

JAN 28 2015

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, in
4 addition to one-fourth of the State's medicaid members, and many
5 of the State's homeless individuals and families. Community
6 health centers are nonprofit, community-based organizations
7 whose purpose and expertise lie in providing quality, person-
8 centered health care to underserved populations and areas.

9 Community health centers:

- 10 (1) Provide culturally and linguistically appropriate
11 health care and a broad range of integrated primary
12 care and preventive services;
- 13 (2) Operate in medically-underserved areas where people
14 have limited access to other health care providers
15 because of geographic and socio-economic barriers;
- 16 (3) Contribute greatly to the economies and livability of
17 the communities they serve; and



1 (4) Provide cost-effective quality health care which
2 results in healthier patients and decreased use of
3 emergency, specialty, and in-patient services.

4 Community health centers save the health care system \$1,263
5 per patient per year due to timely, effective care and care
6 management that reduces unnecessary emergency room, in-patient,
7 and specialty utilization. In 2013, this translated to savings
8 of more than \$90,000,000 for Hawaii's medicaid program.

9 Community health centers' patient-centered delivery system
10 features: comprehensive primary medical, behavioral health, and
11 dental services; care management and enabling services that
12 enhance access, compliance, and patient engagement; and focus on
13 quality outcomes supported by electronic health records that
14 conform to meaningful use requirements. Community health
15 centers are a smart investment that result in healthier
16 communities while saving the State money.

17 Implementation of the Patient Protection and Affordable
18 Care Act has resulted in uncertainty for many individuals and
19 presented challenges for those individuals to obtain health
20 insurance. Overall, about 20 per cent of health center patients
21 remain uninsured, and some health centers have even larger



1 percentages of uninsured patient populations. For these
2 reasons, it is imperative that the State provide support and
3 resources to health centers so that uninsured individuals have
4 access to primary, dental, and behavioral health care services
5 that prevent unnecessary or inappropriate use of the emergency
6 room and uncompensated health care costs.

7 The legislature finds that it is in the best interests of
8 the State to ensure access to primary, behavioral, dental, and
9 preventive health care for its residents. In addition to
10 facilitating a healthier population, improving access to health
11 care reduces state expenditures attributable to hospital and
12 emergency room services for preventable injuries or illnesses.
13 Accordingly, the purpose of this Act is to provide quality,
14 cost-effective health care for Hawaii residents who are
15 uninsured, newly uninsured, or underinsured.

16 SECTION 2. There is appropriated out of the general
17 revenues of the State of Hawaii the sum of \$6,000,000 or so much
18 thereof as may be necessary for fiscal year 2015-2016 and the
19 same sum or so much thereof as may be necessary for fiscal year
20 2016-2017 for the provision of direct health care by federally
21 qualified community health centers for the uninsured and



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1 underinsured, which may include primary medical, dental, and
2 behavioral health care; provided that distribution of funds may
3 be on a per visit basis, and may include an additional per
4 member per month quality incentive payment, taking into
5 consideration need on all islands.

6 The sums appropriated shall be expended by the department
7 of human services for the purposes of this Act.

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

9

INTRODUCED BY: Therese Chun Clavela



S.B. NO. 1204

Report Title:

Community Health Centers; Appropriation

Description:

Appropriates funds for federally qualified community health centers to provide quality, cost-effective health care for the State's uninsured, newly uninsured, and underinsured population.

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

