

DAVID Y. IGE
GOVERNOR OF HAWAII



ELIZABETH A. CHAR, M.D.
DIRECTOR OF HEALTH

STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
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1010 RICHARDS STREET, Room 122
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
March 15, 2022

The Honorable Representative Ryan I. Yamane, Chair
House Committee Health, Human Services, and Homelessness
The Thirty-First Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Representative Yamane and Committee Members:

SUBJECT: SB2624 SD2 Relating to Health

The Hawaii State Council on Developmental Disabilities **SUPPORTS SB2624 SD2**, which requires the Department of Health to implement a telehealth pilot project and publish an evaluation report on the telehealth pilot project outcomes. And, requires the department to implement and administer a rural health care pilot project to provide physicians and nurse practitioners serving selected rural areas with an availability fee and reimbursements for certain expenses. Requires the department to submit to the Legislature an evaluation report on the rural health care pilot project outcomes.

COVID has shown that our intellectual and or developmental disability (I/DD) community members must turn more and more to telehealth and Zoom-based services. COVID proved that many individuals within our I/DD community are part of a high-risk group that needed to rely on staying at home and using telehealth services more so than the average citizen. Many of our I/DD community members live in rural areas of our state and struggle to find doctors willing to take them on as patients due to the high demand for doctors and low accessibility of these rural areas. Many of our individuals cannot travel out of their rural areas easily and rely heavily on telehealth services for all of their health needs. The Council supports this measure for the pilot project that seeks to incentivize doctors to serve our state's rural areas and underserved populations via telehealth.

Thank you for the opportunity to submit testimony in **support of SB2624 SD2**.

Sincerely,

A handwritten signature in blue ink that reads "Daintry Bartoldus".

Daintry Bartoldus
Executive Administrator



SB2624 SD2 Telehealth Pilot Project

COMMITTEE ON HEALTH, HUMAN SERVICES, & HOMELESSNESS

Rep. Ryan I. Yamane, Chair

Rep. Adrian K. Tam, Vice Chair

Tuesday, Mar 15, 2022: 9:00 : Videoconference

Hawaii Substance Abuse Coalition supports SB2624 SD2:

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.

A pilot Telehealth project makes sense because:

With access to Telehealth, rural communities, elderly, and highly chronic patients with mobility issues could use telehealth to get the care they need without delays due to time, money and opportunity.

- **Having broadband is essential** because when a community doesn't have access to broadband, local healthcare providers will be less likely to adopt telehealth in the first place.

While telehealth doesn't replace the efficacy of face to face, especially for those who have more chronic conditions, it **certainly allows us to treat more people who need services** that otherwise would not have access to services.

U.S. Congress has recently stated that preliminary evaluations have demonstrated that telehealth practices does save money and improves care, especially for the elderly and behavioral health, as well as specialty care/primary care checkups. People with chronic conditions who have limited access to care need follow-up Telehealth and if not available, telephonic care to prevent ER and hospital care.

In many cases, it's a **more efficient use of time** for those care givers and patients who could benefit well from the use of Telehealth.

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



UNIVERSITY OF HAWAII SYSTEM

Legislative Testimony

Testimony Presented Before the
House Committee on Health, Human Services & Homelessness
Tuesday, March 15, 2022 at 9:00 a.m.

By

Jerris Hedges, MD
Professor & Dean and
Lee Buenconsejo-Lum, MD, FAAFP
Associate Dean for Academic Affairs & DIO
John A. Burns School of Medicine

And

Michael Bruno, PhD
Provost
University of Hawai'i at Mānoa

SB 2624 SD2 – RELATING TO HEALTH

Chair Yamane, Vice Chair Tam, and members of the committee:

Thank you for the opportunity to provide testimony in **support of SB 2624 SD2** which requires the Department of Health (DOH) to implement a telehealth pilot project, exempts the pilot project from procurement, and requires the DOH to implement and administer a rural healthcare pilot project to provide physicians serving selected rural areas with an availability fee and reimbursement for certain expenses. The DOH must also submit a report on the outcomes of the pilot project.

The proposed telehealth pilot is welcome and sorely needed in rural and remote communities, as well as communities with little access to medical, mental health, and oral health services. According to the 2016 Hawai'i Primary Care Needs Assessment Data Book, most rural communities in O'ahu, as well as on the neighbor islands have higher percentages of populations receiving public assistance (health care covered by Quest or Medicaid FFS) compared to the State average. Per capita household income is lower and may contribute to the numerous transportation barriers seen in rural communities. Rural communities and underserved communities throughout Hawai'i have higher rates of obesity, heavy drinking, diabetes, and blood pressure compared to more affluent or urban communities. Death from heart disease, cancer, and stroke also tend to be higher in all neighbor islands, as well as rural Oahu communities. Hospital admissions for substance-related disorders and mood disorders are also higher than Honolulu-county or statewide rates. In September 2021, a special issue of the Hawai'i Journal of Health and Social Welfare included reports on the impact of the COVID-19 pandemic on the health and social welfare of the people in Hawai'i. Many of the

challenges noted across the state, as well as for Native Hawaiian, Filipino, and Pacific Islander populations, support the need for improved access, health, and digital literacy.¹

Many of the highest-risk patients reside in Medically Underserved Areas (MUA), are part of Medically Underserved Populations (MUP), or reside in federally-designated health professional shortage areas. Telehealth would benefit many in these communities. Elderly, as well as medically- and socially-complex patients often face transportation barriers and difficulty navigating our collective system of health care. These determinants of health, as well as social or cultural isolation can often impede seeking care or follow-up after a doctor's appointment or hospitalization. Being able to provide telehealth services at community health centers or in the home has tremendous potential for improving the health of patients, their families, as well as providing cost-savings to the entire health system by avoiding emergency department or hospitalization costs.

Telehealth to rural areas has been demonstrated to reduce hospital bed-days and hospital admissions in the VA population (Slabodkin, 2016)². HI-EMA convened a working group, coordinated by the University of Hawai'i to conduct a statewide telemedicine needs assessment in May 2020³. Lessons from telehealth strategies implemented during the COVID-19 pandemic can help build better systems of care, including services that address many social determinants of health⁴. Additional successful telehealth pilots focusing on medically underserved areas with an FQHC or rural health clinic have the potential to improve patient follow-up post-hospitalization (and prevent additional emergency department or hospital visits), provide closer monitoring of patients who would most benefit from multi-disciplinary team-based care, especially if periodically coupled with home visits by trained nurses, community health workers, or physicians. Given the targeted rural areas proposed in SB 2624, partnering with the local health system(s) that have a network(s) of affiliated specialists and complex care management infrastructures will more rapidly provide care to the rural areas. This builds a coordinated telehealth provider network across the State.

Hawai'i's Medicaid and Quest plans pay for telehealth visits as a covered benefit under Act 226 (SLH, 2016) - including reimbursement for behavioral health, primary care, specialty care that is provided by physicians, advanced practice registered nurses, psychologists, mental health providers, dentists, and other oral health providers. In

¹ Buenconsejo-Lum LE, Qureshi K, et al. (2021). A report on the impact of the COVID-19 pandemic on the health and social welfare in the state of Hawai'i. *Hawai'i J Health Soc Welf.* 2021; 80(9 suppl 1): 12-23. The entire issue, including reports specific to each island and to NH, PI, Filipino groups can be downloaded at https://hawaiijournalhealth.org/past_issues/80.09.suppl1.htm/

² Slabodkin, G. (2016). VA expanding telehealth to meet growing needs of veterans. *Health Data Management*. Retrieved from <https://www.healthdatamanagement.com/news/va-expanding-telehealth-to-meet-growing-needs-of-veterans>.

³ Hawai'i Emergency Management Agency State Emergency Support Function #8. (2020) Statewide Telemedicine Needs Assessment. Retrieved from <https://uhealthy.hawaii.edu/telemedicine-needs-assessment/>

⁴ <https://health.hawaii.gov/news/newsroom/department-of-health-to-bring-health-digital-navigators-and-telehealth-support-services-to-underserved-communities/>

Hawai'i, telepsychiatry helps to address the mental health needs of children on most neighbor islands, as well as students in home- and school-based settings on the islands of Kaua'i, Maui, Moloka'i, and Lāna'i and O'ahu. Conditions treated in the schools, home, and in the Department of Health's mental health clinics include developmental disabilities and severe mental illness.

Several clinical departments at JABSOM provide telehealth services to remote areas of Hawai'i and the US Pacific. We continue to partner with the Hawai'i State Department of Health in the development of the Hawai'i State Telehealth Plan and participate in the Telehealth Hui (coordinated by the UH Pacific Basin Telehealth Resource Center) and the Broadband Hui.

JABSOM, as part of the fabric of Hawai'i, looks forward to working with many partners in support of *Maika'i Loa: Attain Lasting Optimal Health for All* (ALOHA).

Thank you for the opportunity to provide testimony on this bill.



**Written Testimony Presented Before the House
Committee on Health, Human Services, & Homelessness
Tuesday, March 15, 2022 at 9:00 A.M.**

**by
Laura Reichhardt, MS, AGNP-C, APRN
Director, Hawai'i State Center for Nursing
University of Hawai'i at Mānoa**

Comments on SB 2624, SD2

Chair Yamane, Vice Chair Tam, and members of the House Committee on Health, Human Services, & Homelessness, thank you for the opportunity for the Hawai'i State Center for Nursing to provide comments on SB 2624, SD2.

In Hawai'i, health care professionals are in high demand yet in low supply, particularly on the neighbor islands and in rural and underserved areas of our state. This includes all of Hawai'i and Kaua'i Counties as well as most of Maui County, including the Hāna district and the islands of Moloka'i and Lāna'i. Telehealth is an important tool to increase access to care for residents of these communities.

In its great wisdom, the Hawai'i State Legislature recognized by Act 169, SLH 2009, that Advance Practice Registered Nurses (APRNs), which include nurse practitioners, may serve as primary care providers, and by Act 110, SLH 2011, that all Hawai'i hospitals should allow APRNs to practice the full scope of practice allowed under the Hawai'i Nurse Practice Act and granted APRNs full prescriptive authority. The Center for Nursing (2021) finds that since 2011, Hawai'i has seen 75% increase in APRNs statewide with 30% of total APRNs residing on a neighbor island. In addition, 92% of nurse practitioners have been granted prescriptive authority. The Legislature also enabled APRNs to practice and be reimbursed for telehealth services through Act 159, SLH 2014. This law has enabled APRNs to broaden their reach and impact by providing telehealth services to people across the Hawaiian Islands.

We commend the State Legislature for identifying solutions to address access to care challenges in our state and pilot models that can innovate and accelerate healthcare delivery improvements. Thank you for providing opportunities to comment on this measure.

The mission of the Hawai'i State Center for Nursing is that through collaborative partnerships, the Center provides accurate nursing workforce data for planning, disseminates nursing knowledge to support excellence in practice and leadership development; promotes a diverse workforce; and advocates for sound health policy to serve the changing health care needs of the people of Hawai'i.



THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Ryan I. Yamane, Chair
The Honorable Adrian K. Tam, Vice Chair
Members, House Committee on Health, Human Services, & Homelessness

From: Jacce Mikulanec, Director, Government Relations, The Queen's Health Systems

Date: March 15, 2022

Re: Support for SB 2624 SD2 – 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 support the intent of SB 2624 SD2, which requires the Department of Health to implement and report upon a telehealth pilot project and requires the Department of Health to implement and administer a rural healthcare pilot project to provide physicians and nurse practitioners serving selected rural areas with an availability fee and reimbursements for certain expenses. We appreciate and support the intent of this measure to examine the effectiveness of telemedicine for delivering needed medical services to Hawai'i's rural and neighbor island communities.

Queen's provides a number of telemedicine specialties in areas such as, but not limited to, stroke and neurology, psychiatry, wound care, and critical care. Telehealth programs assist with connecting our four hospitals across the state and allow our health care professionals to provide care to patients in their local communities. Since the start of the COVID19 pandemic, Queen's has made substantial investments in shifting to telehealth as a modality for providing quality care for patients – including those requiring behavioral health services.

Thank you for the opportunity to provide testimony in support of SB 2624 SD2.

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.



**Testimony to the House Committee on Health, Human Services, and Homelessness
Tuesday, March 15, 2022; 9:00 a.m.
State Capitol, Conference Room 329
Via Videoconference**

RE: SENATE BILL NO. 2624, SENATE DRAFT 2, RELATING TO HEALTH.

Chair Yamane, Vice Chair Tam, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS THE INTENT** of Senate Bill No. 2624, Senate Draft 2, RELATING TO HEALTH., but bring to your attention our concerns.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

This bill, as received by your Committee, would establish the Telehealth and Rural Healthcare Pilot Project (Project), and appropriate an unspecified amount of general funds for fiscal year 2022-2023 for the Project. Specifically, this bill would require the Department of Health (DOH) to contract without regard to Chapters 103D and 103F, Hawaii Revised Statutes (HRS), with eligible physicians, nurse practitioners, and hospitals, including but not limited to those within the Hawaii Pacific Health, Queen's Health Systems, and Kaiser Permanente networks to carry out the rural healthcare aspects of the Project.

The bill would take effect on July 1, 2050.

At the outset, the HPCA has consistently supported any and all efforts to expand telehealth in the State. The COVID-19 pandemic has shown how important this mode of communication has been to ensure that our citizens receive essential primary care services when the circumstances prevent or restrict access to face-to-face interaction with health care professionals. While the HPCA supports measures that would expand access to telehealth in rural communities, we have serious concerns about this bill as it is presently written.

Testimony on Senate Bill No. 2624, Senate Draft 2
Tuesday, March 15, 2022; 9:00 a.m.
Page 2

As we see it, the largest barrier to telehealth expansion has been the lack of broadband service in rural and isolated communities. During the COVID-19 pandemic, the lack of broadband coverage has forced many of our patients to have to rely on land-based telephone communication as their only link to primary care.

The HPCA asserts that the best care is local care that is fully integrated with specialists. **It would be a serious disservice to patients and entire communities if a program that is intended to attract service providers to underserved communities ultimately leads to the diminishment of services to those same patients and communities.**

We have reviewed DOH's testimony and note that they acknowledge the potential damage this bill might pose on existing providers and patients in the region. Because of this, they have offered a proposed amendment that would require the DOH to "engage" community providers and finalize a plan of action before engaging with off-island or out-of-state providers. This would ensure that specialists will be fully integrated with new providers to the area.

The HPCA greatly appreciates this amendment and pledge to continue to work with the DOH to ensure that the implementation of this new policy will not diminish the provision of services in any way.

With the DOH amendment, the HPCA urges your favorable consideration of this bill.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiiipca.net.



DISABILITY AND COMMUNICATION ACCESS BOARD

1010 Richards Street, Room 118 • Honolulu, Hawaii 96813
Ph. (808) 586-8121 (V) • Fax (808) 586-8129

March 15, 2022

TESTIMONY TO THE HOUSE COMMITTEE ON HEALTH, HUMAN SERVICES, AND HOMELESSNESS

Senate Bill 2624, Senate Draft 2 – Relating to Health

The Disability and Communication Access Board (DCAB) supports Senate Bill 2624, Senate Draft 2 Relating to Health. The bill would require the Department of Health to implement a telehealth pilot project and publish an evaluation report on the telehealth pilot project outcomes.

Telehealth is a valuable option for people with disabilities. Telehealth appointments assist patients with mobility disabilities who may have transportation difficulties to attend in-person appointments. Patients with disabilities who have certain underlying conditions may be at a higher risk for severe illness from COVID-19 and will have an option to schedule telehealth appointments.

Please consider in the pilot project to track the number of requests for auxiliary aids/services and if the delivery of healthcare utilizing such services via telehealth was satisfactory.

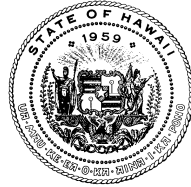
DCAB supports the rural health care pilot project to assist Maui – Hana district, Molokai and Lanai residents.

Thank you for the opportunity to provide testimony.

Respectfully submitted,

KIRBY L. SHAW
Executive Director

DAVID Y. IGE
GOVERNOR OF HAWAII



ELIZABETH A. CHAR, M.D.
DIRECTOR OF HEALTH

STATE OF HAWAII
DEPARTMENT OF HEALTH
STATE COUNCIL ON MENTAL HEALTH
P.O. Box 3378, Room 256
HONOLULU, HAWAII 96801-3378

WRITTEN
TESTIMONY
ONLY

STATE COUNCIL ON MENTAL HEALTH
Testimony to the House Committee on Health, Human Services, and Homelessness
COMMENTING on S.B. 2624, S.D. 2
RELATING TO HEALTH

Tuesday, March 15, 2022 at 9:00 a.m.

CHAIRPERSON
Richard I. Ries Psy.D., M.S.Ed.

1st VICE CHAIRPERSON
Christopher Knightsbridge,
MAIR, MACL

2nd VICE CHAIRPERSON
Katherine Aumer, Ph.D.

SECRETARY
Eileen Lau-James, DVM

MEMBERS:

Antonino Beninato

Charlene "Naomi" Crozier

Jon Fujii

Heidi Ilyavi

Beatrice "Kau'i" Martinez

Kathleen Rhoads Merriam, LCSW,
CSAC

Tara Reed, BSW

Jennifer Renfro

EX-OFFICIO:

Marian Tsuji,
Deputy Director, Behavioral
Health Administration

Chair Yamane, Vice-Chair Tam and Members of the House Health, Human Services and Homelessness Committee:

In alignment with §334-10, HRS, the State Council on Mental Health (SCMH) is a 21-member Council responsible for advising, reviewing and monitoring the provision of mental health services statewide. SCMH members from diverse backgrounds serve as volunteers, collectively representing mental health service recipients, students and youth, parents and family members, providers, and state agencies including the Hawaii Department of Health, Department of Human Services, and the Judiciary.

The mission of the SCMH is to advocate for a Hawaii where all persons affected by mental illness can access treatment and support necessary to live a full life in the community of their choice.

The majority of SCMH members provide the following **COMMENTS** on this measure:

- Generally, we are supportive of using telehealth as an additional tool to communicate with people seeking health care services.
- Many who live in rural areas are dramatically underserved. We applaud this pilot project and the efforts to meet the health needs of those living in rural areas.
- The lack of specification regarding behavioral health is concerning.

This bill may benefit from the following suggested changes starting on page 4, line 20:

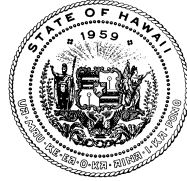
- (1) Assist residents in three distinct rural areas, one each on the islands of Maui, Molokai, and Lanai; provided that the area selected on the island of Maui shall be in the Hana district;
- (2) Pay a \$250 availability fee to each contracted licensed physician or nurse practitioner providing health care services in one or more of the areas selected pursuant to subsection (1); provided that each physician or nurse practitioner shall practice in a specialty that is difficult for rural

residents to access, including but not limited to cardiology, gastroenterology, endocrinology, dermatology, ~~and~~ nephrology, **and psychiatry**; provided further that the availability fee shall be separate from, and in addition to, any charges billed by the physician or nurse practitioner; and

(3) Reimburse each contracted physician or nurse practitioner for any costs, including airfare, lodging costs, and per diem, that the physician or nurse practitioner deems necessary to provide in-person healthcare services to patients in the areas selected pursuant to subsection (1).

Thank you for the opportunity to testify. Should you want to contact us in the future, please e-mail DOH.SCMHChairperson@doh.hawaii.gov.

DAVID Y. IGE
GOVERNOR OF HAWAII



ELIZABETH A. CHAR, MD
DIRECTOR OF HEALTH

STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
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doh.testimony@doh.hawaii.gov

**Testimony in SUPPORT of SB2624 SD2
RELATING TO HEALTH.**

REP. RYAN I. YAMANE, CHAIR
HOUSE COMMITTEE ON HEALTH

Hearing Date: March 15, 2022

Room Number: Video & 329

- 1 **Fiscal Implications:** Unspecified general fund appropriations.
- 2 **Department Testimony:** The Department of Health supports the intent of this measure and
- 3 offers amendments to address potential unintended consequences.
- 4 In 2015 DOH identified the establishment of telehealth as a community standard of care as a
- 5 strategic priority and has been making steady gains with community partners. The COVID
- 6 pandemic's "telehealth by desperation" response is one of the few silver linings because it
- 7 exposed providers and the general population to the efficacy, quality, and convenience of
- 8 telehealth. However, uneven broadband infrastructure left some rural communities
- 9 disadvantaged, so a well-financed county-focused pilot is prudent, particularly in a "canoe
- 10 district" county.
- 11 However, any pilot should enhance existing telehealth resources and must not introduce
- 12 competition that would be disruptive to long-serving healthcare assets. For example, current
- 13 specialists providing telehealth services for Federally Qualified Health Centers may opt out in
- 14 lieu of higher reimbursement, which is an unintended consequence. As a result, DOH requests
- 15 amendments that authorize flexibility rather in lieu of the explicit fees, expenses, and other
- 16 parameters in the current draft. For example, greater value may be realized if certain specialists
- 17 are paid more than \$250 due to limited availability as compared to another specialty that would
- 18 accept less. An amendment that requires DOH to work with existing healthcare systems in the

1 identified areas to propose a fee structure is requested and that, if this process takes longer than a
2 specified period of time, to default to business model of SB2624 SD2.

3 Thank you for the opportunity to testify.

4 **Offered Amendments:**

5 (a) The department of health shall implement a telehealth pilot
6 project. The department shall develop a project design in
7 conjunction with the Hawaii Primary Care Association in each
8 catchment area with established community providers before
9 engaging with off-island or out-of-state providers. The
10 department and the established community providers shall
11 finalize a plan no later than ninety days after enactment. If a
12 plan is not finalized within ninety days, the department shall
13 implement the pilot project pursuant to subsection (b).
14

DAVID Y. IGE
GOVERNOR



CRAIG K. HIRAI
DIRECTOR

GLORIA CHANG
DEPUTY DIRECTOR

STATE OF HAWAII
DEPARTMENT OF BUDGET AND FINANCE
P.O. BOX 150
HONOLULU, HAWAII 96810-0150

EMPLOYEES' RETIREMENT SYSTEM
HAWAII EMPLOYER-UNION HEALTH BENEFITS TRUST FUND
OFFICE OF THE PUBLIC DEFENDER

ADMINISTRATIVE AND RESEARCH OFFICE
BUDGET, PROGRAM PLANNING AND
MANAGEMENT DIVISION
FINANCIAL ADMINISTRATION DIVISION
OFFICE OF FEDERAL AWARDS MANAGEMENT (OFAM)

WRITTEN ONLY
TESTIMONY BY CRAIG K. HIRAI
DIRECTOR, DEPARTMENT OF BUDGET AND FINANCE
TO THE HOUSE COMMITTEE ON HEALTH, HUMAN SERVICES, &
HOMELESSNESS
ON
SENATE BILL NO. 2624, S.D. 2

March 15, 2022
9:00 a.m.
Room 329 and Videoconference

RELATING TO HEALTH

The Department of Budget and Finance (B&F) offers comments on this bill.

Senate Bill No. 2624, S.D. 2, requires the Department of Health (DOH) to implement a telehealth pilot project; requires DOH to publish an evaluation report on telehealth pilot project outcomes; exempts the telehealth pilot project from the Hawaii Public Procurement Code for a period of 12 months; requires DOH to implement and administer a rural health care pilot project; requires DOH to contract with eligible physicians and hospitals for the rural health care pilot project; requires DOH to submit an evaluation report on rural health care pilot project outcomes to the Legislature; and appropriates unspecified amounts in general funds in FY 23 to DOH for the telehealth and rural health care pilot projects.

B&F notes that, with respect to the general fund appropriations in this bill, the federal Coronavirus Response and Relief Supplemental Appropriations Act requires that states receiving Elementary and Secondary School Emergency Relief (ESSER) II funds and Governor's Emergency Education Relief II funds must maintain state support for:

- Elementary and secondary education in FY 22 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

Further, the federal American Rescue Plan (ARP) Act requires that states receiving ARP ESSER funds must maintain state support for:

- Elementary and secondary education in FY 22 and FY 23 at least at the proportional level of the state's support for elementary and secondary education relative to the state's overall spending, averaged over FYs 17, 18 and 19; and
- Higher education in FY 22 and FY 23 at least at the proportional level of the state's support for higher education relative to the state's overall spending, averaged over FYs 17, 18 and 19.

The U.S. Department of Education has issued rules governing how these maintenance of effort (MOE) requirements are to be administered. B&F will be working with the money committees of the Legislature to ensure that the State of Hawai'i complies with these ESSER MOE requirements.

Thank you for your consideration of our comments.