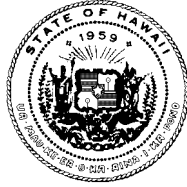


DAVID Y. IGE
GOVERNOR



PANKAJ BHANOT
DIRECTOR

CATHY BETTS
DEPUTY DIRECTOR

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

LATE

February 22, 2018

TO: The Honorable Senator Donovan M. Dela Cruz, Chair
Senate Committee on Ways and Means

FROM: Pankaj Bhanot, Director

SUBJECT: **SB 2199 – RELATING TO INSURANCE**

Hearing: Friday, February 23, 2018 11:00 a.m.
Conference Room 211, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this bill.

PURPOSE: The purpose of the bill is to authorize the State to apply for and implement a waiver from certain provisions of the Patient Protection and Affordable Care Act of 2010, as amended.

DHS participated in the Affordable Health Insurance Working Group that discussed the ever-increasing costs to our health care system which affect the affordability of our health insurance. One of the recommendations of the group was to submit another state innovation waiver proposal, known as a 1332 waiver, to the federal government for approval. The Department of Commerce and Consumer Affairs' Insurance Division will be lead on this effort.

Also, DHS Med-QUEST division will be submitting a Medicaid waiver renewal known as an 1115 waiver for continued innovations in the Medicaid program. These efforts complement and rely on each other to address the issues of a sustainable health insurance and health care delivery system for our community.

Thank you for the opportunity to testify on this measure.