

SB 3008

Measure Title: RELATING TO MEDICAL ASSISTANCE.

Report Title: Human Services; Medicaid; Homeless

Description: Requires providers and health plans to gather data regarding homeless individuals' use of medical assistance programs.

Companion:

Package: None

Current Referral: HMS, CPH/WAM

Introducer(s): GREEN, CHUN OAKLAND, SHIMABUKURO, Baker, Gabbard, Kidani, Wakai



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

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

February 9, 2016

TO: The Honorable Suzanne Chun Oakland, Chair
The Senate Committee on Human Services

FROM: Rachael Wong, DrPH, Director

SUBJECT: **SB 3008 RELATING TO MEDICAL ASSISTANCE**

Hearing: Tuesday, February 9, 2016, 1:45pm
Conference Room 016, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the opportunity to testify on the bill and provides comments.

PURPOSE: The purpose of the bill is to establish a system to securely gather data regarding homeless individual's usage of publicly funded medical assistance programs in order to promote the health of Hawaii's homeless population.

The Department of Human Services (DHS) appreciates the intent of the bill to promote the health of the homeless population. The bill outlines that Medicaid health care providers and Medicaid managed care plans shall collect and compile the information, and DHS shall compile and report it. The information is to be captured and submitted along with or on the health care claim for payment.

While we do support the intent to collect such information, we have several concerns we would like to respectfully bring to the attention of the committee. First, is with regard to the required method to capture the information in all Medicaid health care provider's offices. The bill mandates that all Medicaid health care providers capture the information when any Medicaid enrollee seeks medical care from them. While it is certainly the case that housing and health are intricately linked, we respectfully suggest that a mandate for all providers, regardless of type of

provider, report with each claim for payment, whether the individual is homeless, is overly broad. Most providers submit claims for payment electronically using a required standard format. Recently in October of 2015, a new standardized diagnosis coding system called ICD-10 was implemented that includes a diagnosis code for “homeless”. However, not all health care providers use ICD-10 for their claims. Thus, a separate form and method for submission would have to be developed for some of the providers, which would take additional administrative resources for the health care provider, the Medicaid managed care plans and DHS. Some providers may not wish to take on the additional mandate to capture the information, or develop the infrastructure or information systems and new business processes to comply with the mandate. Additionally, health care providers are quite diverse ranging from primary care, laboratories, hospitals, pharmacies, physical therapists. It may not be relevant for all such health care providers to collect the information.

DHS and the plans would need to make some system changes in order to capture the information from all mandated providers, since we currently do not capture the information on each beneficiary for every health care claim when they have health claims submitted. This would be an additional cost for which additional administrative funds would be needed, and provider support for such mandate is unknown.

Thank you for the opportunity to testify on this bill.



EXECUTIVE CHAMBERS
HONOLULU

DAVID Y. IGE
GOVERNOR

February 9, 2016

TO: The Honorable Senator Suzanne Chun Oakland, Chair
Senate Committee on Human Services

FROM: Scott Morishige, MSW, Governor's Coordinator on Homelessness

SUBJECT: SB 3008 – RELATING TO MEDICAL ASSISTANCE

Hearing: Tuesday, February 9, 2016, 1:45 p.m.
Conference Room 016, State Capitol

POSITION: The Governor's Coordinator offers written comments in regards to this measure. The Coordinator defers to the Department of Human Services Med-QUEST Division (MQD) regarding specific details relating to implementation of the measure, including cost impact.

PURPOSE: The purpose of the bill is to require medical providers and health plans to gather data regarding homeless individuals' use of medical assistance programs.

This Coordinator appreciates the intent of this measure, which appears to be in alignment with Goal 1, Objective 3, Strategy 1 of the HICH Strategic Plan to End Homelessness, which is to "identify ways to track those who are homeless through various service systems to establish baseline cost utilization, e.g., improve linkages between HMIS and various data systems."

However, there may be significant logistical challenges related to implementation of this measure. In particular, the bill would require all Medicaid health care providers to capture information regarding an individual's housing status. Because this information is not currently captured, health care providers would need to establish new forms and procedures to comply with this measure's requirements. In addition, the Coordinator notes concern regarding the potential cost impact of this measure.

Thank you for the opportunity to comment on this bill.

February 9, 2016 at 1:45 P.M.
Conference Room 016

Senate Committee on Human Services

To: Senator Suzanne Chun Oakland, Chair
Senator Gil Riviere, Vice Chair

From: Michael Robinson
Vice President, Government Relations & Community Affairs

Re: SB 3008 - Testimony in Support with Comments

My name is Michael Robinson, Vice President, Government Relations and Community Affairs at Hawai'i Pacific Health (HPH). Hawai'i Pacific Health is a not-for-profit health care system, and the state's largest health care provider and non-governmental employer. Hawai'i Pacific Health is committed to providing the highest quality medical care and service to the people of Hawai'i and the Pacific Region through its four hospitals, more than 50 outpatient clinics and service sites, and over 1,600 affiliated physicians. Hawai'i Pacific Health's hospitals are Kapi'olani Medical Center for Women & Children, Pali Momi Medical Center, Straub Clinic & Hospital and Wilcox Memorial Hospital.

HPH supports SB 3008 which requires providers and health plans to gather data regarding homeless individuals' use of medical assistance programs. We would like to note, however, that there may be limitations and challenges in collecting the specified data. Frequently, homeless individuals do not provide the hospitals with an address. "Homeless" is listed in the address field, or patients may provide a friend's or relative's address. Additionally, it is difficult to ascertain homeless status of patients. Thus, the information collected may not be accurate.

Thank you very much for the opportunity to testify on this measure.



February 9, 2016 at 1:45 PM
Room 016

Senate Committee on Human Services

To: Chair Chun Oakland
Vice Chair Gil Riviere

From: George Greene
President and CEO
Healthcare Association of Hawaii

Re: **Submitting Comments**
SB 3008, Relating to Medical Assistance

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 180 member organizations who represent almost every aspect of the health care continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 20,000 people statewide.

We would like to thank Chair Chun Oakland, Vice Chair Riviere and members of the Senate Committee on Human Services to **submit comments** on SB 3008. We appreciate the intent of this bill, which seeks to quantify the costs of medical care incurred by patients who are homeless and enrolled in medical assistance programs such as Medicaid.

There is some concern about how this legislation would be implemented. It may not be possible for providers, such as our members, to submit and share this type of data on their claims due to privacy laws and regulations. It may also be difficult for providers to list a patient as homeless in any medical records. In some cases, providers must list an address. In those cases, providers are, for example, listing addresses for shelters.

We would be interested in exploring other options for capturing this data. Presumably, any individual applying for coverage in the Medicaid program would have to provide an address as part of that process. DHS and/or the plans would then likely be able to identify individuals with no permanent address. Going forward, DHS and the plans may also be able to include a notation on their applications if a patient is homeless. This would help to achieve the intent of this legislation without adding new requirements for HAH providers, which may take away from patient care.

Thank you for your time and consideration of our comments on this matter.

From: mailinglist@capitol.hawaii.gov
To: [HMS Testimony](#)
Cc: stoneliving4005@gmail.com
Subject: Submitted testimony for SB3008 on Feb 9, 2016 13:45PM
Date: Monday, February 08, 2016 12:34:13 PM

SB3008

Submitted on: 2/8/2016

Testimony for HMS on Feb 9, 2016 13:45PM in Conference Room 016

Submitted By	Organization	Testifier Position	Present at Hearing
Jay King	Individual	Support	Yes

Comments: Health services utilization and subsequent healthcare spending occurs disproportionately among a very small portion of the population. This phenomenon, commonly referred to as the “high-cost users” (HCUs) of health care, is seen across healthcare sectors and health systems globally. Studies show that 5% of healthcare utilizers in the U.S. have consistently accounted for more than 50% of expenditures, whereas the bottom 50% incur less than 5% of the costs. The cost of homelessness can be quite high, particularly for those with chronic illnesses. Because they have no regular place to stay, people who are homeless use a variety of public systems in an inefficient and costly way. Preventing a homeless episode or ensuring a timely transition into stable permanent housing can result in a significant cost savings. While housing is a social determinant of health accounting for the greatest health care costs, Hawaii’s Medicaid plans that serve over 7000 homeless, do not specifically track the cost of their homeless clients to produce a true and accurate comparative cost analysis. What cannot be counted cannot be measurably improved. If Hawaii’s Medicaid plans are to see the cost savings associated with addressing a client’s homelessness, then it must start with simply and specifically identifying who is homeless and what is their cost of care. By measuring this cost, each health plan may strategically measure the savings from investing in the homeless solutions.

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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