



STATE OF HAWAII
DEPARTMENT OF HEALTH
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**Testimony in SUPPORT of SB1237 SD1
RELATING TO HEALTH.**

REP. JOHN M. MIZUNO, CHAIR
HOUSE COMMITTEE ON HEALTH

REP. JOY A. SAN BUENAVENTURA, CHAIR
HOUSE COMMITTEE ON HUMAN SERVICES & HOMELESSNESS

Hearing Date: March 14, 2019

Room Number: 329

1 **Fiscal Implications:** N/A.

2 **Department Testimony:** The Department of Health supports SB1237 SD1 which authorizes the
3 State Health Planning and Development Agency to mandate the submission of Medicare
4 Advantage (Medicare Part C) administrative data and healthcare services claims.

5 The Hawaii Health Data Center collects and stores health care claims data for analysis in support
6 of health policy. The Department of Health is authorized to request data for beneficiaries of the
7 Employer Union Trust Fund and Medicaid, the two largest groups of insured individuals in the
8 State. The addition of Medicare Part C data will augment the State's ability to analyze health
9 care cost drivers, particularly for older adults, who are generally higher utilizers of health care.
10 Therefore, the inclusion of Medicare Part C data is likely to improve health care finance policy and
11 care coordination activities in the State.

12 **Offered Amendments:** N/A.

13



DAVID Y. IGE
GOVERNOR

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**STATE OF HAWAII
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DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

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Testimony of the Department of Commerce and Consumer Affairs

**Before the
House Committee on Health
and
House Committee on Human Services and Homelessness
Thursday, March 14, 2019
8:45 a.m.
State Capitol, Conference Room 329**

**On the following measure:
S.B. 1237, S.D. 1, RELATING TO HEALTH**

Chair Mizuno, Chair San Buenaventura, and Members of the Committees:

My name is Colin Hayashida, and I am the Insurance Commissioner of the Department of Commerce and Consumer Affairs' (Department) Insurance Division. The Department supports this bill, which authorizes the State Health Planning and Development Agency to mandate the submission of Medicare Advantage (Medicare Part C) administrative data and healthcare services claims.

The Department supports advancements in improved healthcare data analytics to address healthcare cost drivers in the State. The data from an all-payer claims database with Medicare Advantage (Medicare Part C) data will provide a more complete data set to inform stakeholders of policies affecting our senior population. The data may also yield additional insight on the drivers of health insurance premiums across the life spectrum and lead to health interventions with a positive downstream effect.

Thank you for the opportunity to testify on this bill.



STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

DAVID Y. IGE
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Testimony of **Romala Sue Radcliffe**
Administrator, State Health Planning and Development Agency

Before the Joint
House Committee on Health
and the
House Committee on Human Services and Homelessness
Thursday, March 14, 2019 at 8:45 a.m., Conference Room 329

in SUPPORT of
SB1237 SD1
RELATING TO HEALTH

Representative John M. Mizuno, Chair
Representative Joy A. San Buenaventura, Chair

Thirtieth Legislature Regular Session of 2019

Aloha Chair Mizuno, Chair San Buenaventura, and Members of the Committees:

Thank you for this opportunity to testify in **strong support** of the proposed SB 1237 SD1
Relating to Health.

For the past several years the State Health Planning and Development Agency (SHPDA) has worked closely with the Department of Human Services, the Hawaii Employee-Union Health Benefits Trust Fund, the Department of Commerce and Consumer Affairs' Insurance Division, the Department of Budget and Finance, the Department of the Attorney General, the Office of Enterprise Technology Services, and the University of Hawaii to build and operationalize the Hawaii Health Data Center (HHDC)/All-Payer Claims Database (APCD) to improve our understanding of Hawaii's healthcare costs, population health conditions, and healthcare disparities.

Knowing our healthcare costs is essential to determining ways to reduce future costs. Having complete population data sets is essential to this process. Currently the HHDC/APCD only has access to half of our kupuna's health information through Medicare fee-for-service claims. The HHDC/APCD needs the Medicare Advantage health claims data to complete the kupuna health claims data set. The SB1237 SD1 will assist SHPDA by providing the authority to mandate Medicare Advantage insurance providers to submit administrative data necessary to determine health benefits costs, including healthcare services claims and payment data.

Your favorable consideration of this measure is greatly appreciated.

DAVID Y. IGE
GOVERNOR



STATE OF HAWAII
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND

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WRITTEN ONLY

TESTIMONY BY DEREK MIZUNO
ADMINISTRATOR, HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
DEPARTMENT OF BUDGET AND FINANCE
STATE OF HAWAII
TO THE HOUSE COMMITTEES ON HEALTH AND HUMAN SERVICES &
HOMELESSNESS
ON SENATE BILL NO. 1237 S.D. 1

March 14, 2019
8:45 a.m.
Room 329

RELATING TO HEALTH

Chairs Mizuno and San Buenaventura, Vice Chairs Kobayashi and Nakamura, and Members of the Committees:

The EUTF Board of Trustees (EUTF Board) supports this bill that provides the all-payer claims database (APCD) with Medicare Advantage claims data. The EUTF Board continues to support the APCD as the EUTF Board recognizes it as a tool to address rising healthcare costs. The information in the APCD will be used by EUTF to supplement information provided by the EUTF's medical and prescription drug carriers to better understand the cost drivers at an individual level (e.g. the cost trend for different claims over time, the utilization trend for specific claims, the range of costs by provider for specific claims, and cost trend over time for individuals with specific conditions). Such individual level information that the all payer claims database will be

EUTF's Mission: We care for the health and well being of our beneficiaries by striving to provide quality benefit plans that are affordable, reliable, and meet their changing needs. We provide informed service that is excellent, courteous, and compassionate.

able to provide will assist the EUTF in designing plans and developing programs with the insurance carriers to encourage healthy behaviors.

Under the current law, the APCD does not have access to Medicare Advantage plans in Hawaii which creates a significant gap in its dataset as Medicare Advantage participants comprise approximately 45% of the Hawaii Medicare population. Without this information, it is difficult to determine the impact that Medicare Advantage has on the health and utilization patterns of its members in comparison to traditional Medicare Part A, B and D members. This is significant for the EUTF as it contemplates Medicare Advantage plan designs in the future.

Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR OF HAWAII



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**Testimony in SUPPORT of SB 1237 SD2
Relating to Health**

COMMITTEE ON HEALTH
REPRESENTATIVE JOHN M. MIZUNO, CHAIR
REPRESENTATIVE BERTRAND KOBAYASHI, VICE CHAIR

COMMITTEE ON HUMAN SERVICES & HOMELESSNESS
REPRESENTATIVE JOY A. SAN BUENAVENTURA, CHAIR
REPRESENTATIVE NADINE K. NAKAMURA, VICE CHAIR

Testimony of Caroline Cadirao
PSM Manager, Executive Office on Aging
Attached Agency to the Department of Health

Hearing Date: March 14, 2019
8:45am

Room Number: 016

- 1 **EOA's Position:** The Executive Office on Aging (EOA), an attached agency to the Department
- 2 of Health supports this measure, provided that its enactment does not reduce or replace priorities
- 3 within the Administration's budget request.
- 4 **Fiscal Implications:** There is no direct fiscal implication for the Executive Office on Aging
- 5 (EOA) as a result of this measure.
- 6 **Purpose and Justification:** The purpose of this measure is to require providers of health
- 7 insurance in the state of Hawaii to provide Medicare Part C administrative data to the designated
- 8 state agency. This previously unavailable data represents nearly half of the Medicare beneficiaries
- 9 currently in Hawaii and its' inclusion will allow for more complete analysis, which will better
- 10 inform policy and may potentially lead to reduced costs and improved outcomes.

11 The Executive Office on Aging is in the early stages of collaborating with the Hawaii
12 Health Data center in their analysis of health care claims data. As Hawaii's aging population
13 continues to grow, the need for long term services and supports will increase. This increase in
14 census, coupled with inflation and other cost drivers, will result in ever-increasing budgetary
15 requests.

16 The addition of Medicare Part C data will allow for more robust and potentially
17 meaningful analysis. This analysis could, in turn, lead to lower costs, reduced hospitalization, as
18 well as improved healthcare outcomes for Hawaii's kupuna. The inclusion of Medicare data
19 represents an opportunity not previously available to state agencies to better guide policy and
20 practice.

21 **Recommendation:** We support advancing this measure provided that its enactment does not
22 reduce priorities within the Administration's budget request.

23

24 Thank you for the opportunity to testify.



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committees on Health
and
Human Services & Homelessness
Thursday, March 14, 2019 at 8:45 a.m.

By

Denise Eby Konan, PhD
Dean, College of Social Sciences

And

Michael Bruno, PhD
Interim Vice Chancellor for Academic Affairs and Vice Chancellor for Research
University of Hawai'i at Mānoa

SB 1237 SD1 – RELATING TO HEALTH

Chairs Mizuno and San Buenaventura, Vice Chairs Kobayashi and Nakamura, and members of the committees:

I am testifying on behalf of the University of Hawai'i at Mānoa and the College of Social Sciences **in strong support** of SB 1237 SD1. This bill will help to better inform the All-Payer Claims Database (APCD) analysis of the Medicare population. The collection of the Medicare Advantage data will enable the APCD to analyze the complete Hawai'i Medicare population for cost, quality, and population health comparisons. Medicare Advantage enrollment for the State of Hawai'i is increasing, and Medicare Advantage now accounts for nearly half of Hawai'i Medicare enrollees.

In 2016, the legislature amended section 323D-18.5, Hawai'i Revised Statutes, in Act 139 (16) creating the Hawai'i APCD to compile health insurer enrollment and claims data. This act also designated the Pacific Health Informatics and Data Center (PHIDC) in the College of Social Sciences of the University of Hawai'i at Mānoa as the data center "to receive the data and to conduct analysis to further transparency and understanding of health care and to provide information to consumers." Since that time, PHIDC has continued the collaboration with other members of the Hawai'i Health Data Center APCD Steering Committee in a multi-agency collaboration to bring the APCD to fruition.

The Hawai'i APCD intends to provide reports to inform greater transparency, as well as foster better decision making in health care purchasing and spending, service utilization, population health, and policymaking. The collection of Medicare Advantage data further supports the APCD's goals and statewide interests.

The University of Hawai'i through the PHIDC remains strongly committed to its role as a partner in data management, data analytics, and independent research on this critical initiative to produce and provide reliable data on health services, insured care costs, and public health.