize not only their health care needs but also their life circumstances that often negatively impact their health.

With the dramatic reduction of state behavioral health services over the past years, WCCHC is the critical safety net on the Waianae coast for individuals suffering from a broad scope of behavioral health conditions.

One key feature of HB1752 is the allocation of \$2 million dollars from the Community Health Center Special Fund as a interdepartmental transfer from the Department of Health to the Department of Human Services to be used as the state match for a Medicaid health care home state plan amendment to provide health care home services to qualified patients at community health centers. This \$2 million dollars (already allocated for community health centers) will be drawn down for a federal match of \$18 million dollar, for a total of \$20 Million for advanced, coordinated patient care for those with the most complex and severe illnesses – all with \$0 dollars from Hawaii's Medicaid program.

This is a tremendous opportunity that comes along very rarely. We appreciate your consideration.

Community Alliance for Mental Health

March, 20, 2014

Board of Directors

Anne Chipchase
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To: Senate Committees for Health and Human Services
Re: HB1752, HD1

Aloha Chairs Chun-Oakland, Green, and the members of their committees,

On behalf of the Community Alliance for Mental Health along with United Self Help we support the passage of HB1752, HD1.

The passage of HN1752, HD1 is necessary to establish coverage for the uninsured before they can be registered into the Hawai'i Health Connector.

The bill will also reinstate dental coverage to the Medicaid population. If we want to see this population return to the workforce dental coverage is necessary. Hawai'i is a service economy and it is virtually impossible to find a job in the service sector with gaps in your smile. It's a simple as that.

Beyond that dental hygiene is necessary to maintain overall health and ultimately staves of increased Medicaid cost to the taxpayer.

Therefore we strongly support the passage of HB1752, HD1.

Scott Wall
VP/ Legislative Advocate
Community Alliance for Mental Health

HB1752

Submitted on: 3/18/2014

Testimony for HMS/HTH on Mar 20, 2014 13:45PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Christopher Toyama	Individual	Support	No

Comments: please restore adult dental