

Testimony

HB2262



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

In reply, please refer to:
File:

SENATE COMMITTEE ON HEALTH

HB 2262, HD2, Relating to Reporting Deaths to State Agencies

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

March 12, 2014

1 **Department's Position:** Supports with amendments.

2 **Fiscal Implications:** No general fund impact

3 **Purpose and Justification:** The Department of Health (DOH) supports this measure with one
4 requested change. We ask this committee to amend HD2 by deleting some unnecessary language.
5 Paragraph (2)(d) found at page 3, lines 16-19 of the bill purports to allow the DOH to develop and
6 implement a system interface to electronically provide data to a state agency. DOH believes that once it
7 is allowed to disclose data to a state agency that the method of disclosure can be agreed upon to suit the
8 needs of the agency receiving the data. Until the data needs of state agencies are determined, it is
9 unnecessary to specify the means of providing information.

10

11 Thank you for the opportunity to testify.

**TESTIMONY BY KALBERT K. YOUNG
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEE ON HEALTH
ON
HOUSE BILL NO. 2262, H.D.2**

March 12, 2014

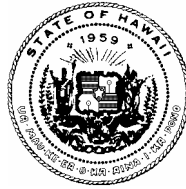
RELATING TO REPORTING DEATHS TO STATE AGENCIES

House Bill No. 2262, H.D.2 authorizes the Department of Health (DOH) to disclose lists of names of persons whose deaths have been recorded by the DOH, to state agencies that maintain official lists of persons and are prohibited by federal law from sharing information from the lists.

The Department strongly supports this bill because it will have a direct benefit to the Hawaii Employer Union Health Benefits Trust Fund (EUTF) and other State agencies in their death validation and data cleansing efforts. The need for accurate death validation is necessary in order to ensure that the enrollee and dependent beneficiary data for the EUTF and other affected agencies reflects updated and timely information to prevent the overpayment of benefits. The EUTF reports that the lack of up to date information that could be provided by the DOH results in payouts to deceased retirees and spouses of at least an estimated one-quarter of a million dollars annually for Medicare Part B reimbursements. This does not include other instances where the payment of retiree health premiums may also continue for months or years for deceased retirees and spouses.

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

NEIL ABERCROMBIE
GOVERNOR



PATRICIA MCMANAMAN
DIRECTOR

BARBARA A. YAMASHITA
DEPUTY DIRECTOR

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

March 12, 2014

TO: The Honorable Josh Green, M.D., Chair
Senate Committee on Health

FROM: Barbara A. Yamashita, Deputy Director

SUBJECT: **H.B. 2262, H.D. 2 - Relating to Reporting Deaths to State Agencies**

Hearing: Wednesday, March 12, 2014; 1:30 p.m.
Conference Room 229, 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 clarify that the DHS can receive from the DOH, the date of a vital event, not just verification of it. Allowing the DHS to receive the date of death information is necessary to stop capitation payments to the Medicaid health plans for deceased persons.

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 receiving a date of death, the DHS cannot stop or recover payments made following the date of death and can only stop payments prospectively.

The DHS concurs with the recommendation of the Department of Health regarding subsection (d) of this bill.

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

NEIL ABERCROMBIE
GOVERNOR



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TESTIMONY BY SANDRA YAHIRO
ADMINISTRATOR, HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE SENATE COMMITTEE ON HEALTH
ON
HOUSE BILL NO. 2262, H.D.2

March 12, 2014 at 1:30 p.m.

RELATING TO REPORTING DEATHS TO STATE AGENCIES

Chairperson Green 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 terminate Medicare Part B reimbursements to deceased retirees and deceased retirees' spouses in a timely manner.

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 from the Department of Health in a timely fashion, 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.