



HB541 Payment Reform for Substance Abuse, Mental Health and Homelessness

COMMITTEE ON JUDICIARY AND HAWAIIAN AFFAIRS:

- Rep Mark Nakashima, Chair; Rep. Scot Matayoshi, Vice Chair
- Tuesday, Feb. 11, 2021: 2:00 pm: Videoconference

Hawaii Substance Abuse Coalition Comments on HB541:

Recommends 2 Amendments

GOOD MORNING CHAIR, VICE CHAIR AND DISTINGUISHED COMMITTEE MEMBERS. My name is Alan Johnson. I am the current chair of the Hawaii Substance Abuse Coalition (HSAC), a statewide organization of over 30 substance use disorder and co-occurring mental health disorder treatment and prevention agencies.

1) HSAC recommends changes as was amended in the Senate version.

1. Make payment reform a sub-committee to the Procurement Council.
2. The Payment reform committee makes recommendations to payors, not directives.
3. Revised that July 1st 2021, the providers must record what contracts they have for what services but not all the other payment information.

ASAM sends message to all 50 states.

The

A coalition of medical societies is urging public officials to create dedicated funds for substance use disorders using evidenced based practices, rather than fix holes in their budgets.

With dwindling resources, let's use our money wisely to sustain Evidence-Based Efforts for treatment and prevention.

American Society of Addiction Medicine, (ASAM) messages all 50 states

This payment reform committee will direct the future of behavioral health care for Hawaii: will we hold to science and quality of care that works based on decades of study (\$25 Billion) or will we choose strategies that saves money using substandard care.

- Science states that evidenced-based practices for treatment is residential and outpatient for chronic substance addiction while harm reduction is great for chronic outreach and moderate abuse.
- We need to support our uninsured, the most chronically ill, with outreach and residential treatment.
- Federal funding received in Hawaii is primarily for treatment for the uninsured, which is mostly residential services.

HSAC recommends that the state continue treatment for the uninsured and the most chronically ill using evidenced-based practices which are primarily residential services.

**2) HSAC recommends these
National Coalition guiding principles
to be added to the bill
to help us stay the course on what works.**

1. **The Payment Reform committee prioritize the financial security and viability of mental health and addiction treatment providers** in any forthcoming payment reform. Doing so will help ensure these essential treatment providers can keep the lights on and continue providing life-saving services to the people of Hawai'i with mental illness and SUDs.
2. **Incentivize systemic changes that would facilitate the adoption of evidence-based practices** and grow our mental health and addiction services workforce.
3. **Support the proven, comprehensive federal research model for programs in any changes** to systems with the intent to expand access to prevention, addiction treatment, harm reduction, mental health services, and recovery support services.

4. **Increase access to high-quality prevention and addiction treatment services** by ensuring that funds are used to support evidence-based programs and activities to prevent or treat a mental health or substance use disorder.
5. **Support the inclusion of a waiver mechanism for new or innovative treatments** that may offer promise, but have not established a full evidence base.
6. **Facilitate the implementation of nationally recognized level of care standards for addiction treatment programs and new standards for recovery residences and improve training** for healthcare professionals who care for patients with mental health and substance use disorders in communities across Hawai'i.
7. **Recommend substantial investment and critical policy changes** to mitigate the mental health and substance use-related effects of COVID-19 and its containment measures.
8. **Building a robust SUD workforce is critical** and should be a cornerstone of any state response.

Closing:

Given the devastation of the COVID-19 pandemic plaguing this country, it is crucial that Hawai'i is prepared to address the disastrous exacerbation of the expected 4th wave of mental health and substance use crisis. States, local governments, and other organizations and institution must authorize the funding that is needed in order to build comprehensive systems that are both effective and sustainable.

We respectfully ask that the Payment Reform committee's primary goal be to ensure that individuals with mental health or substance use disorders receive the best possible evidence-based care.

We appreciate the opportunity to provide testimony and are available for questions.



CATHOLIC CHARITIES HAWAII

COMMENTS on HB 541, HD1: RELATING TO HEALTH

TO: House Committee on Judiciary & Hawaiian Affairs

FROM: Rob Van Tassell, President and CEO, Catholic Charities Hawaii

Hearing: **Thursday, 2/11/21; 2:00 pm; via videoconference**

Chair Nakashima, Vice Chair Matayoshi, and Members, Committee on Judiciary & Hawaiian Affairs:

Thank you for the opportunity to provide Comments on HB 541, HD1, which establishes the state payor committee, to be administered by the directors of the departments of health and human services, or their designees, to establish a purchase of service framework that aligns all behavioral health and substance abuse service contracts. It requires executive programs that purchase social services related to behavioral health or substance abuse to coordinate with the state payor committee as part of the planning for purchases of these services. It requires all community or private organizations that purchase services for behavioral health or substance abuse, at the request of any state funding agency, to disclose the source of other federal, state, or county-level funding it receives for the purposes of performing such services. I am Rob Van Tassell, with Catholic Charities Hawaii.

Catholic Charities Hawaii (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawaii for over 70 years. CCH has programs serving elders, children, families, homeless, and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawaii.

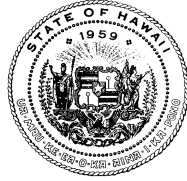
If this measure proceeds, we suggest that there needs to be discussion with stakeholders regarding the potential impacts, giving time for this and possible needed adjustments before implementation of any new system. We urge that these discussions include what unintended consequences might happen, including any that might reduce the ability of non-profits, especially smaller non-profits, to provide their critical services. If the new system aligning all contracts requires data to meet the needs of both DHS and DOH, and other uniform standards that may be onerous and inefficient for some programs, this may negatively affect the capability of organizations to respond to Requests for Proposals. Care should be taken to increase capacity, not eliminate competition.

Some of the goals of DHS and BH/DOH may not align. How would these be prioritized in the new structure? Overall, there may be unintended yet significant consequences for programs and their clients' services without the community of providers being at the table.

We appreciate the intent of this bill and your focus on much needed behavioral health and substance abuse services. Please contact our Legislative Liaison, Betty Lou Larson at (808) 373-0356 or bettylou.larson@catholiccharitieshawaii.org if you have any questions.



DAVID Y. IGE
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**Testimony in SUPPORT of H.B. 541 H.D. 1
RELATING TO HEALTH**

REPRESENTATIVE MARK M. NAKASHIMA, CHAIR
HOUSE COMMITTEE ON JUDICIARY & HAWAIIAN AFFAIRS

Hearing Date: 2/11/2021

Hearing Time: 2:00 P.m.

1 **Department Position:** The Department of Health (“Department”) **strongly supports the intent**
2 this measure and offers comments.

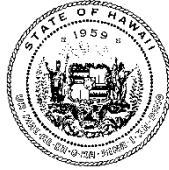
3 **Department Testimony:** The subject matter of this measure intersects with the scope of the
4 Department’s Behavioral Health Administration (BHA) whose statutory mandate is to assure a
5 comprehensive statewide behavioral health care system by leveraging and coordinating public,
6 private and community resources. Through the BHA, the Department is committed to carrying
7 out this mandate by reducing silos, ensuring behavioral health care is readily accessible, and
8 person-centered.

9 While we applaud the intent of this bill, largely because it reflects efforts currently
10 underway to align utilization of resources in this area, we also acknowledge that it affects a
11 broad range of other departments and programs in the state who utilize state resources to
12 purchase and provide services for behavioral health and homelessness. We recognize that a
13 mandate of this nature will require effort and commitment on the part of these programs. We
14 stand ready to do our part to implement the goals of this measure.

15 **Offered Amendments:** None.

16 Thank you for the opportunity to testify on this measure.

DAVID Y. IGE
GOVERNOR



BONNIE KAHAKUI
ACTING ADMINISTRATOR

STATE OF HAWAII
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TESTIMONY
OF
BONNIE KAHAKUI, ACTING ADMINISTRATOR
STATE PROCUREMENT OFFICE

TO THE HOUSE COMMITTEE
ON
JUDICIARY AND HAWAIIAN AFFAIRS
THURSDAY, FEBRUARY 11, 2021, 2:00 P.M.

HOUSE BILL 541, HD1
RELATING TO PROCUREMENT

Chair Nakashima, Vice Chair Matayoshi, and members of the committee, thank you for the opportunity to submit testimony on HB541, HD1.

The State Procurement Office (SPO) appreciates that the House Draft 1 of this bill reflects comments we made in previous testimony.

Thank you.



THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Mark M. Nakashima, Chair
The Honorable Scot Z. Matayoshi, Vice Chair
Members, House Committee on Judiciary & Hawaiian Affairs

From: Sondra Leiggi-Brandon, Director, Behavioral Health Services, The Queen's Medical Center
Colette Masunaga, Director, External Affairs, The Queen's Health Systems

Date: February 11, 2021

Re: Comments on HB541 HD1: Relating to Health

The Queen's Health Systems (Queen's) is a nonprofit corporation that provides expanded health care capabilities to the people of Hawai'i and the Pacific Basin. Since the founding of the first Queen's hospital in 1859 by Queen Emma and King Kamehameha IV, it has been our mission to provide quality health care services in perpetuity for Native Hawaiians and all of the people of Hawai'i. Over the years, the organization has grown to four hospitals, and more than 1,500 affiliated physicians and providers statewide. As the preeminent health care system in Hawai'i, Queen's strives to provide superior patient care that is constantly advancing through education and research.

Queen's appreciates the opportunity to provide comments supporting the intent of HB541 HD1 to bring greater transparency and coordination of the services in our state. This bill would, among other things, require executive programs that purchase social services related to mental health, substance abuse, and homelessness to establish uniform baseline performance metrics, evaluation standards, and reimbursement rates and requires all community or private organizations that purchase services for behavioral health, substance abuse, or homelessness, at the request of any state funding agency, to disclose the source of other federal, state, or county-level funding it receives for the purposes of performing such services. The bill also establishes the state payor committee, to be administered by the directors of the departments of health and human services, to monitor all purchase of service contracts relating to mental health, substance abuse, or homelessness services pursuant to HRS section 103F-B.

While Queen's is dedicated to our mission of providing quality health care services to Native Hawaiians and all the people of Hawai'i, we are disproportionately impacted by the increasing needs for health care services for those suffering from behavioral health conditions, chronic substance abuse, and homelessness. Therefore, we appreciate the intent of the bill to provide greater pay parity as well as the emphasis on reducing fragmentation of services and improving the continuum of care for individuals and their families.

Queen's is committed to continuing to work with the Department of Health and other stakeholders to improve and expand the social service safety net that this measure intends to strengthen. Thank you for the opportunity to provide comments on this measure.

The mission of The Queen's Health Systems is to fulfill the intent of Queen Emma and King Kamehameha IV to provide in perpetuity quality health care services to improve the well-being of Native Hawaiians and all of the people of Hawai'i.