

SB417

Measure Title:	RELATING TO HEALTH.
Report Title:	Health; Insurance; Medicaid; Ambulance Services; Appropriation (\$)
Description:	Requires medicaid and insurance coverage of ambulance services. Authorizes medicaid programs, and requires private insurers, to pay for ambulance services, even if the patient is not transported, if the patient was treated in a county with a population of 200,000 or more. Appropriates moneys for medicaid to cover ambulance services when a patient is not transported. Appropriates funds for ambulance services covered by medicaid.
Companion:	HB1252
Package:	None
Current Referral:	CPH/HMS, WAM
Introducer(s):	K. RHOADS, Baker, Ruderman



**TESTIMONY OF
THE DEPARTMENT OF THE ATTORNEY GENERAL
THIRTIETH LEGISLATURE, 2019**

ON THE FOLLOWING MEASURE:
S.B. NO. 417, RELATING TO HEALTH.

BEFORE THE:
SENATE COMMITTEES ON COMMERCE, CONSUMER PROTECTION, AND
HEALTH AND ON HUMAN SERVICES

DATE: Friday, February 8, 2019 **TIME:** 9:00 a.m.

LOCATION: State Capitol, Room 229

TESTIFIER(S): Clare E. Connors, Attorney General, or
Daniel K. Jacob, Deputy Attorney General

Chairs Baker and Ruderman and Members of the Committees:

The Department of the Attorney General provides the following comments:

The purpose of this bill is to require health insurance and the State's Medicaid program to provide coverage for ambulance services. The bill also appropriates money to cover the cost of ambulance services provided by the State's Medicaid program.

In regards to the health insurance provisions in sections 2 through 4 of this bill, section 1311(d)(3)(B) of the Affordable Care Act allows a state to require Qualified Health Plans to add benefits as long as the state defrays the cost of the additional benefits. A federal regulation, 45 C.F.R. section 155.170, provides that unless the enactment is directly attributable to State compliance with Federal requirements, a benefit is in addition to the Essential Health Benefits if the benefit was required by a state after December 31, 2011, and it directly applies to Qualified Health Plans.

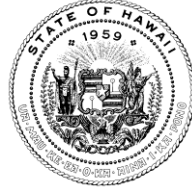
This bill would require Qualified Health Plans to provide coverage for the cost of ambulance services. Because this benefit was not mandated by state law prior to December 31, 2011, it may be considered an additional mandate that the State would be required to defray the cost.

In the event a state mandates a benefit in addition to the essential health benefits, 45 C.F.R. section 155.170(c)(2)(iii) requires Qualified Health Plan issuers to quantify the cost attributable to each additional state-required benefit and report their calculations to the state. States are then required to defray the cost by either making

the payment to an individual enrolled in a qualified health plan offered in the state, or on behalf of an individual enrolled in a Qualified Health Plan directly to the Qualified Health Plan in which such individual is enrolled. At this time, our department is unaware of a state that has been subjected to the obligation to pay for a benefit in addition to the Essential Health Benefits. Therefore, there are no prior examples of how the State would meet its obligation and what specific procedures would be necessary to fulfill the obligation. Our office believes, however, that after the Qualified Health Plan issuer submits the issuer's costs attributable to the additional mandate, the Legislature would need to appropriate the money during the following legislative session and propose a mechanism in order to distribute the money.

Finally, pursuant to section 23-51, Hawaii Revised Statutes (HRS), before any legislative matter that mandates health insurance coverage for specific health services, specific diseases, or certain providers of health care services as part of an insurance policy can be considered, concurrent resolutions are required to be adopted that request the Auditor to prepare and submit to the Legislature a report that assesses both the social and financial effects of the proposed mandated coverage. Our understanding is that there has been no concurrent resolution adopted regarding this coverage as required by section 23-51, HRS.

Thank you for the opportunity to provide testimony.



DAVID Y. IGE
GOVERNOR

JOSH GREEN
LT. GOVERNOR

**STATE OF HAWAII
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS**

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CATHERINE P. AWAKUNI COLÓN
DIRECTOR

JO ANN M. UCHIDA TAKEUCHI
DEPUTY DIRECTOR

Testimony of the Department of Commerce and Consumer Affairs

**Before the
Senate Committee on Commerce, Consumer Protection, and Health
and
Senate Committee on Human Services
Friday, February 8, 2019
9:00 a.m.
State Capitol, Conference Room 229**

**On the following measure:
S.B. 417, RELATING TO HEALTH**

Chair Baker, Chair Ruderman, and Members of the Committee:

My name is Colin Hayashida, and I am the Insurance Commissioner of the Department of Commerce and Consumer Affairs' (Department) Insurance Division. The Department offers comments on this bill.

The purpose of this bill is to require insurance coverage of ambulance services, authorize Medicaid programs, and require private insurers to pay for ambulance services, even if the patient is not transported, if the patient was treated in a county with a population of 200,000 or more. This bill also appropriates moneys for Medicaid to cover ambulance services when a patient is not transported and appropriates funds for ambulance services covered by Medicaid.

This bill may be viewed as a new mandate. The addition of new mandated coverage may trigger section 1311(d)(3) of the federal Patient Protection and Affordable Care Act (PPACA), which requires states to defray the additional cost of any benefits in

Testimony of DCCA

S.B. 417

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excess of the essential health benefits of the State's qualified health plan under the PPACA. Any proposed mandate providing coverage for care requires the passage of a concurrent resolution requesting the State Auditor to prepare and submit a report assessing the social and financial impacts of the proposed mandate, pursuant to Hawaii Revised Statutes (HRS) section 23-51.

Thank you for the opportunity to testify on this bill.

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

February 7, 2019

TO: The Honorable Senator Rosalyn H. Baker, Chair
Senate Committee on Commerce, Consumer Protection, and Health

The Honorable Senator Russell E. Ruderman, Chair
Senate Committee on Human Services

FROM: Pankaj Bhanot, Director

SUBJECT: **SB 417 – RELATING TO HEALTH**

Hearing: Friday, February 8, 9:00 a.m.
Conference Room 229, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports the intent and offers comments on this bill, including a suggested amendment.

PURPOSE: The purpose of this bill is to allow Medicaid, or to require from other health insurance companies, coverage of ambulance services in instances in which an ambulance has been called and medical services have been rendered, but a patient is not transported to a hospital.

DHS is committed to covering the delivery of services that result in better health, better care, sustainable costs, as we continue to transition away from payment systems for health care that are based on rewarding volume, to one that improves value and outcomes. For this reason, DHS is supportive of reimbursement for services when a patient is treated but not transported that is likely to result in decreasing emergency department visits and keeping people out of the hospitals.

However, regarding ambulance services generally, DHS supports this concept when it is within the larger concept of the Community Paramedicine (CP) model.

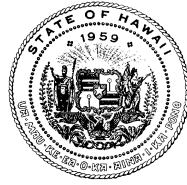
AN EQUAL OPPORTUNITY AGENCY

CP is an emerging model of care that uses Emergency Medical Technicians (EMTs) and Paramedics to provide care to underserved populations. CP is an effective approach to serve patients with complex medical and social conditions, and it has the potential to decrease emergency department use and decrease hospitalizations.

DHS is preparing a request to the federal government to seek approval for a federal match for CP services. Our analysis indicates that the federal government may cover some treated, but not transported services, and only if they are provided through a CP model and the services are available statewide. DHS is already actively working to expand coverage for these services.

We are supportive of the concept of paying for treatment but not transporting if this is part of the larger Community Paramedicine model. For this reason, we suggest that the language in the bill that begins on Section 1, Line 7 clarify that coverage will be available for CP services rather than limited to “ambulance services in instances in which an ambulance has been called and medical services have been rendered, but does not result in a patient being transported...” Furthermore, DHS recommends deleting the language that limits the services to counties with a population of two hundred thousand or more since the CP model is feasible, applicable and of positive benefit to all communities statewide. DHS suggests these changes to make the policy more aligned with possible federal government approval.

Thank you for the opportunity to testify on this bill.



STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
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LATE

**Testimony COMMENTING on S.B. 417
RELATING TO HEALTH**

SENATOR ROSALYN H. BAKER, CHAIR
SENATE COMMITTEE ON COMMERCE, CONSUMER PROTECTION AND HEALTH

SENATOR RUSSELL E. RUDERMAN, CHAIR
SENATE COMMITTEE ON HUMAN SERVICES

Hearing Date: February 8, 2019

Room Number: 229

1 **Fiscal Implications:** S.B. 417 appropriates \$1,000,000 to the Department of Human Services
2 for the purposes of this Act. The Department of Health respectfully defers to the Department of
3 Human Services for implementation and fiscal implications, and to the Governor's Executive
4 Biennium Budget priorities.

5 **Department Testimony:** The Department of Health (DOH) supports the intent of S.B. 417 to
6 expand Medicaid and medical service plan coverage for emergency medical services (EMS) to
7 individuals who are treated by EMS personnel but not transported to a hospital and offers
8 comments in the context of a Statewide Community Paramedicine program.

9 In 2018, EMS providers treated and transported 89,770 patients. EMS also responded to 21,473
10 calls representing 14.4% of all EMS responses where the patient was treated but not transported.
11 This is an increase from 12.7% in 2015.

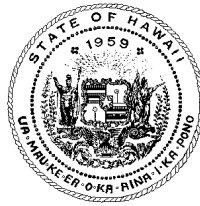
12 DOH recognizes the significant challenges to providing quality health care and emergency
13 medical services to the State's expanding population of residents and visitors. As the cost of
14 quality health care continues to increase, alternatives to the traditional provision of health care
15 are required. S.B. 417 provides for an important component for an innovative model for
16 breaking the cycle of dependence on the emergency care system – Community Paramedicine
17 (CPM). The goal of the CPM program is to meet the Institute of Healthcare Improvement's

1 triple aim: 1) Improve patient outcomes, including their experience of care, 2) Improve health of
2 the population, and 3) Reduce costs. Paramedics possess the requisite skills and community
3 standing as a trusted medical partner to reinvent our current pre-hospital medical care system to
4 meet the triple aim. CPM provides the opportunity to provide the right care by the right provider
5 at the right time in the right place.

6 Thank you for the opportunity to testify.

7 **Offered Amendments:** The Department recommends recognizing this proposed measure as
8 part of a larger Community Paramedicine model, and coverage for treated, but not transported
9 patients to be available statewide.

DAVID Y. IGE
GOVERNOR



STATE OF HAWAII
DEPARTMENT OF PUBLIC SAFETY
919 Ala Moana Boulevard, 4th Floor
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DIRECTOR

Maria C. Cook
Deputy Director
Administration

Jodie F. Maesaka-Hirata
Deputy Director
Corrections

Renee R. Sonobe Hong
Deputy Director
Law Enforcement

No. _____

WRITTEN TESTIMONY ONLY

TESTIMONY ON SENATE BILL 417
RELATING TO HEALTH.

by

Nolan P. Espinda, Director
Department of Public Safety

LATE

Senate Committee on Commerce, Consumer Protection, and Health
Senator Rosalyn H. Baker, Chair
Senator Stanley Chang, Vice Chair

Senate Committee on Human Services
Senator Russell E. Ruderman, Chair
Senator Karl Rhoads, Vice Chair

Friday, February 8, 2019; 9:00 a.m.
State Capitol, Conference Room 229

Chairs Baker and Ruderman, Vice Chairs Chang and Rhoads, and Members of the Committee:

The Department of Public Safety (PSD) supports Senate Bill (SB) 417, which proposes to require Medicaid and private insurance coverage for ambulance services.

At present, offenders incarcerated in PSD facilities receive limited Medicaid coverage for health care services under section 1905(a) of the Social Security Act. The one exception to the "inmate exclusion" rule is: "as a patient in a medical institution," which has been operationally defined as care delivered outside the institution when the individual has been admitted to a hospital or nursing home for 24 hours or more. It follows that the expanded coverage for ambulance services

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Senate Committee on Commerce,
Consumer Protection, and Health
Senate Committee on Human Services
February 8, 2019
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proposed in SB 417 should appropriately apply to inmates being transported to a hospital or nursing home, wherein covered health care services will be rendered.

Thank you for the opportunity to present this testimony.

Harry Kim
Mayor



Darren J. Rosario
Fire Chief

Lance S. Uchida
Deputy Fire Chief

County of Hawai'i
HAWAI'I FIRE DEPARTMENT
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February 7, 2019

The Honorable Rosalyn Baker, Chair
Committee on Commerce, Consumer Protection, and Health
The Senate
State Capitol, Room 230
Honolulu, Hawai'i 96813

The Honorable Russell E. Ruderman, Chair
Committee on Human Services
The Senate
State Capitol, Room 216
Honolulu, Hawai'i 96813

Dear Chairs Baker and Ruderman:

SUBJECT: S.B. 417, RELATING TO HEALTH
Hearing Date: Friday, February 8, 2019
Time/Place of Hearing: 9:00 a.m., Conference Room 229

I am Darren J. Rosario, Fire Chief of the Hawai'i Fire Department of the County of Hawai'i (HCFD). The HCFD supports S.B. 417 which requires medicaid and insurance coverage of ambulance services.

Statewide data indicates EMS providers across the State treated and transported 89,770 patients in 2018. EMS also responded to 21,473 calls where the patient was treated but not transported, which represented 14.4% of all calls in 2018. There has been a consistent increase in the proportion of patient who are treated but not transported, from 12.7% in 2015 to 14.4% in 2018.

Senate Bill 417 will help the State of Hawai'i DOH EMSIPB recoup operational costs associated with these treated and not transported emergency responses. In addition, Senate Bill 417 has the potential to be the foundation of a much needed Community Paramedicine program for the State of Hawai'i. Community Paramedicine is an innovative model of community-based healthcare. It is a program that is designed to provide both, more effective and more efficient health care services to our communities. The program would connect individuals with the appropriate resources and service agencies needed, which would in turn decrease the misuse of emergency services in non-emergency situations. The Hawai'i Fire Department is confident that a unified statewide Community Paramedicine program will preserve and enhance EMS, reduce wasted healthcare dollars, and most importantly, improve quality of life.



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February 7, 2019

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The HCFD urge your committees' support on the passage of SB 417. Please do not hesitate to contact me at 932-2901 or darren.rosario@hawaiicounty.gov should you have any questions.

Respectfully,

A handwritten signature in black ink, appearing to read "Darren", with a horizontal line extending from the end.

DARREN J. ROSARIO
Fire Chief



COMMENTS RE: SB417 Relating to Health: Coverage of Ambulance Services

Senators:

I greatly appreciate and support the intent of SB417. While I provide testimony only on my own behalf and do not intend to represent any agency or entity, it is relevant that I have been an EMS provider since 1992, and for the past five years I have supervised a *non*-transport paramedic unit in Maui County.

Special response units such as Maui's are unique assets. We provide rapid response, triage, and advanced treatment. For complex or multiple casualties, we implement medical incident command systems (ICS). Our unit responds into austere and challenging environments, via partnerships with Maui Medevac, Coast Guard Station Maui, and the Maui Police Department's Special Response Team.

For those seriously ill or injured, we provide critical care. Many patients, however, have minor or non-emergent conditions. In those cases, we can work with patients and community partners to develop and implement more customized care plans that are more appropriate both for the patient and for the EMS and health system.

Nationally and in Hawaii, however, EMS services have only been reimbursable if the end product is transport to an emergency room. This completely fails to recognize the importance of specialized EMS units, and actually incentivizes inappropriate use of transport assets and emergency departments.

With initiatives such as SB417, Hawaii has an opportunity not only to develop a more intelligent system, but also could lead the nation. Just last week, the federal Office of EMS released a historic report, *EMS 2050: A People-Centered Vision for the Future of Emergency Medical Services* (<https://www.ems.gov/projects/ems-agenda-2050.html>). In it, the expert panel encourages "*EMS and its partners [to] coordinate to provide the most appropriate care to the patient, with transport to a healthcare facility being just one option.*" I have **attached** the comments I provided in 2016 during this panel's Request for Information, in which I emphasized the importance of reimbursement for non-transport services. Hawaii could be on the forefront of now *implementing* this nationally recognized priority.

My only reservation with SB417 is its proviso to only extend reimbursement for non-transport "services provided within a county with a population of two hundred thousand or more." In contrast to the innovative intent of the bill, this caveat is shortsighted and should be amended. Thank you for the opportunity to testify.

David N. Kingdon

David N. Kingdon, MPH, Paramedic



COMMENTS REGARDING 2016 REVISION OF *EMS AGENDA FOR THE FUTURE*

I thank the National Highway Traffic Safety Administration (NHTSA) and the Federal Interagency Committee on EMS (FICEMS) for inviting input on the planned revision of the 'EMS Agenda for the Future.'

Prehospital EMS has made great strides across our nation and abroad, particularly since it is the youngest of the major health and public safety fields. Many areas ripe for improvement remain; my comments focus on just two:

1. *[This comment is especially relevant to **FICEMS Strategic Plan Goal #4**: "EMS systems that are sustainable, forward looking, and integrated with the evolving healthcare system."]* Substantial changes must be made in national and state policy that allow and even encourage a true EMS "system," including and especially NON-transport components. In particular, reimbursement must no longer be geared towards "transport-only" modalities. Across the country, there are thousands of cases every day that would be better managed by appropriate triage, on-scene care, and referral, rather than burdening transport ambulances, hospital emergency departments, and other resources that should be preserved for more serious care. In fact, sole practitioner paramedics can be remarkably effective in the entire continuum: providing everything from non-emergent assessment and treatment, to acute and critical care in advance of transport. Without appropriate levels of national support, however, EMS systems will continue to be impetuous in their use of emergency transport assets, while non-transport units will be under-utilized and under-recognized. It should be noted that this comment and this issue is not exclusive to so-called "community paramedic" programs, as there are many additional valid and promising applications of paramedics in special response and non-transport capacities.
2. *[This comment is especially relevant to **FICEMS Strategic Plan Goal #6**: "A well educated and uniformly credentialed EMS workforce."]* National EMS policy should be proffered to incentivize and eventually require states to provide licensing and guidelines for both training and scope of practice to providers in all aspects of the EMS system, rather than solely to those based on ambulances. In particular, in some states and localities, Emergency Medical Dispatchers (EMD) and Emergency Medical Responders (EMR) are not fully appreciated as being integral parts of the EMS system. While Advanced EMTs may be more appropriate as an optional level for states to consider, EMD, EMR, EMT, and Paramedic should at this point be considered sentinel standard levels necessary for a comprehensive EMS system.

Again, I thank NHTSA and FICEMS for their consideration of public input.

David N. Kingdon

David N. Kingdon, MPH, Paramedic

SB-417

Submitted on: 2/7/2019 8:14:37 AM

Testimony for CPH on 2/8/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Melodie Aduja	Testifying for O`ahu County Committee on Legislative Priorities of the Democratic Party of Hawai`i	Support	No

Comments:



February 7, 2019

The Honorable Rosalyn H. Baker, Chair
The Honorable Stanley Chang, Vice Chair
Senate Committee on Commerce, Consumer Protection, and Health

The Honorable Russell E. Ruderman, Chair
The Honorable Karl Rhoads, Vice Chair
Senate Committee on Human Services

Re: SB 417 – Relating to Health

Dear Chair Baker, Chair Ruderman, Vice Chair Chang, Vice Chair Rhoads, and Committee Members:

The Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on SB 417 which requires medicaid and insurance coverage of ambulance services. Authorizes medicaid programs, and requires private insurers, to pay for ambulance services, even if the patient is not transported, if the patient was treated in a county with a population of 200,000 or more. Appropriates moneys for medicaid to cover ambulance services when a patient is not transported. Appropriates funds for ambulance services covered by medicaid.

HMSA appreciates the intent of this measure, to better meet the needs of our underserved populations and to address high cost utilizers. We understand that this is a work in progress, and will continue to work with the Hawaii State Department of Health and the Med-Quest Division on this bill.

Thank you for allowing us to provide these comments on SB 417.

Sincerely,

Pono Chong
Vice President, Government Relations



February 8, 2019

The Honorable Rosalyn H. Baker, Chair
Senate Committee on Commerce, Consumer Protection and Health

The Honorable Russell E. Ruderman, Chair
Senate Committee on Human Services

Re: SB 417 Relating to Health

Dear Chair Baker and Chair Ruderman,

American Medical Response (AMR) strongly supports the intent of SB 417. AMR is the State contracted 911 provider for the counties of Maui & Kauai. SB 417 is important legislation which will allow Hawaii's EMS System to develop innovative and sustainable programs statewide for our residents and visitors.

Under the State Comprehensive Emergency Medical Services System, the Department of Health shall establish reasonable fees for services rendered to the public provided that all such revenues shall be deposited into the state general fund. Historically, the State has billed for patients transported to hospitals. This legislation enables the State to bill for patients treated and transported/released to care alternatives other than a hospital.

This paradigm shift benefits the Hawaii EMS system in a very significant way. SB No. 417 enables the creation of sustainable "Community Paramedicine" model to address the need for additional EMS capacity to meet Hawaii's pre-hospital care needs.

Thank you for your consideration of this measure and your continued support for the emergency medical needs of our communities.

Sincerely,

A handwritten signature in black ink, appearing to read "Speedy Bailey", is written over a large, stylized, circular flourish.

Speedy Bailey, Regional Director
American Medical Response

SB-417

Submitted on: 2/6/2019 3:14:42 PM

Testimony for CPH on 2/8/2019 9:00:00 AM

Submitted By	Organization	Testifier Position	Present at Hearing
Tito Villanueva	Individual	Support	No

Comments:

Living and working in a rural community such as Kauai, SB417 greatly beneficial to our health care system/needs. This will help address the hospital and pre-hospital needs of our small island community. I strongly support SB 417.