



**STATE OF HAWAII**  
**DEPARTMENT OF HEALTH**  
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**Testimony COMMENTING on HB1794**  
**RELATING TO OPIOIDS**

REPRESENTATIVE ANGUS L.K. MCKELVEY, CHAIR  
HOUSE COMMITTEE ON GOVERNMENT REFORM

Hearing Date: 2/2/2022

Room Number: Videoconference

1 **Fiscal Implications:** Undetermined

2 **Department Testimony:** The Department offers the following comments on developing and  
3 implementing standard metrics using value-based purchasing (VBP) for patients with opioid use  
4 disorders.

5 First, this measure may be unnecessary because the Department through the Hawaii Opioid  
6 Initiative already has a Workgroup on Data-Informed Decision Making and Evaluation who  
7 could develop new annual objectives as well as a process to implement VBP.

8 Second, the January 1, 2023 deadline to “develop and implement standard quality metrics” is not  
9 realistic. A project as complex as this typically takes three years to fully implement.

10 Third, the information currently required in section (d) may already be collected by other  
11 government entities. Mandating the Department to collect the same information for VBP  
12 implementation will involve significant changes to current legacy data systems within the  
13 Department at considerable cost.

14 Fourth, the measure does not contain any appropriation for the VBP project. The Department  
15 respectfully requests a revenue stream to carry out the intent of HB 1794.

16 The Department has done related research in VBP and would be happy to share the information  
17 with the Committee. Thank you for the opportunity to testify on this measure.

18 **Offered Amendments:** None



## **HB1794 Value Based Purchasing for OUD**

COMMITTEE ON GVR:

Rep. Angus L.K. McKelvey, Chair

Rep. Tina Wildberger, Vice Chair

- Wednesday, Feb 2 2022: 9:30 am : Videoconference

## **Hawaii Substance Abuse Coalition Opposes HB1794:**

*ALOHA 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 for substance use disorder and co-occurring mental health disorder treatment and prevention agencies.*

**HSAC opposes this bill for value-based purchasing UNTIL the underlying infrastructures have been built.**

**We recommend a task force to address what major shifts in operations and clinical models that** substance use disorder (SUD) treatment providers need to make before adjusting to efforts to incentivize new demands for higher quality of care.

**In 2020, New York state did a study first before implementing Value-Based Purchasing (VBP) with Substance Use Disorder treatment agencies** to better understand their challenges, experiences and needs as part of implementation.

While VBP incentives would be appreciated, here are **5 results of the study:**

- 1. Infrastructure needs to be developed.** Competing demands between different funding sources, limited workforce and older technology infrastructure, as well as a perceived lack of information sharing would overwhelm administrators.
- 2. Operations needs to be redefined.** New clinical roles, operational practices and external partnerships need to be redefined and to not know how and what will lead to confusion and financial fear.
- 3. Providers need help to address workforce needs.**
- 4. Providers want to build new clinical practices** and operational models yet need time to understand.

## 5. Providers desire more support and information.

As VBP models are being adopted, healthcare systems could identify ways to mitigate challenges and **support substance use disorder treatment providers** that may have limited resources to address complex workforce, client, and infrastructure needs.<sup>1</sup>

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

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<sup>1</sup> National Library of Medicine, National Institutes of Health, NCBI: Subst Abuse. 2020; 14: 1178221820924026. Published online 2020 May 26. doi: [10.1177/1178221820924026](https://doi.org/10.1177/1178221820924026) PMID: [32518481](https://pubmed.ncbi.nlm.nih.gov/32518481/) How are Substance Use Disorder Treatment Programs Adjusting to Value-Based Payment? A Statewide Qualitative Study <https://www.ncbi.nlm.nih.gov/pmc/articles/PMC7252360/> Megan A. O'Grady,<sup>1</sup> Patricia Lincourt,<sup>2</sup> Evan Gilmer,<sup>1</sup> Michael Kwan,<sup>1</sup> Constance Burke,<sup>2</sup> Carla Lisio,<sup>1</sup> and Charles J. Neighbors<sup>1</sup>



January 30, 2022

The Honorable Angus L.K. McKelvey, Chair  
The Honorable Tina Wildberger, Vice Chair  
House Committee on Government Reform

Re: HB 1794 – Relating to Opioids

Dear Chair McKelvey, Vice Chair Wildberger, and Committee Members:

Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify on HB 1794, which requires the Department of Health to implement standardized quality metrics to track and address health care processes or outcomes applicable to improving the quality of care for patients having opioid use disorders and targeting through value-based purchasing improvements in outcomes for patients having opioid use disorders. Requires the Department of Health to implement value-based purchasing based on the standardized quality metrics. Directs the Department of Health to collect data on levels of opioid prescriptions, use of opioids in healthcare settings, and patient interactions for opioid use disorders. Requires annual reports to the Legislature.

HMSA supports the improvement of quality care and positive health outcomes for the people of Hawaii. Opioid use disorder is an important issue affecting our community. HMSA supports the legislature's intent to continue to address this challenge by collecting and analyzing quality metrics and data related to opioid use in Hawaii.

Thank you for the opportunity to testify on HB 1794.

Sincerely,

Matthew W. Sasaki  
Assistant Vice President  
Government & External Relations

**HB-1794**

Submitted on: 1/28/2022 6:00:26 PM

Testimony for GVR on 2/2/2022 9:30:00 AM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Remote Testimony Requested</b>
Shari R. Lynn	Individual	Oppose	No

Comments:

As the director of the only rural/remote SUD treatment center on Molokai I oppose this bill as it is written. We are understaffed, underpaid, and lack the infrastructure to find any benefit to our ability to serve our haumana better as a result of this proposal.

Mahalo