



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

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

February 26, 2015

Memorandum

TO: The Honorable Sylvia Luke, Chair
House Committee on Finance

FROM: Rachael Wong, DrPH, Director

SUBJECT: **H.B. 1161 HD1 - RELATING TO HEALTH**

Hearing: Thursday, February 26, 2015; 11:00 a.m.
Conference Room 308, State Capitol

PURPOSE: The purpose of this bill is to appropriate funds to the Department of Human Services to expand certain health care services to restore basic adult dental benefits to Medicaid enrollees and to provide outreach and eligibility services for individuals and families at Federally Qualified Health Centers. The proposal appropriates funds from the community health centers special fund to establish health care homes.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this measure that would fund the restoration of adult dental benefits; fund out-stationed eligibility workers; and fund the establishment of a health home program. These initiatives are supportive of our overall goals and objectives but we are concerned about the cost implications generated by the proposal and that passage of the

bill may replace or adversely impact the priorities in the Executive Budget. DHS offers the following comments.

Section 3 requests an appropriation of \$4,800,000 to restore basic adult dental benefits to Medicaid enrollees. The Department estimates that re-establishing an adult dental program for Med-QUEST adults 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 would cost a total of \$12,464,103 of which it would require \$4,799,926 in general funds.

While we continue to review the Ninth Circuit's 2013 decision in California Association of Rural Health Clinics vs. Douglas, it is the DHS' initial determination that the Hawaii Medicaid program is not required to cover adult dental services provided through rural health centers/federally qualified health centers. The DHS continues to review the decision with the Centers for Medicare and Medicaid Services (CMS) and the Department of the Attorney General and will keep the Legislature apprised should our position change based on further review.

Section 4 of this measure requests \$ 800,000 to provide outreach and eligibility services at Federally Qualified Health Centers (FQHCs). The DHS, in its base budget under HMS 902 - General Support for Health Care Payments, has \$667,000 to continue funding 23 out-stationed eligibility workers (OEWs) at FQHCs and hospitals. Additional funding can increase the amount of outreach activities.

Section 5 of the bill requests an appropriation of \$1,000,000 to establish health homes with funds transferred from the Department of Health's community health centers special fund. These funds can be used to pay for the health home services and receive 90% matching federal funding.



WRITTEN ONLY

STATE OF HAWAII
DEPARTMENT OF HEALTH
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Testimony COMMENTING on H.B. 1161, H.D. 1
RELATING TO HEALTH

REPRESENTATIVE SYLVIA LUKE, CHAIR
HOUSE COMMITTEE ON FINANCE

Hearing Date: February 26, 2015

Room Number: 308

1 **Fiscal Implications:** Section 5 of this measure appropriates unspecified sum of monies in fiscal
2 years 2016 and 2017 to be transferred from the Department of Health to the Department of
3 Human Services (“DHS”) to be expended for the establishment of health homes for Medicaid
4 enrollees at federally qualified community health centers.

5 **Department Testimony:** The Department of Health defers all sections of this measure to the
6 DHS with exception to Section 5 which it supports. Based on current revenue and expenditure
7 projections for the community health centers special fund account, the Department is able to
8 transfer a sum of monies not to exceed \$1,000,000 in each of fiscal years 2016 and 2017 to the
9 DHS for the establishment of health homes for Medicaid enrollees at federally qualified health
10 centers. Section 321-1.65, Hawaii Revised Statutes indicates that moneys in the community
11 health centers special fund shall be used by the Department of Health for the operations of
12 federally qualified community health centers.

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

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STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
919 ALA MOANA BOULEVARD, ROOM 113
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February 26, 2015

The Honorable Sylvia Luke, Chair
House Committee on Finance
Twenty-Eighth Legislature
State Capitol
State of Hawaii
Honolulu, Hawaii 96813

Dear Representative Luke and Members of the Committee:

SUBJECT: HB 1161 HD1 – RELATING HEALTH

The State Council on Developmental Disabilities (DD) **SUPPORTS HB 1161 HD1**. The bill appropriates funds to the Department of Human Services to restore basic adult dental benefits to Medicaid enrollees, provide outreach and eligibility services for individuals and families at federally qualified health centers, and appropriates funds from the community health centers special funds 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 especially pleased that Section 3 on Page 4, lines 5-13, addresses restoring 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 because 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.

The Honorable Sylvia Luke
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February 26, 2015

We applaud the Legislature's initiative in restoring basic adult dental benefits to Medicaid enrollees through HB 1161 HD1.

Thank you for the opportunity to submit testimony in **support of HB 1161 HD1**.

Sincerely,



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



Rosie Rowe
Chair



House Committee on Finance

The Hon. Sylvia Luke, Chair

The Hon. Scott Y. Nishimoto, Vice-Chair

Testimony on House Bill 1161 HD1

Relating to Health

Submitted by Robert Hirokawa, Chief Executive Officer

February 26, 2015, 11:00 am, Room 308

The Hawaii Primary Care Association (HPCA), which represents the federally qualified community health centers in Hawaii, supports House Bill 1161, making appropriations to the Department of Human Services for services to qualified individuals and families.

We offer the following comments in addition to our overall support:

- Section 3 of this measure appropriates \$4.8 million dollars to restore an adult dental benefit in Medicaid. A clear correlation exists between dental health and other physical maladies, including cardiac disease and premature births. To help alleviate these conditions, all fourteen community health centers provide dental services. Given that 50% of health center patients are Medicaid enrollees, a full restoration of dental benefits will allow for a more robust provision of services and better health outcomes throughout the state.
- Section 4 appropriates \$800,000 in funding for outreach and eligibility services at community health centers. Outreach workers at community health centers provide an essential service by assisting individuals and families in applying for not just Medicaid, but other state assistance programs. These include SNAP, TANF, and other essential services that speak to the social determinants of health and their direct impact on the well-being of communities in Hawaii.

Of special note here is that outreach funding differs greatly from any assistance rendered by the KOKUA program administered by the Hawaii Health Connector. Those funds are for the specific purpose of providing assistance to health insurance enrollment only, saying nothing of the other vital social programs housed in the Department of Human Services.

In addition, not all fourteen health centers currently participate in the Connector KOKUA program.

- Section 5 allocates \$1 million dollars from the community health center special fund as an interdepartmental transfer from the Department of Health to the Department of Human Services. These funds are intended to be used as the 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 worked extensively to both research and implement health homes in recent years, having completed a standalone pilot project with quantifiable positive results. To date, ten separate community health centers have been awarded recognition as health home providers by the National Committee for Quality Assurance (NCQA), the federal accrediting body.

The release of this funding will not only allow for enhanced services for patients at community health centers, it will take advantage of a 9-to-1 federal match that will bring a total of \$20M into the Hawaii healthcare infrastructure. Such funding could prove vital to closing any existing health inequities in the state.

- Additionally, under Section 5, the HPCA requests that an amendment be made to provide administrative funding to the Department of Human Services for the health home program. As such, the HPCA suggests the following amendment to House Bill 1161:

“There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal years 2015-2016 and 2016-2017 to establish health homes in Medicaid 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 amount of federal matching funds for each fiscal year available for this expenditure, as provided in Act , Session Laws of Hawaii 2015, the Supplemental Appropriations Act of 2015.”

For these reasons the HPCA supports this measure and thanks you for the opportunity to testify.



THE QUEEN'S HEALTH SYSTEMS

HB 1161 HD 1, Relating to Health
House Committee on Finance
Hearing—February 26, 2015 at 11:00 AM

Dear Chairwoman Luke and Members of the House Committee on Finance:

My name is Paula Yoshioka, and I am a Senior Vice President at The Queen's Health Systems (QHS). I would like to provide my support for HB 1161 HD 1, which would provide state Medicaid funds to expand access to dental health services for low-income adults in Hawaii.

The Queen's Medical Center-Punchbowl provides dental services to a primarily low-income population. The majority of the adult patients seen at the dental clinic on the hospital's campus are enrolled in Medicaid. While this legislation focuses on many of the services provided by community health centers, it is important to note that there are other providers such as QHS that join in supporting this important program.

Providing dental health services to Hawaii's low-income adult population promotes community health and prevents costly emergency and specialty services. I would ask for your support in passing this important legislation. Thank you for your time and consideration of this matter.

The mission of The Queen's Health Systems is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.

finance8-Melanie

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 24, 2015 7:29 PM
To: FINTestimony
Cc: dshaw@lanaicommunityhealthcenter.org
Subject: *Submitted testimony for HB1161 on Feb 26, 2015 11:00AM*

HB1161

Submitted on: 2/24/2015

Testimony for FIN on Feb 26, 2015 11:00AM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Diana Shaw	Lanai Community Health Center	Support	No

Comments:

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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FIN-Jo

From: mailinglist@capitol.hawaii.gov
Sent: Monday, February 23, 2015 6:16 PM
To: FINTestimony
Cc: babyjean@hotmail.com
Subject: Submitted testimony for HB1161 on Feb 26, 2015 11:00AM

HB1161

Submitted on: 2/23/2015

Testimony for FIN on Feb 26, 2015 11:00AM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
Ronnie Perry	Individual	Support	No

Comments: I strongly support this bill. Dental care is critical to health. Preventative care in the form of regular cleaning and fixing cavities can prevent major emergency problem including infections that can effect major organs. The cutting of dental preventative care was based on ideology. It is common sense that preventative care saves money, time and suffering. Please restore dental care! it is very important! Mahalo, Ronnie Pery

Please note that testimony submitted less than 24 hours prior to the hearing, improperly identified, or directed to the incorrect office, may not be posted online or distributed to the committee prior to the convening of the public hearing.

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finance8-Melanie

From: mailinglist@capitol.hawaii.gov
Sent: Tuesday, February 24, 2015 5:00 PM
To: FINTestimony
Cc: mauibird@hawaii.rr.com
Subject: Submitted testimony for HB1161 on Feb 26, 2015 11:00AM

HB1161

Submitted on: 2/24/2015

Testimony for FIN on Feb 26, 2015 11:00AM in Conference Room 308

Submitted By	Organization	Testifier Position	Present at Hearing
ROBIN PILUS	Individual	Comments Only	No

Comments: Please approve this very important bill. Our people have no way to get dental and dental health is a huge factor in maintaining health. It is penny foolish to not provide dental care to medicaid recipients. Poor oral health leads to many other medical issues which cost our state and our society much more money than providing this care.

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Sol Ray Duncan
1174 Waimano Home Rd. Apt. 202
Pearl City, HI 96782

February 26, 2015

The Honorable Sylvia Luke, Chair
House Committee on Finance
Twenty-Eighth Legislature
State Capitol
State of Hawaii
Honolulu, Hawaii 96813

Dear Representative Luke and Members of the Committee:

Re: HB1161 HD - RELATING HEALTH

My name is Sol Ray Duncan. I am in **SUPPORT of HB 1161.**

I haven't had any form of dental insurance for the last 3 years. I think that this bill is important for my dental health.

Thank you for the opportunity to submit testimony in support of HB 1161 HD1