



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES
P. O. Box 339
Honolulu, Hawaii 96809-0339

February 12, 2018

TO: The Honorable Representative John Mizuno, Chair
House Committee on Health and Human Services

FROM: Pankaj Bhanot, Director

SUBJECT: **HB2738 - RELATED TO CHILDREN'S HEALTH CARE**

Hearing: Tuesday, February 13, 2018; 10:15 a.m.
Conference Room 329, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this measure and offers comments.

PURPOSE: The purpose of the bill is to create a three-year pilot program to expand availability of health care services coverage for infants and children living in Hawaii and appropriates funds.

This bill's idea of creating a three year pilot program came from a pilot program implemented ten years ago in 2007, Act 236 Keiki Care. It authorized an Infant Health Care program, eliminated Med-QUEST program premiums for U.S. citizen children in families with incomes 251-300% of the Federal Poverty Level (FPL), expanded legal resident children eligibility for free Med-QUEST programs from families with income of 200% FPL to 300%, and created the Keiki Care plan, a three-year public private partnership pilot between the State and HMSA to provide a basic health insurance coverage package to children not eligible for Med-QUEST programs. Additionally, the Infant Health Care program was intended to provide health insurance for children from birth to thirty days old. Of note, this bill does not propose income limitations for participants.

In a 2009 report to the Hawaii State Legislature, Med-QUEST explained that the pilot program fell considerably short of achieving its intended purpose of insuring previously uninsured infants and children whose parents were unable to afford or were ineligible for health insurance

due to their undocumented or temporary visa status. Program participation estimates from the 2008 pilot demonstrated that only about 15% of participants (upper limit of 300 enrollees) were actually from the intended target group. The remaining 85% of participants transitioned from being covered through private pay into coverage through the pilot.

Med-QUEST, through Medicaid expansion allowed under the Affordable Care Act, is currently covering children whose families earn up to 313% of the Federal Poverty Level (FPL). Children in these families can receive free comprehensive health insurance through QUEST Integration with no premium or co-pay. For example, the upper income limit for a family of four is \$88,500. This is above the median household income in Hawaii which is currently at \$71,977.

Federal Medicaid matching funds would not be available for families with income over 313% of the Federal Poverty Level. Though, for families whose income exceeds this amount, there is an opportunity to purchase health insurance on the Federal Marketplace and potentially leverage financial assistance in the form of Advanced Premium Tax Credit (APTC) to assist with affordability.

As of November 1, 2017, there are over 113,250 children enrolled through Medicaid expansion: more than one in every three of children in Hawaii are enrolled in Medicaid. With the recent congressional approval of the CHIP program through Federal Fiscal Year 2027, we are encouraged that 98% of Hawaii's keiki are currently insured,¹ and will continue to be through the foreseeable future.

If this measure moves forward, the costs to cover this population would be an estimated \$2,650 per child per year which is the estimated cost per Medicaid covered child. Using the estimates of the number of uninsured children noted in the bill, the cost for this program could total up to \$18,277,050, of which 50% would be paid from state funds per year, plus the noted administrative costs for implementing and overseeing a new program. DHS is not aware of a willing health plan or plans willing to cover the other half of required funds.

Thank you for the opportunity to provide comments on this measure.

¹ HEALTH INSURANCE COVERAGE STATUS BY SEX BY AGE

Universe: Civilian noninstitutionalized population 

2016 American Community Survey 1-Year Estimates

https://factfinder.census.gov/faces/tableservices/jsf/pages/productview.xhtml?pid=ACS_16_1YR_C27001&prodType=table

HB-2738

Submitted on: 2/12/2018 8:17:32 AM

Testimony for HHS on 2/13/2018 10:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	OCC Legislative Priorities	Support	No

Comments:

LATE

To: The Honorable John M. Mizuno, Chair
The Honorable Bertrand Kobayashi, Vice-Chair
Members of the House Committee on Health and Human Services

Date: February 12, 2018

Testimony in Support of HB 2738: “Relating to Children’s Health Care”

Dear Chair Mizuno, Vice-Chair Kobayashi, and Members of the House Committee on Health and Human Services,

Implementing this three-year pilot program to expand and monitor health care coverage for children in Hawai‘i will provide this vulnerable population the opportunity to access and receive quality health care. Children do not have control over whether or not they will be able to acquire health care, access health insurance, or live in environments that promote health and well-being. Children who do not have health insurance typically do not receive appropriate medical care to fit their medical needs and manage chronic medical conditions. The decision as to whether or not a child receives medical care depends on their guardian and/or parents, which is greatly influenced by medical coverage. Further, their developmental state limits them from recognizing when they need medical services and what type of medical service would be most appropriate for their needs. Thus, children are forced to be dependent on their caretakers to maintain their health and ensure any medical needs are addressed by the medical professionals.

The approval of this bill would allow the DHS to assess one possible means of providing health insurance to uninsured children, which may lead to changes in insurance policy that expand coverage, remove barriers to health care, and improve access for those who may not qualify for state or federal insurance coverage. Medical care is a necessity for the healthy growth and development of children. The provisions of this pilot program will support the acquisition of medical care for children who may have never had contact with medical care in their lives prior to enrollment in the program. Caretakers who have never been able to qualify for state or federal health insurance and have never had the means to afford health insurance from elsewhere will also be able to seek help when their children are suffering from ailments as well for those three years.

During my time as an MSW student at the Myron B. Thompson School of Social Work, I learned that the calculations for the federal poverty line does not account for the inflation in the cost of living, adversity such as illness, housing, child care, personal needs, etc. The federal poverty line is also based on food as the formula was originally intended to measure how much money families spent for food. The most recently measured unemployment rate was noted to be the lowest on history, but poverty remains a significant issue. The use of this misleading poverty line continues to be the deciding factor of the social services people will receive. Thus, I support the passing of HB 2738 as it will allow children the means to receive the care they require to achieve and maintain good health for the three years of the program.

Health care is a universal right as everyone should have access to resources that will promote good health and address any medical needs. Achieving their fullest potential will be hindered if they are unable to resolve any medical issues and receive appropriate services. During my time at my practicum site, I have observed the injustice resulting from restricted health insurance policies in providing behavioral mental health services to adolescents.

Although they require intensive services to address symptoms of severe mental illness and improve functioning in order to fully reintegrate into the community, their insurance coverage decides how many days of treatment they receive. Some have had their treatment discontinued due to the insurance providers' decision to not cover concurring treatment programs and services. These adolescents were forced to confront with the reality dealt to them by insurance companies who did not have to learn to deal with the ramifications. Uninsured children with severe mental illness would be less likely to be able to receive such treatment unless their caretakers could afford the costly price of having them enrolled in program.

Thank you for the opportunity to testify on HB 2738.

Sincerely,
Colleen Barba

LATE

HB-2738

Submitted on: 2/13/2018 6:55:18 AM

Testimony for HHS on 2/13/2018 10:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Doris Segal Matsunaga	Save Medicaid Hawaii	Support	No

Comments:

Aloha Chair Mizuno, Vice Chair Kobayashi and Members of the Committee on Health and Human Services,

Save Medicaid Hawaii, a network of concerned Hawaii residents, strongly supports HB 2738.

We support the bill's intention to insure an estimated 7,000 children falling into a gap group of uninsured children, including families with incomes over 300% FPL and infants born to uninsured mothers, immigrants with temporary visas, and undocumented immigrants who have been in Hawaii for less than six months.

In Hawaii we understand that we are one small island state, and what affects one, affects all. When residents are uninsured or underinsured the costs increase for providers of last resort (hospitals, community health centers) which are then passed on to all of us via increased health premiums.

Doris Segal Matsunaga

Save Medicaid Hawaii

savemedicaidhawaii@gmail.com

<https://www.facebook.com/SaveMedicaidHawaii/>

HB-2738

Submitted on: 2/10/2018 10:19:45 AM

Testimony for HHS on 2/13/2018 10:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Dara Carlin, M.A.	Individual	Support	No

Comments:

To: Chair, Vice Chair, and other members of the Committee

Hearing: 2/13/18
10:15am
Room 329

From: Alyssa Imai

RE: HB 2738 Relating to Children's Health Care

Thank you for the opportunity to testify. My name is Alyssa Imai and I am a social work student at the Myron B Thompson School of Social work. I am in strong support for HB 2738 because children are recognized as a vulnerable population. This bill would ensure that children receive medically services to help them to prosper in successful growth and development. There are also a large amounts of children who are born with medical conditions, for example cancer, cardiac/pulmonary conditions, neurologic conditions, and other congenital birth defects. These children who are born with these conditions can receive the medical insurance they need to properly treat these conditions.

This can also pertain to children who develop medical conditions later on in life. Acute lymphocytic leukemia (ALL) and Acute myelogenous leukemia (AML) are the most common forms of cancer associated with children. Without insurance the children who develop these forms of cancer would not be able to get the proper test done to ensure a proper diagnosis. Even with a proper diagnosis, without insurance chemotherapy and radiation may be too expensive for the families to afford.

In conclusion without insurance parents of the child would not be able to provide adequate medical care for a child who is seriously ill. Thank you for this opportunity to testify in strong support of HB 2738.

LATE

HB-2738

Submitted on: 2/12/2018 6:20:53 PM

Testimony for HHS on 2/13/2018 10:15:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Joy Marshall	Individual	Support	No

Comments:

HOUSE OF REPRESENTATIVES
TWENTY-NINTH LEGISLATURE, 2018
STATE OF HAWAII



To: HOUSE COMMITTEE ON HEALTH AND HUMAN SERVICES

Representative John M. Mizuno, Chair

Representative Bertrand Kobayashi, Vice Chair

Committee members

HEARING: Tuesday, February 13, 2018 at 10:15am, Conference Room 329

RE: Testimony in **SUPPORT** of HB2738: RELATING TO CHILDREN'S HEALTH CARE

Thank you for the opportunity to testify today. I am Stephanie Teramoto, a graduate student at the University of Hawai'i at Mānoa, a Masters student under the Myron B. Thompson School of Social Work and a practicum student at Easter Seals' Early Intervention program. I come before you to voice my support for HB2738. As this bill states, children who remain uninsured typically do not receive an appropriate level of medical care and those who lack this source of care or who regularly seek it through the hospital emergency department are unlikely to receive preventive care or early and regular management of acute or chronic health conditions. I feel it is imperative to meet this need for every child in our state, regardless of situation or circumstance. From what I've seen in my time at Easter Seals, the majority of our babies are referred to the early intervention program by their pediatricians or other health care

professionals. With this proposed funding, infants will be provided consistent, quality health care services, which in turn includes knowledge of and access to early intervention services - potentially crucial for their healthy growth and development. With this bill, I believe that funding and implementing these programs will be the next step in improving health care and providing access to supportive resources for the children in the state of Hawai'i and the future generations to come.

Respectfully,

Stephanie Teramoto



LATE

KŌKUA KALIHI VALLEY COMPREHENSIVE FAMILY SERVICES

2239 N. SCHOOL STREET ♦ HONOLULU, HAWAII 96819 ♦ TEL: 808-791-9400 ♦ FAX: 808-848-0979 ♦ www.kkv.net

February 13, 2018

Aloha Chair Mizuno, Vice Chair Kobayashi and Members of the Committee on Health and Human Services,

Kokua Kalihi Valley, an FQHC Community Health Center strongly supports HB 2738

We support the bill's intent to insure an estimated 7,000 children falling into a gap group of uninsured children, including families with incomes over 300% FPL and infants born to uninsured mothers, immigrants with temporary visas, and undocumented immigrants who have been in Hawaii for less than six months.

When residents are uninsured or underinsured the costs increase for providers of last resort such as hospitals and community health centers. These cost are then passed on to all of us via increased health premiums.

Doris Segal Matsunaga, MPH
Maternal Child Health Director
Kokua Kalihi Valley
Comprehensive Family Services
2239 North School Street
Honolulu, Hawaii 96819
PH: 808.791.9445
dmatsunaga@kkv.net