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### TESTIMONY OF JAN K. YAMANE, ACTING STATE AUDITOR, ON HOUSE BILL NO. 2466, HOUSE DRAFT 1 RELATING TO NON-GENERAL FUNDS

### **Senate Committee on Ways and Means**

March 23, 2016

Chair Tokuda and Members of the Committee:

Thank you for the opportunity to testify in support of this bill. HB 2466, HD1, would repeal, amend, abolish, and transfer balances of various non-general funds of the Department of Health (DOH).

The impetus for this bill is our Report No. 15-17, *Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Department of Health.* Our review of these funds includes an evaluation of the original intent and purpose of each fund, including the degree to which each fund continues to serve its intended purpose. We also evaluate whether each fund meets statutory criteria for its respective fund type (i.e., special, revolving, or trust). Moreover, for special and revolving funds we conclude on the need for the fund based on the purpose and scope of the program it supports. This bill would implement many of our report recommendations.

### Funds that do not meet criteria would be repealed or amended by HB 2466, HD1

We support repealing or amending the sources of revenue for the following DOH funds that *do not meet* criteria:

- 1. Community Health Centers Special Fund (Sections 2 and 6) established pursuant to Section 321-1.65, HRS. We recommended repealing the fund and amending Section 245-15, HRS, as provided in Section 5 of this bill, to direct a portion of the cigarette excise tax to DOH for its primary health care incentive program.
- 2. **Domestic Violence and Sexual Assault Special Fund** (Sections 8 to 11) established pursuant to Section 321-1.3, HRS. We recommended amending Section 321-1.3(c), as provided in Section 9 of this bill, and repealing Section 338-14.5(3), HRS, as provided in Section 11 of this bill.
- 3. **Early Intervention Trust Fund** (Sections 12 and 13) established pursuant to Section 321-356, HRS. We recommended the fund be repealed; DOH concurred.
- 4. Hawai'i Birth Defects Special Fund (Sections 16 and 18) established pursuant to Section 321-426, HRS. We recommended repealing the fund and amending Section 572-5, HRS, as provided in Section 17 of this bill, to direct a portion of marriage license fees to the general fund.

### Funds that do not meet criteria would be abolished by HB 2466, HD1

We support abolishing the following administratively established DOH funds that *do not meet* criteria:

- Early Childhood Obesity Special Fund (Section 20) We recommended the fund be closed and the remaining balance returned to the general fund; DOH concurred.
- Grant for Catholic Charities Lanakila Senior Center Special Fund (Section 20) –
   We recommended the fund be closed and the remaining balance returned to the general fund; DOH concurred.
- Grant for Emergency Room Subsidy at Wai'anae Coast Clinic Special Fund
   (Section 20) We recommended the fund be closed and the remaining balance returned to the general fund; DOH concurred.
- Grant for Hawai'i Primary Care Association Dental Special Fund (Section 20) We recommended the fund be closed and the remaining balance returned to the general fund; DOH concurred.
- 5. **Hospital-Based Poison Center Special Fund** (Section 20) We recommended the fund be closed and the remaining balance returned to the general fund; DOH concurred.

- Interagency Federal Revenue Maximization Revolving Fund (Section 20) We
  recommended the fund be closed and the remaining balance returned to the general fund;
  DOH concurred.
- Program for All Inclusive Care for Elderly Special Fund (Section 20) We recommended the fund be closed and the remaining balance returned to the general fund;
   DOH concurred.
- 8. **Public Health Nursing Services Special Fund** (Section 20) We recommended the fund be closed and the remaining balance returned to the general fund; DOH concurred.
- 9. **Resources to Nonprofit, Community-Based Health Care Special Fund** (Section 20) We recommended the fund be closed and the remaining balance returned to the general fund; DOH concurred.
- 10. **Respite Services Special Fund** (Section 20) We recommended the fund be closed and the remaining balance returned to the general fund; DOH concurred.
- 11. **Subsidy for St. Francis Medical Center Bone Marrow Special Fund** (Section 20) We recommended the fund be closed and the remaining balance returned to the general fund; DOH concurred.

- 12. Funding for Grant Pursuant to Chapter 42F, HRS Special Fund (Section 21) We recommended the fund be closed and the remaining balance returned to the Emergency and Budget Reserve Special Fund; DOH concurred.
- 13. **Healthy Aging Partnerships Program Special Fund** (Section 21) We recommended the fund be closed and the remaining balance returned to the Emergency and Budget Reserve Special Fund; DOH concurred.
- 14. **Partnership in Community Living Special Fund** (Section 21) We recommended the fund be closed and the remaining balance returned to the Emergency and Budget Reserve Special Fund; DOH concurred.
- 15. **Hilo Shippers' Wharf Committee Charitable Trust Fund** (Section 22) established pursuant to Third Circuit Court Vesting Order Trust No. 03-1-0010. We recommended the fund be closed and the remaining balance transferred to the County of Hawai'i; DOH concurred.

Thank you again for the opportunity to testify in support of HB 2466. I am available to answer any questions you may have.



### HOʻŌLA LĀHUI HAWAIʻI

P.O. Box 3990; Līhu'e, Hawai'i Phone: 808.240.0100 Fax: 808.246.9551

March 18, 2016

#### COMMITTEE ON WAYS AND MEANS

Senator Jill N. Tokuda, Chair Senator Donovan M. Dela Cruz, Vice Chair

### **Testimony in OPPOSITION TO HB 2466,HD1**

Relating to Non-General Funds
Wednesday March 23, 9:15 AM Conference Room 211

Ho`ola Lahui Hawaii the only Federally Qualified Health Center and Native Hawaiian Health Care System on Kauai is in strong **OPPOSITION** to this bill to repeal the Community Health Center's Special Fund and replace it with general funds.

Any effort to change funding for health centers undermines the ability of health centers to provide needed services to those who are most in need. It is without question that health centers provide enhanced value to the care network in many communities throughout Hawaii and most importantly on Kauai.

The state auditor prior to issuing their report never contacted our organization to learn of the direct impact this funding makes in our community. If they had we would have been able to demonstrate that this funding supports its legislative purpose to support care to the uninsured and underinsured.

The Department of Health disagreed with the state auditors' opinion as well in their response to the audit that lead to this bill. We agree with the Department of Health's position and justification for maintaining this special fund.

We urge this committee to reject this measure and maintain the health center special fund.

Respectfully Requested,

David Peters Chief Executive Officer



### STATE OF HAWAII DEPARTMENT OF HEALTH

P. O. Box 3378 Honolulu, HI 96801-3378 doh.testimony@doh.hawaii.gov

### Testimony in SUPPORT of H.B. 2466, H.D. 1 PROPOSED S.D. 1 RELATING TO NON-GENERAL FUNDS

### SENATOR JILL N. TOKUDA, CHAIR SENATE COMMITTEE ON WAYS AND MEANS

Hearing Date: March 23, 2016 Room Number: 211

- 1 **Fiscal Implications:** No additional resources are required to conduct a study per HB2466 HD1
- 2 PROPOSED SD1.
- **3 Department Testimony:**
- 4 Supportive Testimony for HB246 HD1 PROPOSED SD1
- 5 The department supports the intent of HB2466 HD1 PROPOSED SD1 with amendments.
- 6 Although declining tax revenues are a direct result of successful tobacco control efforts, new
- 7 forms of nicotine delivery like e-cigarettes and vaping are on the rise. Furthermore, prevention
- 8 and management of long-term health consequences from smoking, such as cancer, hypertension,
- 9 stroke, and cardio-vascular disease will require significant public health and health care
- 10 investments.
- A serious evaluation on public health program needs is warranted to assure a healthy population
- and sustainable health care system. To this end, the department recommends the following
- amendments to HB2466 HD1 PROPOSED SD1:
- Establish the Department of Health and the Department of Budget and Finance as co-
- leads on this study
- Expand the scope of the study to consider other sources of revenue, in addition to
- distribution of current revenue sources
- 18 Comments on HB2466 HD1

- 1 The Department of Health (DOH) wishes to provide comments on potential unintended
- 2 consequences if HB2466 HD1 is enacted, including disruptions to existing contracts and the
- 3 employment status of 6.0 FTE:

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- Domestic Violence and Sexual Assault Special Fund 1.0 FTE who coordinates
  multidisciplinary domestic violence fatality reviews, including suicides, and near deaths
  related to intimate partner violence conducted to reduce the incidence of preventable
  deaths.
  - Birth Defects Special Fund 5.0 FTE who support families having healthy babies and to
    provide accurate information to support or disprove theories about increased number of
    babies born with birth defects or possible causes of birth defects, including current work
    on:
    - o Investigating rates of birth defects in babies born to mothers reporting Kauai residency are higher due to the concern about pesticide use on Kauai, and
    - o Monitoring any babies born with birth defects due to the Zika virus by working with birthing facilities to provide weekly reports.
  - Community Health Center Special Fund Loss of procurement exemptions derived from
    the special fund will add time-consuming administrative burdens and subject the 14
    community health centers to open competition in the provision of urgent/primary care
    services and emergency room services for communities that already medical underserved.

21 Thank you for this opportunity to testify.

### Offered Amendments

- 23 SECTION 2. (a) The department of health and department of
- 24 budget and finance shall jointly conduct a study on the distribution
- 25 of the cigarette tax revenues.
- 26 (b) The study shall include the following:

1	( 1 )	Estimated total revenues derived from the digarette tax
2		through fiscal year 2024-2025;
3	(2)	Estimated distribution of cigarette tax revenues among the
4		non-general funds specified in section 245-15(6), Hawaii
5		Revised Statutes, through fiscal year 2024-2025;
6	(3)	Estimated budgetary needs of the agencies and programs
7		supported by the non-general funds listed in section 245-
8		15(6), Hawaii Revised Statutes, through fiscal year 2024-
9		2025; [ <del>and</del> ]
10	(4)	Differences between the estimated budgetary needs of the
11		agencies and programs under paragraph (3) and their
12		estimated cigarette tax revenue distribution[-];
13	(5)	Alternative means of finance, including distribution of new
14		or existing revenue sources that will sustain or increase
15		program operations and effectiveness; and
16	(6)	An assessment of future tobacco products utitlization,
17		including estimates of resources or efforts to mitigate
18		their impact.
19	(c)	The <u>department</u> of health and department of budget and
20	finance s	hall include a recommendation in the study of whether to:
21	(1)	Continue the cigarette tax revenue distribution to the non-
22		general funds, with or without modification; [or]
23	(2)	Re-distribute all or most of the cigarette tax revenues to
24		the general fund and change the means of financing of
25		affected agencies and programs to general funds $[-]$ ; or

### H.B. 2466, H.D. 1 PROPOSED S.D. 1 Page **4** of **4**

1	(3)	Any combination of revenue redistribution, change in means
2		of finance, or revenue generation that may assure program
3		effectiveness.
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### LEGISLATIVE TAX BILL SERVICE

### TAX FOUNDATION OF HAWAII

126 Queen Street, Suite 304

Honolulu, Hawaii 96813 Tel. 536-4587

SUBJECT: MISCELLANEOUS, Repeal non-general funds

BILL NUMBER: HB 2466, HD-1

INTRODUCED BY: House Committee on Finance

EXECUTIVE SUMMARY: Repeals various non-general funds including special funds, revolving funds, trust funds, and trust accounts, all in accordance with the State Auditor's recommendations in Report 15-17.

BRIEF SUMMARY: Repeals the community health centers special fund (HRS section 321-1.65) and makes conforming amendments.

Removes the earmark against Department of Health user fees for the domestic violence and sexual assault special fund (HRS section 321-1.3).

Repeals the early intervention trust fund (HRS section 321-356).

Repeals the Hawaii birth defects special fund (HRS section 321-426).

Abolishes the following accounts:

- 1. The early childhood obesity special fund administratively established in fiscal year 2011-2012 by the department of health;
- 2. The grant for Catholic Charities-Lanakila Senior Center special fund administratively established in 2007;
- 3. The grant for emergency room subsidy at Wai'anae Coast Clinic special fund administratively established in 2007;
- 4. The grant for Hawai'i Primary Care Association dental special fund administratively established in 2007;
- 5. The hospital-based poison center special fund established in 2006;
- 6. The interagency federal revenue maximization revolving fund special fund established pursuant to HRS section 29-24, which was repealed by Act 124, SLH 2011;
- 7. The program for all-inclusive care for elderly special fund administratively established in 2006;
- 8. The public health nursing services special fund (HRS section 321-432), which fund was repealed by Act 147, SLH 2015;
- 9. The resources to nonprofit, community based health care special fund administratively established in 2006;
- 10. The respite services special fund administratively established in 2009; and
- 11. The subsidy for St. Francis Medical Center-Bone Marrow special fund administratively established in 2007.

Re: HB 2466, HD-1

Page 2

Repeals the following and transfers any unencumbered balances to the emergency and budget reserve fund:

- 1. The funding for grant pursuant to chapter 42F, HRS, special fund administratively established in 2010 for moneys appropriated from the emergency and budget reserve fund through Act 191, SLH 2010, and Act 25, SLH 2011, which extended the lapse date to the end of fiscal year 2011-2012;
- 2. The healthy aging partnerships program special fund administratively established in 2010 for moneys from the emergency and budget reserve fund authorized through Act 191, SLH 2010, for fiscal year 2010-2011 and Act 25, SLH 2011, which extended the lapse date from June 30, 2011 to June 30, 2012; and
- 3. The partnership in community living program special fund administratively established in 2010 for moneys appropriated from the emergency and budget reserve special fund through Act 191, SLH 2010, and Act 25, SLH 2011, which extended the lapse date to the end of fiscal year 2011-2012.

Repeals the following and transfers any unencumbered balance to the county of Hawaii:

1. The Hilo Shippers' Wharf Committee Charitable trust fund established pursuant to third circuit court vesting order trust no. 03-1-0010.

Includes unspecified amount appropriations to the Department of Health to fund programs that had been funded by the special funds.

EFFECTIVE DATE: July 1, 2016.

STAFF COMMENTS: This measure implements some of the state auditor's recommendations in the various auditor's reports that reviewed the special funds, revolving funds, trust funds, and trust accounts of the state.

The 1989 Tax Review Commission noted that use of special fund financing is a "departure from Hawaii's sound fiscal policies and should be avoided." It also noted that special funds are appropriate where the revenues to the funds maintain some direct connection between a public service and the beneficiary of that service. The Commission found that special funds which merely set aside general funds cannot be justified as such actions restrict budget flexibility, create inefficiencies, and lessen accountability. It recommended that such programs can be given priority under the normal budget process without having to resort to this type of financing.

Seconding the Commission's harsh criticism was the State Auditor's report issued in February of 1991 that recognized that the "tax is levied on the general public rather than specific beneficiaries of the program," and thus the fund did not reflect a "direct link between user benefits and user charges."

As a result of the recent spotlight of monies in special funds, Act 130, SLH 2013, requires the State Auditor to review all existing special, revolving, and trust funds beginning in 2014 and every five years which assists in making government finances more transparent.

Re: HB 2466, HD-1 Page 3

Digested 2/27/2016



To: Chair Jill Tokuda
Vice Chair Donovan DelaCruz
Members of the Committee
FR: Nanci Kreidman, M.A.

FR: Nanci Kreidman, M.A.
Chief Executive Officer

RE: H.B. 2466 HD 1 Opposed Part III, p 14/Comments

Aloha. There is a section in this Bill that deletes the deposit of monies collected from marriage license, birth certificate and death certificates into the Child and Spouse Abuse Account. These funds are divided among Hawaii's agencies and branches of government (Department of Health, Department of Human Services and Judiciary) to assist in the support of community programs and necessary initiatives (ie. Fatality Review Team, training for judges) related to the perpetration of domestic violence.

There was a lawsuit filed in Illinois by a plaintiff asserting that the fees added to her marriage license were burdensome and a violation of her due process and equal rights protections. Funds are used in Illinois similarly, to support community programs. The Court found that not to be the case and in fact, asserted that

"we believe that the legislature's imposition of a small charge on marriage license applicants is reasonably related to the Fund's narrow purpose of helping married victims of domestic violence leave violent marriages. As we find that the tax bears a rational relationship to a legitimate legislative purpose, the plaintiff's due process claim fails."

Funds collected in Hawaii, and used to support programs, training and system examination are most definitely related to the lives of married people and children. There can be no clearer connection than exists between marriage and domestic violence.





Another thought worth consideration is the fact that the costs of responding to domestic violence are enormous and persistent. Government funds to support responsive programs are always at risk and often reduced. The array of revenue sources is crucial to maintaining programs to address the complex needs. The costs to our community are much greater than are calculated.

The truth is a healthy community has its roots in safe families. Law enforcement, courts, health care, education, child welfare, and incarceration are all connected to violence in intimate partnerships and families. Without a strong commitment to addressing domestic violence we are diluting the hopes for a safe community in the future.

Thank you for preserving this Fund.





March 22, 2016

TO: COMMITTEE ON WAYS AND MEANS

Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz, Vice Chair

**FROM:** Robert Bonham, MD - Emergency Physician

Waianae Coast Comprehensive Health Center

697-3457 or wcchc@wcchc.com

RE: OPPOSITION TO HB 2466 HD1 – RELATING TO NON-GENERAL FUNDS

I am a board certified emergency physician who has worked for 30 years at the Waianae Coast Comprehensive Health Center's Emergency Room. I strongly oppose HB 2466 HD1. Many of the most vulnerable people on the Coast—the homeless, unemployed, uninsured, and mentally ill—arrive on our doorstep in the middle of the night because their medical condition becomes intolerable and they are in urgent need of medical treatment. Their care is complicated because they don't have monies and resources; and in some cases, they would die without prompt medical attention. Even Queen's West is too far and a delay of even 10-15 minutes could mean death. We have developed a strong safety net on the Waianae Coast from prior legislative support that helps us stay true to our mission statement that we see and treat everyone regardless of their ability to pay. We do this while respecting the dignity of the many people we see who are less fortunate.

I believe these stories need to be heard from those who can't stand up for themselves and will share these during my oral testimony opposing HB 2466 HD1 at the March 23 Ways and Means Hearing.

We continue to use our state funds to ensure that we do provide a safety net for the community and provide the state with great value for monies appropriated to stay open during these late night hours. The loss of the special funding for community health centers will have a disastrous long term effect on the health of not only the Waianae Coast communities but other communities too.

Thank you for allowing this chance to share some of the stories of patients and their positive outcomes thanks to funding provided by the state legislature.



#### **Senate Committee on Ways and Means**

The Hon. Jill N. Tokuda, Chair The Hon. Donovan M. Dela Cruz, Vice-Chair

## Testimony in Opposition of House Bill 2466 HD1 Relating to Non-General Funds Submitted by Robert Hirokawa, CEO

March 23, 2016, 9:15 a.m., Room 211

The Hawaii Primary Care Association (HPCA), which represents the federally qualified community health centers in Hawaii, **strongly opposes** House Bill 2466 HD1, which repeals and transfers the balances of various non-general funds, including the CHC Special Fund.

In December, 2015, the Auditor of the State of Hawaii did a review of the various Special Funds, Revolving Funds, Trust Funds, and Trust Accounts currently under the Department of Health's purview, among them the Community Health Center Special Fund (HRS § 321-1.65). Therein, the report stated the fund should be repealed for failing to demonstrate a clear nexus between the program and the source of revenue.

Funding for the Community Health Center Special Fund is derived from tobacco taxes charged to wholesalers and dealers under HRS § 245-15 with the intent to discourage smoking by increasing the tax on cigarettes and to allocate the resulting funds to effective sources in the prevention and treatment of disease and injury. The Special Fund allows the Department of Health to do that by contracting with 13 community health centers to provide comprehensive primary care services to uninsured/underinsured individuals across the state.

### In 2014 alone:

- Health centers provided tobacco use screening and cessation intervention for more than 70% of adult patients;
- More than 7% of all health center patients presented w/ asthma, a malady directed linked to cigarette smoking;
- Of those, 78% received treatment for asthma at their community health center;
- Nearly 25% of all patients suffer from hypertension;
  - o Of those, 70% of patients received treatment for high cholesterol; and,
  - o Blood pressure control was offered to 67% of patients.

Taken together, these services display a clear and undeniable linkage between the monies derived from the tobacco tax established in HRS § 245-15 and the services they are being used to provide at community health centers.

As it currently stands, the Community Health Center Special Fund is the only form of state funding being received by the community health centers. Despite that, health centers see nearly 150,000 patients each year, more than half of which are enrolled in Medicaid. In addition, 90% of health center patients reside below 200% of the Federal Poverty Level and in 2012 health centers provide services to 9,125 homeless patients, a number comprising as much as 25% of some health center's patient load.

Further, the health centers continue to see high amounts of uninsured patients, despite the presence of the Hawaii Health Connector and healthcare.gov. As of last year, the health center system in Hawaii saw an average of 15% of patients arriving without insurance, and in some cases that number was as high as 25%. In addition, a great deal more are considered underinsured, a trend that will most likely continue moving forward.

What these numbers cumulatively represent is the clear need for health center services in Hawaii, especially among the most vulnerable populations. Without that vital care, the effects will be felt by both the healthcare community – in terms of increased emergency department utilization, higher hospital admission rates, and greater costs – and individual communities, where patients with have heightened difficulty maintaining health, securing/retaining employment, furthering their education, and providing for their families.

The repeal of the Community Health Center Special Fund will not only jeopardize the intended effects of the tobacco tax, it will have a direct and detrimental effect on the state, its healthcare system, and a large percentage of its residents.

For these reasons, we **strongly oppose** House Bill 2466 HD1 and thank you for the opportunity to testify.



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TO: SENATOR JILL N. TOKUDA, CHAIR

SENATOR DONOVAN M. DELA CRUZ, VICE CHAIR

MEMBERS OF THE SENATE COMMITTEE ON WAYS AND

**MEANS** 

FROM: CHERYL VASCONCELLOS, EXECUTIVE DIRECTOR

HANA HEALTH

DATE: March 18, 2016

### TESTIMONY ON HB 2466, HD1 RELATING TO NON-GENERAL FUNDS

Hana Health is strongly opposed to **HB 2466,HD1** Relating to Non-General Funds, specifically the repeal of the Community Health Center Special Fund.

• The Community Health Center Special Fund provides funding for Hana Health to serve 2,500 residents and 600,000 visitors annually. This takes place seven days a week, 24 hours a day, 365 days a year, as Hana Health is the only health care provider in the district. In addition to providing the full scope of primary medical, dental and behavioral health care, Hana Health provides urgent/emergent medical treatment to seriously ill patients who either come to the health center on their own or are brought to the health center by ambulance. When needed, Hana Health coordinates transport of patients to the Maui Memorial Medical Center with the support of American Medical Response. In 2015, three hundred eighteen (318) patients were cared for after regular health center hours. This does not include the urgent care patients served during regular operating hours.

- State funding for Hana Health is mandated by ACT 263 which guarantees continued state financial support to sustain the development of a community based health care program in the Hana District. The state has met its obligation in this regard through the Community Health Center Special Fund. Since, its inception, the special fund has provided Hana Health with a stable funding mechanism, assuring that needed medical care and support services would continue to be available in the Hana community. Prior to establishment of the special fund, Hana Health was forced to secure an appropriation through the legislative process every year. This unpredictable approach to maintaining health care operations in our remote community results in erratic service delivery and subsequently poor patient outcomes.
- A loss in state funding of this magnitude will result in the reduction of primary medical, dental and behavioral health care by more than 50%, and the complete loss of after-hours urgent/emergent care.
- It is shocking that the nexus between the tobacco tax and the services provided by community health centers is so poorly understood, especially when the connection could not be clearer to those of us providing health care to our most vulnerable citizens. The well documented diseases caused by tobacco use lung and other cancers, COPD, heart disease, stroke, asthma, premature/low birth weight babies, Type 2 diabetes are addressed by every community health center in the state, every single day.
- Tobacco use remains the leading preventable cause of sickness and death in the United States. Moreover, individuals who live in poverty tend to smoke at disproportionately high rates. Thus, the burden of tobacco-attributable morbidity and mortality is higher among this population. According to the National Association of Community Health Centers, nearly 93% of Federally Qualified Health Center patients are at or below the poverty level (NACHC, 2011). As primary service providers to this population, CHCs play a key role in the provision of evidence-based services to help tobacco users quit.

Approximately 25% of Hana residents use tobacco based on a 2013
 community wide needs assessment conducted by Q-Mark Research for Hana
 Health. In 2015, Hana Health provided smoking cessation counseling and
 related services to 584 patients.

Repeal of the Community Health Center special fund will create a health care void in one of the most isolated areas in the state, placing both the resident population of Hana and visitors to the area at undue risk of death due to traumatic injury and/or other life threatening medical conditions.

On behalf of the Hana community and those who we serve, please do not pass HB 2466, HD1 out of committee. Thank you for your serious consideration.

March 22, 2016

To: Senate Committee on Ways and Means Senator Jill N. Tokuda, Chair Senator Donovan M. Dela Cruz, Vice Chair

From: Michelle Rocca, Training and Technical Assistance Director Hawaii State Coalition Against Domestic Violence

### Re: Testimony in Opposition of HB 2466, HD1

Good morning Chair Tokuda, Vice Chair Dela Cruz, and members of the committee. On behalf of the Hawaii State Coalition Against Domestic Violence we thank you for the opportunity to share our testimony in **opposition of HB 2465, HD1** relating to non- general funds, specifically Part III, Section 8 of this measure: The purpose of this part is to amend the revenue sources of the domestic violence and sexual assault special fund. The legislature finds that the account does not meet the clear nexus criterion. Specifically, there is no clear link between the benefits of domestic violence and sexual assault intervention or prevention sought by the fund and revenues derived from a portion of fees for copies of birth, marriage, divorce, and death certificates pursuant to section 338-14.5, Hawaii Revised Statutes.

The Hawaii State Coalition Against Domestic Violence is a partnership of twenty two domestic violence program providers across the state. This funding source is crucial for domestic violence service programs to provide the essential services to families experiencing domestic violence. The link is clear: domestic violence intervention and prevention absolutely impact families who are experiencing domestic violence, many of whom have incurred the fees of birth and marriage certificates as an organic process of their established family units.

These funds are used to support direct services (such as counseling, shelter, legal advocacy, alternatives to violence courses, etc.), training, system advocacy and community collaboration. These services clearly impact the lives of married couples and children who may need to access a variety of the services offered as they navigate a course to safety.

We strongly urge you to consider allowing the fund to remain intact. The absence of the financial support provided by these funds will have a significant and negative impact on the community of domestic violence programs that are serving the families in our state.

Thank you for your consideration and for the opportunity to provide testimony on this matter.

Senate Committee on Ways and Means

The Hon. Jill N. Tokuda, Chair The Hon. Donovan M. Dela Cruz, Vice-Chair

Testimony on House Bill 2466 HD1

Submitted by David Derauf MD MPH Kokua Kalihi Valley (KKV)

March 23, 2016

Dear Members of the Senate Committee on Ways and Means,

Thank you for the opportunity to testify with regards to HB2466 HD1.

HB2466 has been introduced in reaction to the State Auditor's Report 15-17, which identified a number of special funds that could be eliminated for failing to meet nexus criteria. The bill, as written, seeks to remove the CHC special fund. It is notable that this fund is the State of Hawaii's main vehicle for supporting the Community Clinics of Hawaii.

This fund was created by the Hawaii Legislature some years ago to support care for the uninsured population in Hawaii and to support activities related to tobacco and its health effects. The passage of Obamacare has done little to dent the size of KKV's uninsured population. At Kokua Kalihi Valley, as many as 25-30% of our patients in our Medical clinics are uninsured. These are almost all Kalihi Valley residents, many of them waiting for the 5 year waiting period before they become eligible for Federal benefits, another group not eligible for Federal health benefits and a third group those that are between jobs, and between enrollment periods. Many of them work multiple part time jobs and do not therefore receive health benefits from work.

This special fund has allowed us to provide basic primary care services including tobacco prevention as well as treatment of tobacco related illnesses to a large group of Kalihi residents many of whom would otherwise go without primary care, necessitating more costly emergency or hospital services down the line. Every single one of these patients who we provide care to receives tobacco screening and assessment, and almost every one of them gets counseling on tobacco by medical providers. Moreover,

the illnesses that this fund allows us to address, such as heart disease, respiratory diseases such as asthma and emphysema, cancer and diabetes have clear links to tobacco use.

The loss of this funding would mean many more patients would be unable to access basic primary care in our community. The loss of this funding would severely impact the financial sustainability of KKV already suffering from years of cutbacks in many programs and would hinder our ability to serve uninsured patients effectively. Our ability to SERVE our community relies on funding that is reliable. Without knowing if we have this funding from year to year, how can we commit to hire and train the competent doctors and nurses who are called to this service? We would likely have no other options but to cut back services meaning these patients would go without care, or utilize already overburdened and expensive emergency room services. Please do not pass this bill and undermine the future viability of Hawaii's community health centers. We are supportive of SD1 as a good alternative to this bill!

Thank you for your support to our community.

David D Derauf MD MPH

### LANA'I COMMUNITY HEALTH CENTER

P. O. Box 630142 Lāna'i City, HI 96763-0142



Phone: 808-565-6919 x114
Fax: 808-565-9111
dshaw@lanaicommunityhealthcenter.org

The Community is our Patient -- men, women, children, uninsured, insured!

March 21, 2016

### **Senate Committee on Ways and Means**

The Hon. Jill N. Tokuda, Chair The Hon. Donovan M. Dela Cruz, Vice-Chair

# Testimony in Opposition of House Bill 2466 HD1 Relating to Non-General Funds Submitted by Diana M V Shaw, PhD, MPH, MBA, FACMPE Executive Director

March 23, 2016, 9:15 a.m., Room 211

The Lāna'i Community Health Center (LCHC) **strongly opposes** House Bill 2466 HD1, which repeals and transfers the balances of various non-general funds, including the CHC Special Fund.

In December, 2015, the Auditor of the State of Hawaii did a review of the various Special Funds, Revolving Funds, Trust Funds, and Trust Accounts currently under the Department of Health's purview, among them the Community Health Center Special Fund (HRS § 321-1.65). Therein, the report stated the fund should be repealed for failing to demonstrate a clear nexus between the program and the source of revenue.

Funding for the Community Health Center Special Fund is derived from tobacco taxes charged to wholesalers and dealers under HRS § 245-15 with the intent to discourage smoking by increasing the tax on cigarettes and to allocate the resulting funds to effective sources in the prevention and treatment of disease and injury. The Special Fund allows the Department of Health to do that by contracting with 13 community health centers to provide comprehensive primary care services to uninsured/underinsured individuals across the state.

#### In 2014 alone:

- Health centers provided tobacco use screening and cessation intervention for more than 70% of adult patients;
- More than 7% of all health center patients presented w/ asthma, a malady directed

E Ola no Lana'i LIFE, HEALTH, and WELL-BEING FOR LANA'I linked to cigarette smoking;

- Of those, 78% received treatment for asthma at their community health center;
- Nearly 25% of all patients suffer from hypertension;
  - o Of those, 70% of patients received treatment for high cholesterol; and,
  - o Blood pressure control was offered to 67% of patients.

Taken together, these services display a clear and undeniable linkage between the monies derived from the tobacco tax established in HRS § 245-15 and the services they are being used to provide at community health centers. As it currently stands, the Community Health Center Special Fund is the only form of state funding being received by the community health centers. Despite that, health centers see nearly 150,000 patients each year, more than half of which are enrolled in Medicaid. In addition, 90% of health center patients reside below 200% of the Federal Poverty Level and in 2012 health centers provide services to 9,125 homeless patients, a number comprising as much as 25% of some health center's patient load.

Further, the health centers continue to see high amounts of uninsured patients, despite the presence of the Hawaii Health Connector and healthcare.gov. As of last year, the health center system in Hawaii saw an average of 15% of patients arriving without insurance, and in some cases that number was as high as 25%. In addition, a great deal more are considered underinsured, a trend that will most likely continue moving forward.

What these numbers cumulatively represent is the clear need for health center services in Hawaii, especially among the most vulnerable populations. Without that vital care, the effects will be felt by both the healthcare community – in terms of increased emergency department utilization, higher hospital admission rates, and greater costs – and individual communities, where patients with have heightened difficulty maintaining health, securing/retaining employment, furthering their education, and providing for their families.

The repeal of the Community Health Center Special Fund will not only jeopardize the intended effects of the tobacco tax, it will have a direct and detrimental effect on the state, its healthcare system, and a large percentage of its residents.

For these reasons, we **strongly oppose** House Bill 2466 HD1 and thank you for the opportunity to testify.

Date: March 22, 2016

To: Senator Jill Tokuda, Chair

Senator Donovan Dela Cruz, Vice Chair

From: Lin Joseph

Director of Program Services March of Dimes Hawaii Chapter

Re: In opposition of

HB2466 HD1

Hearing: Wednesday, March 23, 2016

Conference Room 211, State Capitol

Chair Tokuda, Vice Chair Dela Cruz, Members of the Committees:

I am writing to express opposition of a provision in Part V of HB2466 HD1: A Bill for an Act Relating to Non-General Funds. This provision would repeal the Hawaii birth defects special fund, which supports the state mandated birth defects program to provide important surveillance and accurate data on the incidence of birth defects in Hawaii. Loss of \$10 from each marriage license would necessitate additional general funds to be appropriated by legislation.

The March of Dimes is the leader in advocacy for newborn screening and birth defects surveillance of all infants in the United States. Our mission is to *improve the health of babies by preventing birth defects, premature birth, and infant mortality*.

A birth defect is an abnormality of body structure, function, or metabolism (inborn error of body chemistry) present at birth that results in physical or intellectual disabilities, or death. About 1 in 33 babies, or an estimate 120,000 babies per year, are born with birth defects in the U.S., and it is the leading cause of infant death, accounting for more than 20% of all deaths in the first year of life. In Hawaii, infant deaths due to birth defects are second only to deaths related to prematurity. Birth defects can be caused by genetic abnormalities or environmental factors, but the causes of about 60-70% of all birth defects are unknown.

Since the March of Dimes added birth defects prevention to its mission in the late 1950s, the Foundation has developed and promoted numerous initiatives to advance the field. Through our advocacy at the state level, we have supported state-based birth defects surveillance programs that play a vital role in collecting data for detecting birth defects trends and suggest areas for further research. They also link people to needed services, improving care and quality of life for these babies and their families. Data from birth defects surveillance programs are also increasingly used to assess key longer term outcomes for those born with major birth defects, and to understand barriers to care. The most current example of birth defect surveillance has brought worldwide attention to the microcephaly cases suspected to be linked to the Zika virus that are being seen in South and Central America



**March of Dimes Foundation** 

Hawaii Chapter 1580 Makaloa Street, Suite 1200 Honolulu, HI 96814

Telephone (808) 973-2155 Inter-island 1-800-272-5240 Fax (808) 973-2160

marchofdimes.org/hawaii

March 22, 2016

Honorable Jill Tokuda Honorable Donovan Dela Cruz Page 2

HB2466 HD1 will remove funding for this vital program in the state and it would be imperative that funds be replaced through appropriation by the legislature. To prevent birth defects, it is vital to know key information about what birth defects are occurring, where they are occurring, and how frequently they are occurring. This is increasingly important if additional cases of Zikarelated microcephaly are seen in Hawaii.

Mahalo for the opportunity to testify on this matter.



A Program of Kapi'olani Medical Center for Women & Children

Executive Director Adriana Ramelli DATE: March 23, 2016

Advisory Board

The Honorable Jill Tokuda, Chair

President

The Honorable Donovan Dela Cruz, Vice Chair

Mimi Beams

TO:

Senate Committee on Ways and Means

Vice President Peter Van Zile

The Sex Abuse Treatment Center FROM:

Joanne H. Arizumi

A Program of Kapi'olani Medical Center for Women and Children

Mark J. Bennett

RE: Testimony Providing Comments on H.B. 2466, H.D. 1, and on H.B. 2466,

H.D. 1, Proposed S.D. 1

Andre Bisquera Marilyn Carlsmith

Relating to Non-General Funds

Dawn Ching

Suzanne Chun Oakland

Good morning Chair Tokuda, Vice Chair Dela Cruz, and members of the Senate Committee on Ways and Means.

Monica Cobb-Adams

Donne Dawson

Dennis Dunn

Councilmember

Carol Fukunaga

David I. Haverly

Linda Jameson

Michael P. Matsumoto

Robert H. Pantell, MD

Joshua A. Wisch

The Sex Abuse Treatment Center (SATC) would like to submit the following comments for the Committee's consideration, concerning H.B. 2466, H.D. 1—which would reduce the revenues of the Department of Health Domestic Violence and Sexual Assault Special Fund (DVSASF) established under Hawaii Revised Statutes (HRS) Section 321-1.3 by over 90% and provide a general fund appropriation to the Department of

Health—and our preference for the proposed S.D. 1.

It is our understanding that Part III of H.B. 2466, H.D. 1, responds to the State Auditor's recent report suggesting that the DVSASF's primary source of revenue, fees from vital records, be cut off. In the auditor's view, a clear link between the vital records fees and the domestic and sexual violence prevention and response programs supported by DVSASF did not exist.

The SATC respectfully disagrees with this finding, as the relationships and life events documented in vital records are directly and negatively impacted by domestic violence and sexual assault, a clear link between the source of revenue in question and the programs that they fund. We submit that it is appropriate and reasonable that fees related to vital records continue to provide revenue to the DVSASF.

We further appreciate the intent in H.B. 2466, H.D. 1, to replace the vital records fees revenue with a comparable State General Fund appropriation. However, we believe that specifically dedicated funds are warranted for the establishment and maintenance of domestic violence and sexual assault prevention services. Allowing the DVSASF to retain its current primary revenue sources would reflect an affirmative policy decision to ensure the ongoing prioritization of violence prevention in the State of Hawaii.

H.B. 2466, H.D. 1 H.B. 2466, H.D. 1, Propose S.D. 1 March 23, 2016 Page 2 of 2

Therefore, we note our preference for the proposed S.D. 1, which removes all reference to the DVSASF and would allow it to continue Hawai'i's dedicate support for and prioritization of violence prevention efforts.

Thank you for this opportunity to testify.



March 21, 2016

**TO:** COMMITTEE ON WAYS AND MEANS

Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz, Vice Chair

**FROM:** Richard P. Bettini, President and CEO

Waianae Coast Comprehensive Health Center

697-3457 or wcchc@wcchc.com

RE: OPPOSITION TO HB 2466 HD1 – RELATING TO NON-GENERAL FUNDS

The Waianae Coast Comprehensive Health Center (WCCHC) strongly opposes HB 2466 HD1 as it relates to repealing the Community Health Center Special Fund and returning any balance to the General Fund.

Protecting the Community Health Center Special Fund is of utmost importance to vulnerable communities served by community health centers throughout the State. Funding of services to the uninsured through all community health centers and emergency medical services provided by Waianae Coast Comprehensive Health Center and Hana Health require a long-term plan and commitment such as has been the intent of the Community Health Center Special Fund. The repeal of the Community Health Center Special Fund and the uncertainties of placing any balance in the General Fund could have several negative unintended consequences. There is no plan as to what process this will take to ensure there is no gap in services or assurance of stable funding should HB2466 HD1 take effect July 1, 2016.

The potential loss of funding to support the 9% of WCCHC's 34,921 patients who are uninsured/underinsured and the potential loss of subsidy support for WCCHC's 24-hour emergency medical services is of grave concern to our patients and community.

In regards to the **Community Health Center Special Fund** impacting uninsured/ underinsured patients, it is important to note that the closure of the Hawaii Health Connector in December 2015 has resulted in thousands of Hawaii residents not reenrolling in Affordable Care Act plans, thus these individuals are now being added to the uninsured rank.

Another unintended consequence to WCCHC under the repeal of the **Community Health Center Special Fund** is the potential loss or reduction of the \$1.4 million in funding to support WCCHC's 24-hour Emergency Medical Services from midnight to 8:00 am, 365 days a year.

Without stable funding support, WCCHC will not be able to operate during the midnight to 8:00 am period.

The Department of Health understands the important role the WCCHC 24-hour emergency services holds to cover emergency medical and disaster-related services on the isolated Waianae Coast. WCCHC has a signed four-year ER services contract for July 1, 2016 to June 30, 2020 that will be cancelled if HB 2466 HD1 is approved.

WCCHC's Emergency Department is an integral part of the State Emergency Medical Services System (EMS) providing over 24,000 visits from July 1, 2014 to June 30, 2015, 89% of which were by Waianae Coast residents and 60% who were patients covered under QUEST/Medicaid.

For many years, WCCHC's emergency services funding was placed as a line item in the Department of Health budget. This Special Fund budgeting allows for longer term contracting essential to the Legislature's capital investment in WCCHC's emergency medical services facility.

The Health Center is currently investing its own resources and has capital support from the State and private foundations to build a new emergency medical services building at a cost of \$15 million. The capital project will be completed in early 2017. It will be a mismatch to possibly not have State support for the medical services that the capital project was intended to improve.

We ask that your Committee strongly consider the negative impact a repeal of the Community Health Center Special Fund will have on the vulnerable populations served by community health centers and the devastating circumstances that could occur with a loss or reduction of funding for Emergency Medical Services. Please **VOTE AGAINST HB 2466 HD1**.

We fully **SUPPORT the WAM Committee's proposed HB2466 SD1.** 

**SD1** is a responsible approach that would allow time for a proper assessment of where cigarette tax monies are being disbursed and how much is actually needed and used by receiving entities.

Mahalo.



277 Ohua Avenue • Honolulu, Hawaii 96815

TO:

Senate Committee on Ways and Means

The Hon. Jill N Tokuda, Chair

The Hon. Donovan M. Dela Cruz, Vice Chair

From:

Sheila Beckham

CEO, Waikiki Health

RE:

Testimony in Opposition of House Bill 2466 HD1

Date:

March 23, 2016, 9:15 am, Room 211

Waikiki Health, a federally qualified community health center, <u>strongly opposes</u> House Bill 2466 HD1 which repeals the CHC special fund.

As it currently stands, the CHC special fund is the only form of state funding being received by the community health centers. Despite that, health centers saw approximately 150,000 patients in 2014, 50% of whom were enrolled in Medicaid. Ninety percent of health center patients reside below 200% of federal poverty level.

At Waikiki Health, 18% of the patients are homeless and 22% are uninsured (despite the presence of the Hawaii Health Connector). Nearly 100% of all patients at Waikiki Health are screened for tobacco use with smoking cessation services available as needed.

The repeal of the CHC special fund will not only jeopardize the intended effects of the tobacco tax, it will have a direct and detrimental effect on the state, its healthcare costs, and a large percentage of its residents.

For these reasons, we STRONGLY OPPOSE HB 2466 HD1. Thank you for the opportunity to testify.



TO: Senator Jill Tokuda, Chair

Senator Donovan DelaCruz, Vice-Chair COMMITTEE ON WAYS AND MEANS

FR: Mary Oneha, APRN, PhD

Chief Executive Officer, Waimānalo Health Center

Date: Wednesday, March 23, 2016

9:15am, Conference Room 211

RE: Opposed to HB 2466 HD1 Relating to Non-General Funds

The Waimānalo Health Center (WHC) **strongly opposes HB 2466 HD1** relating to Non-General Funds to repeal the community health centers special fund. The Auditor of the State of Hawai`i did a *Review of Special Funds, Revolving Funds, Trust Funds, and Trust Accounts of the Department of Health* and found that there "is no clear link between the benefits sought for the federally qualified health centers (FQHCs) and the revenues derived from tobacco taxes..."

There is a clear nexus between tobacco tax monies and services provided at community health centers. Although there has been a slight decrease in the number of individuals diagnosed with a tobacco use disorder, WHC has seen an increase in the number of visits per person diagnosed with a tobacco use disorder. Nearly 99% of patients aged 18 and older are screened for tobacco use by Waimanalo Health Center staff, and if found to be a tobacco user, receive cessation counseling intervention or medication.

WHC also addresses the health effects of smoking or tobacco use including heart disease and stroke, respiratory diseases, and cancer. Smokers are at greater risk for diseases that are among the leading causes of death – yet, cigarette smoking is the **leading preventable cause** of death in the United States. Secondhand smoke exposure also hurts infants and children, particularly at home and in vehicles. As community health centers, and as a State, we must continue to reduce the incidence of smoking and provide support to those motivated to guit.

In addition, the Special Fund allows the Department of Health to contract with community health centers to provide comprehensive primary care services to the uninsured/underinsured. *Despite the presence of the Connector/healthcare.gov, the health centers are still seeing a large number of uninsured/underinsured patients.* Although we have seen a progressive decline in the number of uninsured patients, WHC still has a substantial number of patients who are uninsured (over 600). We anticipate that there will always be those who are uninsured for a variety of reasons and many who are underinsured.

There will be a clear negative impact to WHC, patients, and communities if this bill is passed. For these reasons, WHC strongly opposes HB2466 HD1. Thank you for the opportunity to provide testimony.

From: mailinglist@capitol.hawaii.gov

To: WAM Testimony
Cc: heihachi29@gmail.com

**Subject:** Submitted testimony for HB2466 on Mar 23, 2016 09:15AM

**Date:** Tuesday, March 22, 2016 1:56:35 PM

### **HB2466**

Submitted on: 3/22/2016

Testimony for WAM on Mar 23, 2016 09:15AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing	
Alicia Turlington	Individual	Oppose	No	

Comments: I OPPOSE HB2466 HD1 but SUPPORT HB2466 SD1. As a physician at a community health center, it is of extreme importance that care be taken before consideration of cutting crucial funding. The health centers across the state provide care to vulnerable communities. We are the only place for many people to go. Please support HB2466 HD1 SD1 which will allow the time needed to study and figure out this urgent issue.

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, 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.

Do not reply to this email. This inbox is not monitored. For assistance please email webmaster@capitol.hawaii.gov

TO: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz, Vice-Chair SENATE WAYS & MEANS COMMITTEE

FROM: Angela L. Baker

Bakera001@hawaii.rr.com

808-478-3130

DATE: Wednesday, March 23, 2016

9:15am, Conference Room 211

RE: Opposition of HB2466 HD1, specifically related to repealing the

**Community Health Center Special Funds.** 

I am opposing HB2466 HD1, specifically related to repealing the Community Health Center Special Funds.

Repealing the Community Health Center Special Funds will impact the 24-hour emergency room services at the Waianae Coast Comprehensive Health Center. Without funding, the ER cannot operate between midnight and 8:00 am, 365 days a year.

Since the 1970's the Waianae community has demanded and supported that emergency services be provided through the Health Center. The State has always supported the importance of our ER services – for both medical emergency care and during disasters that cut off access to the Waianae community.

For me personally, the ER was available to me when I really needed it. Although I am a Kaiser recipient, I had a reaction to Soy Beans which caused my throat to swell and slowly cut off my breathing. I was at home by myself when it happened and had to drive to Kaiser Moanaloa's Emergency Room being that it was late and all clinics were closed. I was driving through Ma'ili when I decided to go to the Waianae Coast Comprehensive Health Center's Emergency Room; keeping in mind that I might not make it to Kaiser Moanaloa before my throat complete shuts. I explained to them that I am a Kaiser recipient and they said, "No problem." My situation was considered life or death. So I am grateful to have this facility in Waianae. We really do need this Emergency Room available to the people of Waianae.

We ask that your WAM Committee strongly consider our unique situation in Waianae and vote to NO repealing the Community Health Center Special Fund.

MAHALO!

TO: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz, Vice-Chair SENATE WAYS & MEANS COMMITTEE

FROM: Brian K. Baker Sr.

pastorbrian@aoshawaii.com

808-630-1777

DATE: Wednesday, March 23, 2016

9:15am, Conference Room 211

RE: Opposition of HB2466 HD1, specifically related to repealing the

Community Health Center Special Funds.

I am opposing HB2466 HD1, specifically related to repealing the Community Health Center Special Funds.

Repealing the Community Health Center Special Funds will impact the 24-hour emergency room services at the Waianae Coast Comprehensive Health Center. Without funding, the ER cannot operate between midnight and 8:00 am, 365 days a year.

Since the 1970's the Waianae community has demanded and supported that emergency services be provided through the Health Center. The State has always supported the importance of our ER services – for both medical emergency care and during disasters that cut off access to the Waianae community.

For me personally, the ER is an AWESOME facility to have here in our Community of Waianae.

First of all, I am a Kaiser recipient. I have been to the emergency room twice. Both times not knowing that I was even there. I sort of blacked out due to my blood pressure. But they took very good care of me. The billing was sent to Kaiser with no problems. We cannot predict when an emergency will arise but we can be grateful to have a facility available to us 24 hours if the need should arise.

We ask that your WAM Committee strongly consider our unique situation in Waianae and vote to NO repealing the Community Health Center Special Fund.

MAHALO!

DATE: March 21, 2016

TO: Committee on Ways and Means

Senator Jill Tokuda, Chair

Senator Donovan Dela Cruz, Vice Chair

FROM: Catherine Wehrman

Violence Prevention Task Force

RE: OPPOSED to HB 2466, Relating to Non-General Funds

Wednesday, March 23, 2016

9:15 am

Conference Room 211

My name is Catherine Wehrman, I am a resident of Kapahulu, and work at Kapiolani Community College (KCC). I am writing OPPOSED to HB 2466, Relating to Non-General Funds, specifically relating to the domestic violence and sexual assault special fund. It is imperative that the revenue from a portion of the fees for copies of birth, marriage, divorce, and death certificates continue to fund domestic violence and sexual assault prevention efforts in Hawaii. I urge the Committee to keep the funds as is, and not move it into the general funds.

At KCC, I co-chair the Violence Prevention Task Force (VPTF), which provides education to the campus community about topics around sexual violence, which include dating and domestic violence, sexual assault, stalking, and sexual harassment. We are part of the University of Hawai'l Systemwide PAU Violence Program, and receive critical support for the education and prevention efforts that we all do because of the funds that are targeted to support this work.

I work with many students who are survivors of sexual violence, and through our partnerships with community agencies and other campus resources, we provide needed assistance and support. However, it is also our goal to increase education and prevention efforts to the larger student body through promoting healthy dating and intimate partner relationships. It would be difficult to continue to do this work without the support of the domestic violence and sexual assault funds. These funds support staffing at PAU Violence as well as the Department of Health, and has provided excellent training and professional development to faculty, staff and students across the system in the areas of sexual violence. Please continue to designate this funding to support these critical programs that impact the lives of so many in our state.

TO: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz, Vice-Chair SENATE WAYS & MEANS COMMITTEE

FROM: Cedric Gates

Chief Operating Officer

Active Hawaii

DATE: Wednesday, March 23, 2016

9:15am, Conference Room 211

RE: Opposition of HB2466 HD1, specifically related to repealing the

Community Health Center Special Funds.

I am opposing HB2466 HD1, specifically related to repealing the Community Health Center Special Funds.

Repealing the Community Health Center Special Funds will impact the 24-hour emergency room services at the Waianae Coast Comprehensive Health Center. Without funding, the ER cannot operate between midnight and 8:00 am, 365 days a year.

Since the 1970's the Waianae community has demanded and supported that emergency services be provided through the Health Center. The State has always supported the importance of our ER services – for both medical emergency care and during disasters that cut off access to the Waianae community.

We ask that your WAM Committee strongly consider our unique situation in Waianae and vote to NO repealing the Community Health Center Special Fund.

MAHALO!

# Testimony in Opposition To HB 2466 HD1 as it relates to eliminating marriage license and other vital records fees from the Domestic Violence and Sexual Violence Special Fund

Hearing on Wednesday, March 23, 2016, 2 9:15 before the Ways and Means Committee, Room 211

#### Chair Jill Tokuda and Committee Members

My name is Charlene Iboshi, retired Prosecutor from Hawaii County. The Legislature throughout the years recognized the importance for oversight for certain areas that are easily eliminated due to "administrative priorities" for general funds. Dedicated funding for domestic violence and sexual violence prevention and education programs funded through the vital records fees, e.g., marriage license fees, has proven valuable as a consistent source for prevention coordination at the state level. These programs are first to go during tough economic times. We have seen it many times during the past with devastating consequences.

Transfer to general funds without specific funding levels or mandated continuation of positions or programs within the Department of Health is foreboding. Knowing how large and administratively challenging it is to balance the state budget, the Governor and Department Directors can easily eliminate these positions and programs. Prevention programs are the first to go.

Many times, coordination and collaboration in tough economic times at the state level allows departments and social service agencies to do more with less. "Trusting" good decision-making without dedicated sources of funding is not enough.

Without dedicated funds and personnel we lose traction and focus on how to build stronger and healthier communities without domestic and sexual violence against all genders and ages. We have seen this many times over throughout the years as "grant funding" dries up. It takes longer to re-start initiatives within the community.

Thank you for the opportunity to testify.

From: Sent: Cheri Mason <cheribj1@gmail.com> Saturday, March 19, 2016 7:53 AM

To:

Sen. Jill Tokuda

I strongly oppose the bill that is trying to be passed about the waianae comp ER to be closed during midnight and 8am, that is absurd! Everyone will have to go to queens if there is an emergency? Why would they shut down the only ER in the westside. I have two boys ages 1 and 2, they are sick alot and i am constantly finding myself at waianae comp ER because it is so convenient, its right down the road from most of the westsiders. All staff and patients know how busy it is at night, so if it closed during those hours then when they so open at 8 the ER will be ridiculously crowded, everyone will be there for half their day! Having the ER closed for those times will be chaotic not only for patients but for the staff as well. Please please do not pass this bill.

# Christopher D. Yanuaria 954A 'Ālewa Drive Honolulu, HI 96817

Senator Jill N. Tokuda, Chair Senator Donovan M. Dela Cruz, Vice Chair

#### COMMITTEE ON WAYS AND MEANS

Wednesday, March 23, 2016 9:15 A.M.

State Capitol, 415 South Beretania Street, Conference Room 211

### RE: HB 2466, HD1 RELATING TO NON-GENERAL FUNDS.

Repeals and transfers the unencumbered balances of various non-general funds and accounts and amends the revenue source of the domestic violence and sexual assault special fund as recommended by the auditor in auditor's report no. 15-17.

#### Aloha Committee on Finance:

My name is Christopher D. Yanuaria, a resident of 'Ālewa Heights, Hawai'i and an employee at the University of Hawai'i at Mānoa. I am testifying in **STRONG OPPOSITION OF HB 2466.** 

I am currently the Respondent Support Coordinator and the Violence Prevention Educator under the Prevention Awareness Understanding (PAU) Violence Program at the University of Hawai'i at Mānoa. PAU Violence is the University of Hawai'i's systemwide program that provides training, prevention education, and response to students, faculty and staff around the issue of stalking, sexual, dating and domestic violence. Through multiple campus events and workshops throughout the year, the PAU Violence Program increases awareness about the important resources available to the university community.

HB 2466 calls for the removal of majority of the revenue sources for the Domestic Violence Sexual Assault Special Fund, which directly funds the work that I do with PAU Violence. If this funding is removed there will be less resources to prevent domestic violence and sexual assault on campus. When we understand the staggering statistic that

"I in 5 women and I in 16 men are sexually assaulted while in college" <sup>1</sup> it needs to be our responsibility to support the kind of efforts to prevent such crimes to occur.

The effects of domestic violence and sexual assault on students are endless. Some of the most common effects on victims of domestic violence and sexual assault that I have seen are: depression, low self-esteem, addiction, and psychological damage. This directly impacts marriage relationships in that, when victims of such abuse decide to get married they bring all of the effects of domestic violence and sexual assault into their marriage, causing their marriage to be very challenging and strenuous from the beginning.

Prevention is paramount. If we can support more efforts towards preventing domestic and sexual assault on the university campus, we would not only be creating a safer and healthier campus, but also safer and healthier marriages and families.

# I urge you to please OPPOSE HB 2466.

Mahalo,

Christopher D. Yanuaria, MSW Program Coordinator Respondent Support Prevention Awareness and Understanding (PAU) Violence Program University of Hawai'i at Mānoa

<sup>1</sup> Krebs, C. P., Lindquist, C., Warner, T., Fisher, B., & Martin, S. (2007). *The campus sexual assault (CSA) study: Final report*. Retrieved from the National Criminal Justice Reference Service: http://www.ncjrs.gov/pdffiles1/nij/grants/221153.pd

#### COMMITTEE ON WAYS AND MEANS

Senator Jill N. Tokuda, Chair Senator Donovan M. Dela Cruz, Vice Chair

Testimony on House Bill 2466, HD1
Relating to Non-General Funds
March 23, 2016 am - Conference Room 211
Submitted by Cristina C. Vega

Dear Members of the Senate Committee on Ways and Means,

Hawaii's uninsured residents and the Community Health Centers (CHC)that serve them continue to have a critical need for the tobacco tax funds that are allocated to the CHC special fund. This special fund has allowed CHC's to provide basic primary care services, including tobacco prevention the treatment of tobacco related illnesses, to a large group of Hawaii's residents who would otherwise go without primary care, necessitating more costly emergency, hospital or long term care services.

Those who benefit from this CHC special fund are hard-working people, some of them waiting for the 5 year period before they become eligible for Federal benefits, another group not eligible for Federal health benefits, and a third group that are between jobs and between enrollment periods. Many of them work multiple part time jobs and do not therefore receive health benefits.

Both of my parents: Edelmira Vega H. (72) and Jose Gallardo (80) were able to benefit from this program at a CHC last year before they became eligible for Medicare benefits.

Please maintain the CHC special fund with the same or higher level of funding. Thank you for supporting for our community.

**TO:** Ways and Means Committee

Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz, Vice Chair

**FROM:** Daniel H. Gomes

email: dangomes@hawaii.rr.com

PHONE: 808-292-2731

RE: TESTIMONY OPPOSING HB 2466 HD1

I am opposing HB2466 HD1, specifically related to repealing the Community Health Center Special Funds.

Repealing the Community Health Center Special Funds will impact the 24-hour emergency room services at the Waianae Coast Comprehensive Health Center. Without funding, the ER cannot operate between midnight and 8:00 am, 365 days a year.

Since the 1970's the State has always supported the ER services provided through the Health Center – for both medical emergency care and during disasters that cut off access to the Waianae community.

For me personally, the Waianae Comp Health Center ER is 10 minutes from my home in Waianae, and after an accident involving a concussion, provided me with treatment that prevented what could have become a much more serious condition if medical care had been farther away. As far as I am concerned, this is an essential lifesaving facility in our remote community, where the next available emergency room facility is at Queens West, at least 25 minutes by ambulance or possibly longer depending on the location of the patient on the Waianae Coast and traffic conditions.

Procedures to stabilize accident victims for transport to a hospital, or people with possible heart attacks or strokes where timely medical evaluation and intervention is critical to the survival of the patient, can only be done at a properly equipped emergency room facility like that found at our Health Center in Waianae.

The value of human lives is far greater than the funding needed to maintain the Waianae Coast Comprehensive Health Center emergency room, and it is critical that this facility stays open 24-hours a day 7 days a week.

Anything that jeopardizes the funding to keep this facility open must be addressed with the highest priority and I would appreciate your support with determining the best way to ensure the needed funding is secure for now and into the future.

We ask that your WAM Committee strongly consider our unique situation in Waianae and vote NO to repealing the Community Health Center Special Fund.

MAHALO!

From: mailinglist@capitol.hawaii.gov

To: WAM Testimony
Cc: david@kkv.net

Subject: Submitted testimony for HB2466 on Mar 23, 2016 09:15AM

**Date:** Monday, March 21, 2016 4:07:30 PM

Attachments: <u>HB2466HD1SD1.doc</u>

# **HB2466**

Submitted on: 3/21/2016

Testimony for WAM on Mar 23, 2016 09:15AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing	
david derauf	Individual	Support	Yes	

Comments: WE SUPPORT 2466 SD1, we oppose HD1

Please note that testimony submitted <u>less than 24 hours prior to the hearing</u>, 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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From: mailinglist@capitol.hawaii.gov

To: WAM Testimony
Cc: dsegalmatsu@gmail.com

Subject: Submitted testimony for HB2466 on Mar 23, 2016 09:15AM

**Date:** Monday, March 21, 2016 5:43:24 PM

Attachments: dsm- Testimony for House Bill 2466, HD1,SD1.pdf

# **HB2466**

Submitted on: 3/21/2016

Testimony for WAM on Mar 23, 2016 09:15AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing	
Doris Segal Matsunaga	Individual	Support	No	

Comments: SUPPORT HB2466 HD1 SD1 OPPOSE HB2466 HD1

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Thank you to the Ways and Means Committee for addressing this very important House Bill HB2466 with great impact to the Waianae Coast Community and the emergency medical services to the west side of our island.

I am Dr. Brian Panik, a Board-Certified Emergency Physician, in the Health Center's 24-hour emergency department. I became aware of HB 2466 only very recently, and I am concerned about losing funds to help provide for our patients in the emergency room during the hours between twelve midnight and eight in the morning.

I have personally been involved with our team in the care of a multitude of patients with true medical, surgical, and obstetrical emergencies at all hours including those between twelve midnight and eight in the morning. I have had patients with difficulty breathing and respiratory arrest, cardiopulmonary arrest, heart attacks, been involved in motor vehicle collisions, and even delivered a baby during the proposed closing time. In addition on this morning of 3-21-16, the day that I am submitting this testimony online, one of my colleagues delivered a baby again emergently within approximately 15 minutes of arrival during the proposed closing hours. I have stabilized and emergently transferred many patients to our tertiary care centers, including trauma cases to Queen's Health System and pediatric and obstetrical emergencies to Kapiolani Medical Center for Women and Children.

People of Waianae and the West Side are extremely hard working individuals. Much of the population is awake and preparing to leave for work at 4 and 5 am to jobs in Honolulu and beyond. I have had many patients that live in Waianae and work not only in town but all over the island including jobs as far as Kaawa and other East side locations. True emergencies happen during this time period from twelve midnight to eight in the morning with regularity. There is no reason to think that this will stop or decrease after the closing of the Waianae Coast Comprehensive Health Center Emergency Department. If closed during these hours, our patients, your constituents, will then face a delay in their care of these true medical, surgical, and obstetrical emergencies with real world affects to both the patients directly and their families indirectly.

Waianae Coast Comprehensive's Emergency Department is a critical safety net in the same manner as many of the Hawaii Health Systems Corporation's locations and the WCCHC ED deserves the same prioritization for funding afforded to the HHSC organization and other key "safety net" organizations.

Thank you for considering other options of addressing the intent of HB 2466 and alternative solutions to avoid losing funding to cover the overnight services of the emergency room as well as funding to the health center to help with uninsured patients.

Thank You, Dr. Brian Panik, DO, FACOEP, FACEP

#### COMMITTEE ON WAYS AND MEANS

Senator Jill N. Tokuda, Chair Senator Donovan M. Dela Cruz, Vice Chair

Testimony on House Bill 2466, HD1
Relating to Non-General Funds
March 23, 2016 am - Conference Room 211
Submitted by Dr Jason Y. Hiramoto, Manoa Hawaii

Dear Members of the Senate Committee on Ways and Means,

Hawaii's uninsured residents and the Community Health Centers (CHC)that serve them continue to have a critical need for the tobacco tax funds that are allocated to the CHC special fund. This special fund has allowed CHC's to provide basic primary care services, including tobacco prevention the treatment of tobacco related illnesses, to a large group of Hawaii's residents who would otherwise go without primary care, necessitating more costly emergency, hospital or long term care services.

Those who benefit from this CHC special fund are hard-working people, some of them waiting for the 5 year period before they become eligible for Federal benefits, another group not eligible for Federal health benefits, and a third group that are between jobs and between enrollment periods. Many of them work multiple part time jobs and do not therefore receive health benefits.

Please maintain the CHC special fund with the same or higher level of funding. Thank you for supporting for our community.

TO: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz, Vice-Chair SENATE WAYS & MEANS COMMITTEE

FROM: Ginger Fuata

gingerfuata@aol.com

DATE: Wednesday, March 23, 2016

9:15am, Conference Room 211

RE: Opposition of HB2466 HD1, specifically related to repealing the

Community Health Center Special Funds.

I am opposing HB2466 HD1, specifically related to repealing the Community Health Center Special Funds.

Repealing the Community Health Center Special Funds will impact the 24-hour emergency room services at the Waianae Coast Comprehensive Health Center. Without funding, the ER cannot operate between midnight and 8:00 am, 365 days a year.

Since the 1970's the Waianae community has demanded and supported that emergency services be provided through the Health Center. The State has always supported the importance of our ER services – for both medical emergency care and during disasters that cut off access to the Waianae community.

As a Native to the Waianae Coast for 63 years it is crucial that we continue to keep our Emergency Room at the Waianae Coast Comprehensive Health Center up and running.

If not for the emergency room, I would have lost my youngest son.

It was at this emergency room where he was stabilized as a baby from a terrible seizure episode. He was then transported to Queens Hospital by helicopter. This emergency room is crucial to our community! The children and families of our community will definitely be affected by not having access

We ask that your WAM Committee strongly consider our unique situation in Waianae and vote to NO repealing the Community Health Center Special Fund.

MAHALO!

From: mailinglist@capitol.hawaii.gov

To: WAM Testimony
Cc: jchen@wcchc.com

**Subject:** \*Submitted testimony for HB2466 on Mar 23, 2016 09:15AM\*

**Date:** Tuesday, March 22, 2016 9:22:47 AM

# **HB2466**

Submitted on: 3/22/2016

Testimony for WAM on Mar 23, 2016 09:15AM in Conference Room 211

Submitted By	Organization	Testifier Position	Present at Hearing
James Chen	Individual	Oppose	Yes

#### Comments:

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March 23, 2016

To: Chair Senator Tokuda, Vice Chair Senator Dela Cruz and members of the Committee on Ways and Means

From: Jennifer Pagala Barnett

## Re: OPPOSED to HB2466, HD1 Relating to Non-General Funds

I am Jennifer Pagala Barnett, a resident of Mililani, HI. I am also employed at the University of Hawai'i at Mania and am in strong opposition of HB2466, HD1 regarding the removal of the Domestic Violence Sexual Assault Special Funds.

I assist in coordinating the PAU Violence Program at the University of Hawai'i. The support from these funds has helped us to build a UH system program that provides prevention education and raise awareness of issues of gender based violence such as domestic violence and sexual assault on each UH campus. It also has improved and informed the way our institutions respond and provide appropriate supports to students who have experienced dating and domestic violence, sexual assault and stalking.

Our program has reached a tremendous amount of students, faculty and staff throughout the UH system with education, training and advocacy work. Our work has also encouraged students the opportunity to get involved and for student victims, to have a safe space to discuss options and be supported as they heal. We promote healthy relationships and ways to be a successful student even if an incident of interpersonal violence has occurred. PAU Violence supports the campus task forces who provide meaningful prevention work to their unique campus communities. This collective work continues to be implemented by faculty, staff and programs that are understaffed, underfunded or not funded at all.

The removal of these funds or the moving of the funds into general funds would have tremendous negative effect to our higher education students and communities. I humbly urge you to oppose this bill as our work gravely depends on this funding support.

Thank you for your time and consideration on this important matter.

Jennifer Pagala Barnett jenpbarnett@gmail.com

TO: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz, Vice-Chair SENATE WAYS & MEANS COMMITTEE

FROM: Josephine Bradley

jojozzone@gmail.com

DATE: Wednesday, March 23, 2016

9:15am, Conference Room 211

RE: Opposition of HB2466 HD1, specifically related to repealing the

**Community Health Center Special Funds.** 

I am opposing HB2466 HD1, specifically related to repealing the Community Health Center Special Funds.

Repealing the Community Health Center Special Funds will impact the 24-hour emergency room services at the Waianae Coast Comprehensive Health Center. Without funding, the ER cannot operate between midnight and 8:00 am, 365 days a year.

Since the 1970's the Waianae community has demanded and supported that emergency services be provided through the Health Center. The State has always supported the importance of our ER services – for both medical emergency care and during disasters that cut off access to the Waianae community.

I oppose HB 2466. We need the WCCHC emergency room open 24/7. I have Grand nephews who has asthma attacks.

We ask that your WAM Committee strongly consider our unique situation in Waianae and vote to NO repealing the Community Health Center Special Fund.

MAHALO!

TO: Senator Jill N. Tokuda, Chair

Senator Donovan M. Dela Cruz, Vice-Chair SENATE WAYS & MEANS COMMITTEE

FROM: Leinaala Kanana

479-1195 lkanana@hotmail.com

DATE: Wednesday, March 23, 2016

9:15am, Conference Room 211

RE: Opposition of HB2466 HD1, specifically related to repealing the Community

Health Center Special Funds.

I am opposing HB2466 HD1, specifically related to repealing the Community Health Center Special Funds.

Repealing the Community Health Center Special Funds will impact the 24-hour emergency room services at the Waianae Coast Comprehensive Health Center. Without funding, the ER cannot operate between midnight and 8:00 am, 365 days a year.

Since the 1970's the Waianae community has demanded and supported that emergency services be provided through the Health Center. The State has always supported the importance of our ER services – for both medical emergency care and during disasters that cut off access to the Waianae community.

On the early morning of Dec. 28<sup>th</sup> my 5 year old son Noa began to experience an asthma attack. We began treatment at home but soon realized he needed medical attention. Although we are normally prepared with what to do, this attack was sudden. Panic set in as we raced around the house at 2am looking for car keys. Words cannot express the fear my husband and I had as we frantically drove the Waianae Coast Comprehensive Health Center Emergency room.

Upon arrival we were triaged to a room and Noa was immediately treated by Dr. Bonham who provided the medication he needed. Dr. Bonham also requested a full work up be completed on Noa to rule out other factors secondary to his asthma. At 2am, he took the time to provide further education and reassured us that with proper antibiotics and monitoring, Noa's condition would improve.

That experience left a lasting impression upon my family. We are extremely grateful for the close proximity of the emergency room and the services that was readily available at two in the morning.

I ask that your WAM Committee strongly consider our unique situation in Waianae and vote to NO repealing the Community Health Center Special Fund. Thank you for the opportunity to provide testimony.

 From:
 malu10@aol.com

 To:
 WAM Testimony

Subject: PLEASE SUPPORT HB 2466 HD1 SD1 OPPOSE HB 2466 HD1

**Date:** Tuesday, March 22, 2016 11:32:01 AM

Please SUPPORT passage of HB 2466 HD1 SD1 to examine the disbursement of all cigarette tax monies.

Please OPPOSE HB 2466 HD1 which redirects the cigarette tax monies to the general fund.

The Community Health Centers in the State are life lines for the underserved and uninsured/underinsured and without the Community Health Centers the cost of caring for these populations would fall to the emergency rooms driving up the cost of care.

Thank you.

Sally Kimura

From: mailinglist@capitol.hawaii.gov

To: WAM Testimony
Cc: sayuriy@hawaii.edu

**Subject:** \*Submitted testimony for HB2466 on Mar 23, 2016 09:15AM\*

**Date:** Monday, March 21, 2016 12:11:36 PM

# **HB2466**

Submitted on: 3/21/2016

Testimony for WAM on Mar 23, 2016 09:15AM in Conference Room 211

S	ubmitted By	Organization	Testifier Position	Present at Hearing
	sayuri	Individual	Oppose	No

#### Comments:

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