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## A BILL FOR AN ACT

RELATING TO HEALTH.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that community health  
2 centers serve uninsured, underinsured, low-income patient  
3 populations with demographic complexities and co-morbidities,  
4 one-fourth of the State's Medicaid members, and a significant  
5 portion of the State's homeless individuals and families.

6 Community health centers:

- 7           (1) Are nonprofit, community-based organizations whose  
8           purpose and expertise lie in providing quality person-  
9           centered health care to underserved populations and  
10          areas;
- 11          (2) Provide culturally and linguistically appropriate  
12          health care along with a broad range of integrated  
13          primary care and preventive services;
- 14          (3) Operate in medically-underserved areas where people  
15          have limited access to other health care providers  
16          because of geographic or socio-economic barriers;



1 (4) Contribute greatly to the economies and livability of  
2 the communities they serve; and

3 (5) Are cost-effective quality health care providers whose  
4 care results in healthier patients and decreased use  
5 of emergency, specialty, and in-patient services.

6 The legislature further finds that community health centers  
7 save the health care system \$1,263 per patient per year due to  
8 timely and effective care and care management that reduces  
9 unnecessary emergency room visits, in-patient visits, and  
10 specialty utilization reviews. In 2013, this translated to more  
11 than \$90,000,000 in savings for Hawaii's Medicaid program. The  
12 patient-centered delivery system of community health centers:

13 (1) Feature comprehensive primary medical care, behavioral  
14 health care, and dental services;

15 (2) Feature care management and enabling services that  
16 enhance access, compliance, and patient engagement;  
17 and

18 (3) Focuses on quality outcomes supported by electronic  
19 health records that conform to meaningful use  
20 requirements.



1 Community health centers are a smart investment that create  
2 healthier communities and save the State money.

3 The legislature also finds that implementation of the  
4 Patient Protection and Affordable Care Act has resulted in  
5 uncertainty for many individuals and has presented challenges  
6 for individuals to obtain health insurance. Overall, about  
7 twenty per cent of health center patients remain uninsured with  
8 some individual health centers servicing larger percentages of  
9 uninsured patient populations. For these reasons, it is  
10 imperative that the State provide support and resources to  
11 health centers so that uninsured individuals have access to  
12 primary, dental, and behavioral health care services that  
13 prevent unnecessary or inappropriate use of emergency rooms and  
14 other uncompensated health care facilities.

15 The legislature further finds that it is in the best  
16 interests of the State to ensure access to primary, behavioral,  
17 dental, and preventive health care for its residents. In  
18 addition to facilitating a healthier population, improving  
19 access to health care reduces state expenditures attributable to  
20 hospital and emergency room services for preventable injuries  
21 and illnesses.



1 The purpose of this Act is to provide quality, cost-  
2 effective health care for Hawaii residents who are uninsured or  
3 underinsured.

4 SECTION 2. There is appropriated out of the general  
5 revenues of the State of Hawaii the sum of \$6,000,000 or so much  
6 thereof as may be necessary for fiscal year 2015-2016 and the  
7 same sum or so much thereof as may be necessary for fiscal year  
8 2016-2017 to provide resources to federally qualified community  
9 health centers for the provision of direct health care for the  
10 uninsured and underinsured, which may include primary medical,  
11 dental, and behavioral health care; provided that the  
12 distribution of funds may be on a per-visit basis, and may  
13 include an additional per-member, per-month quality incentive  
14 payment, taking into consideration the level of need on all  
15 islands.

16 The sums appropriated shall be expended by the department  
17 of health for the purpose of this Act.

18 SECTION 3. This Act shall take effect on July 1, 2015.

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INTRODUCED BY: Allen A. Betti

DM

JAN 23 2015



# H.B. NO. 577

**Report Title:**

Community Health Centers; Appropriation

**Description:**

Appropriates funds for community health centers in the State.

*The summary description of legislation appearing on this page is for informational purposes only and is not legislation or evidence of legislative intent.*

