



UNIVERSITY OF HAWAII SYSTEM

‘ŌNAEHANA KULANUI O HAWAII

Legislative Testimony

Hō'ike Mana'o I Mua O Ka 'Aha'ōlelo

Testimony Presented Before the
House Committee on Human Services
House Committee on Health & Homelessness
Tuesday, March 21, 2023 at 9:00 a.m.

By

Lee Buenconsejo-Lum, Interim Dean and
Kelley Withy, MD, Professor, Department of Family Medicine and Community Health,
Hawai'i/Pacific Basin Area Health Education Center (AHEC) Director
John A. Burns School of Medicine

And

Michael Bruno, Provost
University of Hawai'i at Mānoa

SB 397 SD2 – RELATING TO PROFESSIONAL MEDICAID SERVICES

Chairs Mizuno and Belatti, Vice Chairs Amato and Takenouchi, and Members of the Committees:

Thank you for the opportunity to provide testimony in SUPPORT of SB 397 SD2 which appropriates funds to increase Medicaid payments to eligible health care professionals up to 100% of the current Medicare rates.

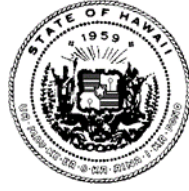
Primary care, specialty care, and behavioral health professionals overwhelmingly desire to treat patients of all backgrounds, regardless of insurance coverage. The Hawai'i Medicaid professional fee schedule is currently set at 60% of Medicare for the majority of professional services. This low reimbursement rate has a negative impact on the ability of medical professionals to treat an increased number of Medicaid patients.

The current Medicaid professional fee schedule also increases the challenge of recruiting and retaining providers in the state, since Hawai'i is competing against the rest of the nation for an adequate workforce. Hawai'i faces a shortage of almost 800 physicians. Through the surveys of physicians conducted by the John A. Burns School of Medicine (JABSOM) at the Hawai'i Health Workforce Summit as to what could be done to recruit and retain more physicians, the fourth most popular answer from the 274 respondents to the survey was eliminating the GET on medical services. Physicians who have left the State indicate that the extra cost of caring for Medicare, Medicaid and Quest patients makes it financially burdensome to continue practicing here. For the same reason, many physicians no longer see this group of patients.

Many of the faculty JABSOM relies on to train our students and residents are struggling, especially on the Neighbor Islands. Providing Medicaid payments at 100% of the Medicare rate would help to keep these providers in practice, improve access to care and access to learning environments that teach our students to provide high quality, compassionate care for all patients, regardless of the ability to pay. This measure provides funding that is a necessary and meaningful step toward addressing long standing health inequities that exist in this state.

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

JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



CATHY BETTS
DIRECTOR
KA LUNA HO'OKELE

JOSEPH CAMPOS II
DEPUTY DIRECTOR
KA HOPE LUNA HO'OKELE

STATE OF HAWAII
KA MOKU'ĀINA O HAWAI'I
DEPARTMENT OF HUMAN SERVICES
KA 'OIHANA MĀLAMA LAWELAWE KANAKA
Office of the Director
P. O. Box 339
Honolulu, Hawaii 96809-0339

March 19, 2023

TO: The Honorable Representative John M. Mizuno, Chair
House Committee on Human Services

The Honorable Representative Della Au Belatti, Chair
House Committee on Health & Homelessness

FROM: Cathy Betts, Director

SUBJECT: **SB 397 SD2 – RELATING TO PROFESSIONAL MEDICAID SERVICES.**

Hearing: March 21, 2023, 9:00 a.m.
Conference Room 329 & Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) supports this bill as it is similar to Administration measures. Additionally, we request support for the Administration's budget and Governor's Message regarding these appropriations.

PURPOSE: This bill appropriates funds to increase Medicaid reimbursements to eligible health care professionals in the State up to one hundred per cent of the current Medicare rates. Effective 12/31/2050. (SD2)

The SD1 amended the measure by defecting the effective date and making technical amendments; and the SD2 amended by (1) changing the appropriation amount from \$30,000,000 to an unspecified sum; and (2) making technical nonsubstantive changes for purposes of clarity, consistency, and style.

DHS supports increasing investments in the Medicaid program, more specifically in reimbursement rates. Since March 6, 2020, Medicaid enrollment has increased by over 40

Part 2

percent from 327,119 to over 464,000 as of January 2023 – or nearly one-third of Hawaii's residents. With this significant number of Hawaii residents covered by Medicaid, healthcare providers who care for Hawaii's residents covered by Medicaid are receiving less reimbursement than they would if the resident were covered by private healthcare insurance. Medicaid does have a history of supporting healthcare professionals. Currently, Hawaii Medicaid is one of the few states that continues to reimburse primary care providers for some primary care services at 100 percent Medicare. However, there are many health care professional services reimbursed well-below Medicare rates.

This bill proposes to increase the reimbursement rates for eligible health care providers for medical professional services allowed under the Medicaid program provided to Hawaii's Medicaid enrollees to be the equivalent reimbursement rate paid by the federal Medicare program for the same or similar service. Eligible health care professionals per the Medicaid fee schedule and Hawaii Medicaid State Plan primarily include physicians and doctors. Therefore, it would not include reimbursement rates for hospitals, nursing facilities, prescription drugs, or rehabilitation or therapeutic services. Also, Long-term Care or Home and Community-Based waiver services will not be included in the increase as they are not classified as medical professional services.

With additional general fund appropriations, the department will require federal approval to access federal matching funds and implement the reimbursement rate increase. This rate increase may encourage more health care providers to provide care to Medicaid recipients, and increased rates will assist providers in meeting the cost of care.

The projected general fund appropriation needed annually is \$30,000,000; with federal approval, the available federal match will be approximately \$43,000,000.

Thank you for the opportunity to testify on this measure.



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The State Legislature
House Committee on Human Services
House Committee on Health and Homelessness
Tuesday, March 21, 2023
Conference Room 329, 9:00 a.m.

TO: The Honorable John Mizuno, Chair
The Honorable Della Au Belatti, Chair
RE: Support of S.B. 397 SD2 Relating to Professional Medicaid Services

Aloha Co-Chairs Mizuno, Belatti and Members of the Committees:

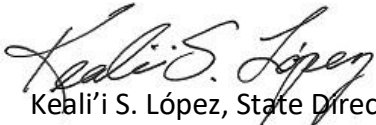
My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a nonpartisan, social impact organization that advocates for individuals age 50 and older. We have a membership of nearly 38 million nationwide and nearly 140,000 in Hawaii. We advocate at the state and federal level for the issues that matter most to older adults and their families.

AARP supports S.B. 397 SD2 which appropriates funds to increase Medicaid payments to eligible health care professionals in Hawaii up to one hundred percent of the current Medicare rates.

Federal and state governments should ensure that Medicaid reimbursement is sufficient to guarantee access to the full range of high-quality long-term services and supports (LTSS) in all service settings. For many kupuna in need of long term care whether in an institutional setting or in their home, Medicaid becomes their safety net coverage if they are unable to pay out of pocket or lack private long term care insurance. Hawaii is currently facing an acute shortage of health care workers especially in long term care. We need to attract, retain and compensate them properly so that they can continue to care for our most vulnerable populations including kupauna. Increasing the Medicaid payments will help improve the overall access to care for all people in need.

Thank you very much for the opportunity to testify in support **S.B. 397 SD2**.

Sincerely,


Keali'i S. López, State Director



**Written Testimony Presented Before the House
Committee on Human Services
and
Committee on Health & Homelessness
Tuesday, March 21, 2023 at 9:00 A.M.
Room 329 and via videoconference
by
Laura Reichhardt, APRN, AGPCNP-BC
Director, Hawai'i State Center for Nursing
University of Hawai'i at Mānoa**

TESTIMONY IN SUPPORT of S.B. 397, S.D. 2

Chairs Mizuno and Belatti, Vice Chairs Amato and Takenouchi, and members of the Senate Committees on Human Services and Health & Homelessness, thank you for the opportunity to testify in support of S.B. 397, S.D. 2.

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. Advance Practice Registered Nurses (APRNs) are reimbursed at lower rates than physicians (80-85% of Physician Fee Schedule¹) for Medicare, and even further reduced for Medicaid (65% of Physician Fee Schedule²). Despite the reductions in reimbursements for APRNs, this population of providers remain committed to servicing publicly-insured individuals. In the 2021 Nursing Workforce Supply Survey, we found that 92% provided care to Medicare and Medicaid patients in their average week.³

As the cost of healthcare rises, it is increasingly a challenge for APRNs to cover their clinical expenses. Because of the reduced rates, APRNs represented in the Hawai'i State Center for Nursing APRN Policy & Practice Taskforce have stated that their basic business expenses are not fully covered by reimbursement for services to Medicaid patients. This measure proposes the solution for the state to support the difference between Medicaid payments and Medicare payments. This would address the dissonance between the reimbursements and the costs of business, and therefore optimize access to care for Medicaid patients.

The Hawai'i State Center for Nursing commends the Legislature for introducing this measure. The Center thanks your committee for its commitment to the people of Hawai'i, and ensuring access to high-quality health care by our state's interprofessional healthcare workforce including APRNs.

¹CMS. (2022). Advanced Practice Registered Nurses, Anesthesiologist Assistants, & Physician Assistants. <https://www.cms.gov/Outreach-and-Education/Medicare-Learning-Network-MLN/MLNProducts/Downloads/Medicare-Information-for-APRNs-AAAs-PAs-Booklet-ICN-901623.pdf>

² Communication with Department of Human Services, June 2021

³ Hawai'i State Center for Nursing. (2021). 2021 Hawai'i Nursing Workforce Supply Report. http://www.hawaii-center-for-nursing.org/wp-content/uploads/2021/12/Statewide-Report-v.Final_.pdf

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.



To: Representative John M. Mizuno, Chair, Committee on Human Services
Representative Terez Amato, Vice Chair, Committee on Human Services
Representative Della Au Belatti, Chair, Committee on Health & Homelessness
Representative Jenna Takenouchi, Vice Chair, Committee on Health & Homelessness

From: Paula Arcena, External Affairs Vice President
Mike Nguyen, Public Policy Manager

Hearing: Tuesday, March 21, 2023, 9:00am, Conference Room 329

RE: **SB397, SD2 Relating to Professional Medicaid Services**

AlohaCare appreciates the opportunity to provide testimony in **support of SB397, SD2**. This measure will increase Medicaid reimbursements to eligible health care professionals to match the current Medicare fee schedule.

Founded in 1994 by Hawai'i's community health centers, AlohaCare is a community-rooted, non-profit health plan serving over 80,000 Medicaid and dual-eligible health plan members on all islands. Approximately half of our membership are keiki. We are Hawai'i's only health plan exclusively dedicated to serving Medicaid beneficiaries. Our mission is to serve individuals and communities in the true spirit of aloha by ensuring and advocating for access to quality health care for all. We believe that health is about supporting whole-person health needs.

AlohaCare is committed to improving access to care and strengthening the Medicaid program. As you know, Medicaid enrollment in our State has grown by over 40% from 330,000 enrollees in March 2020 to 460,000 in January 2023. This tremendous growth has put a further strain on our already challenged provider capacity in the State, especially in rural areas. There is evidence that reimbursement rates are an important determinant of access to care, health care utilization, and health status among Medicaid recipients. Researchers also found rate increases reduced reported school absences among primary school-aged Medicaid recipients by 14%.¹

AlohaCare will utilize this rate increase to recognize and reward current participating providers and welcome new providers to the Medicaid network. We fully support this measure as a significant way to strengthen Hawai'i's Medicaid program by investing in our State's provider workforce and improve access to care for the residents of Hawai'i.

Mahalo for this opportunity to testify in **support of SB397, SD2**.

¹ "Increased Medicaid Reimbursement Rates Expand Access to Care", NBER, [The Bulletin on Health](#), Oct 2019.



SB397 SB2 Increase Medicaid Rates

COMMITTEE ON HUMAN SERVICES

Rep. John M. Mizuno, Chair

Rep. Terez Amato, Vice Chair

COMMITTEE ON HEALTH & HOMELESSNESS

Rep. Della Au Belatti, Chair

Rep. Jenna Takenouchi, Vice Chair

Tuesday, Mar 21, 2023: 9:00 Room 329

Hawaii Substance Abuse Coalition Supports SB397 SB2:

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.

STATES ARE INCREASING MEDICAID RATES FOR SUBSTANCE USE DISORDERS AND MENTAL HEALTH DISORDERS.

The pandemic has exacerbated mental health and substance use issues and [90% of Americans](#) believe the nation is in the midst of a mental health crisis. Despite increases in need, data show that treatment rates across all payers are [low](#).

Documented workforce challenges contribute to barriers in access to care and nearly half of the US population – [47%](#) or 158 million people – living in a mental health [workforce shortage](#) area. Behavioral health conditions (i.e. mental health and substance use disorders) are most prevalent in Medicaid enrollees, with data from [2020](#) showing that approximately [39%](#) of Medicaid enrollees were living with a mental health or substance use disorder. Workforce challenges are widespread and go beyond Medicaid, but shortages may be exacerbated in Medicaid.¹



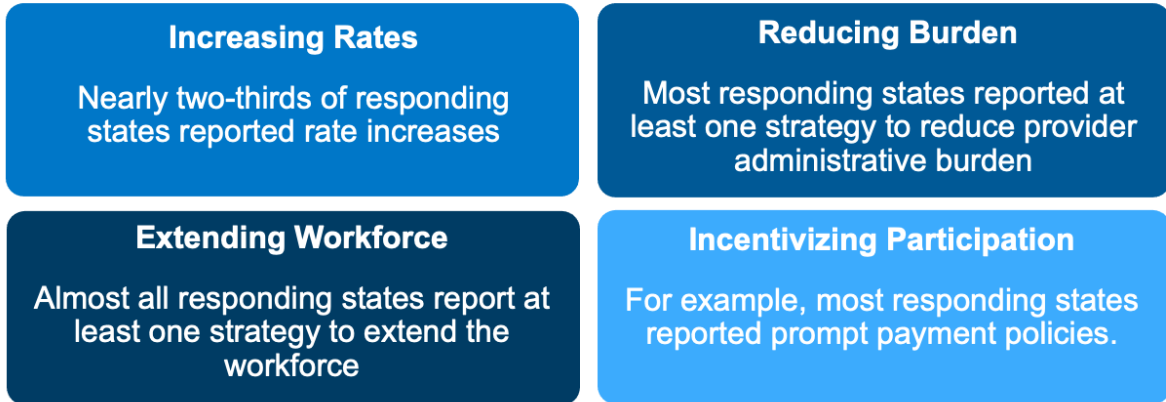
NEARLY 2/3 OF ALL RESPONDING STATES REPORT STRATEGIES FOR RATE INCREASES FOR BEHAVIORAL HEALTH IN 2023

¹ KFF A Look at Strategies to Address Behavioral Health Workforce Shortages: Findings from a Survey of State Medicaid Programs: Heather Saunders , Madeline Guth Follow @Madeline_Guth on Twitter , and Gina Eckart Published: Jan 10, 2023 <https://www.kff.org/medicaid/issue-brief/a-look-at-strategies-to-address-behavioral-health-workforce-shortages-findings-from-a-survey-of-state-medicaid-programs/>

State strategies to address the behavioral health workforce shortage fall into four key areas:

Figure 1

Key Medicaid Strategies to Address Behavioral Health Workforce Shortages in place or planned as of FY2022



SOURCE: Behavioral health supplement to the annual KFF survey of state Medicaid officials conducted by Health Management Associates, October 2022



STATES HAVE NEW FLEXIBILITY TO SET PROVIDER RATES

Lower Medicaid payment rates (relative to other payers) as well as disparities in pay between physical and mental health providers could limit participation in Medicaid and further exacerbate existing workforce shortages. States have considerable flexibility to set provider payment rates in fee-for-service. Managed care plans, which now serve most Medicaid beneficiaries, are responsible under their contracts with states for ensuring adequate provider networks and setting rates to providers, but states have several options to ensure that rate increases are passed to the providers that contract with managed care organizations (MCOs). The American Rescue Plan Act (ARPA) gave states temporary funding (primarily through an increase in the Medicaid match rate for home and community-based services (HCBS)) to increase certain provider rates or provide payments to attract or retain workers. COVID-19 Medicaid public health emergency (PHE) authorities gave states additional flexibility to adopt temporary rate increases.

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



March 16, 2023

To: House of Representatives
Thirty-Second Legislature, 2023 State of Hawai'i

COMMITTEE ON HUMAN SERVICES

Rep. John M. Mizuno, Chair	Rep. Terez Amato, Vice Chair
Rep. Della Au Belatti	Rep. Jenna Takenouchi
Rep. Greggor Ilagan	Rep. Scott Y. Nishimoto
Rep. Bertrand Kobayashi	Rep. Diamond Garcia

COMMITTEE ON HEALTH & HOMELESSNESS

Rep. Della Au Belatti, Chair	Rep. Jenna Takenouchi, Vice Chair
Rep. Terez Amato	Rep. John M. Mizuno
Rep. Greggor Ilagan	Rep. Scott Y. Nishimoto
Rep. Bertrand Kobayashi	Rep. Diamond Garcia

From: East Hawaii Independent Physicians Association (dba Big Island Docs)

Subject: Support for SB397

Dear House Representatives,

We represent over 50 independent private practice providers on Hawai'i Island delivering care to over 50,000 patients. Our mission is to provide access to quality care in our community. We urge the legislature to appropriate funds to increase Medicaid reimbursements to eligible health care professionals in Hawai'i to 100% of Medicare rates. This will help our providers improve access for Medicaid patients. Currently, the private sector providers have less incentive to see Medicaid patients due to the low reimbursement rates. Our providers are struggling to keep their clinics open in a region that has a severe shortage of physicians. Hawai'i has the largest percentage of physicians in private practice in the nation and it is important that the private practice of medicine remain sustainable for the health and well-being of our community. Our community risks losing even more physicians as their operations become financially unsustainable.

On behalf of our membership, we urge you to pass SB397 into law.

Mahalo,

Handwritten signature of Lynda Dolan, MD.

Lynda Dolan, MD
President

Handwritten signature of Brenda Camacho, MD.

Brenda Camacho, MD
Secretary & Treasurer

Handwritten signature of Craig Shikuma, MD.

Craig Shikuma, MD
Medical Director, BIHC

www.bigislanddocs.com

Tuesday, March 21, 2023 at 9:00 AM
Via Video Conference; Conference Room 329

House Committee on Human Services

To: Representative John Mizuno, Chair
Representative Terez Amato, Vice Chair

House Committee on Health & Homelessness

To: Representative Della Belatti, Chair
Representative Jenna Takenouchi, Vice Chair

From: Michael Robinson
Vice President, Government Relations & Community Affairs

**Re: Testimony in Support of SB 397, SD2
Relating to Professional Medicaid Services**

My name is Michael Robinson, and I am the Vice President of Government Relations & Community Affairs at Hawai'i Pacific Health. Hawai'i Pacific Health is a not-for-profit health care system comprised of its four medical centers – Kapi'olani, Pali Momi, Straub and Wilcox and over 70 locations statewide with a mission of creating a healthier Hawai'i.

HPH writes in support of SB 397, SD2 which appropriates funds to increase Medicaid payments to eligible health care professionals in the State up to 100% of current Medicare rates.

Currently, Hawaii ranks 47th out of 51 states and the District of Columbia in terms of Medicaid spending per full-benefit enrollee in the state. While we are very supportive of cost efficient, high-value care, the current low reimbursement rates affect the ability of healthcare professionals in our community to take on patients enrolled in Medicaid.

Having access to quality, timely healthcare services and a robust healthcare workforce is critical to reaching our goals of reducing health disparities. We are confident that this funding is a necessary and meaningful step towards addressing long standing health inequities that exist in this state. This initiative is a broad-based, systemic approach to improving access to healthcare for the most underserved and needy members of our community. By creating more opportunities for people to see the providers they feel most comfortable with, in their own communities, and in a way that they feel is best for their preferences and health, will be a long overdue change in how we treat those who need this type of quality, patient-centered care the most.

Many providers decline accepting patients on Medicaid or have left the state due to the low reimbursement rates. Providing Medicaid payments at 100% of the Medicare rate would help to keep these providers in practice and improve access to care. This measure provides funding that is a necessary and meaningful step toward addressing long standing health inequities that exist in this state.

Thank you for the opportunity to testify.



HIPHI Board

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Kaiser Permanente

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John A. Burns School of Medicine,
Department of Pediatrics

Titiimaea Ta'ase, JD
State of Hawai'i, Deputy Public
Defender

HIPHI Initiatives

Coalition for a
Tobacco-Free Hawai'i

Community Health
Worker Initiative

COVID-19 Response

Hawai'i Drug & Alcohol Free
Coalitions

Hawai'i Farm to School Hui

Hawai'i Oral Health Coalition

Hawai'i Public Health Training Hui

Healthy Eating + Active Living

Kūpuna Collective

Date: March 17, 2023

To: Representative John M. Mizuno, Chair
Representative Terez Amato, Vice Chair
Members of the Committee on Human Services

Representative Della Au Belatti, Chair
Representative Jenna Takenouchi, Vice Chair

Re: Support SB 397 SD2 Relating to Professional Medicaid Services

Hrg: Tuesday, March 21, 2023

The Hawai'i Public Health Instituteⁱ (HIPHI) is in **Support of SB 397 SD2**, which would appropriate funds to increase Medicaid reimbursements to eligible health care professionals in the state to up to 100% of the current Medicare rates. HIPHI strongly supports policies that increase access to health care.

Medicaid enrollment in Hawai'i has grown by over 40% from 330,000 beneficiaries in March 2020 to 460,000 in January 2023. This drastic increase of enrollees burdens a system that already was faced with too few providers to care for those in need. This access challenge is particularly high in rural areas, Neighbor Islands, and within certain specialities.

By increasing the rate of Medicaid reimbursement from 60% of the Medicare rate to 100% of the Medicare rate, providers will be able to increase the capacity of their practices to service Medicaid patients; therefore increasing providers in the state. This increase will make it easier to attract more health care providers to our state as well. Every resident must have access to high-quality, timely health care to live productive, healthy lives.

This measure will help to strengthen health in our state.

Mahalo,

A handwritten signature in black ink that reads 'Peggy Mierzwa'.

Peggy Mierzwa
Policy & Advocacy Director
Hawaii Public Health Institute

ⁱ Hawai'i Public Health Institute is a hub for building healthy communities, providing issue-based advocacy, education, and technical assistance through partnerships with government, academia, foundations, business, and community-based organizations.

KAUAI COMMUNITY HEALTH ALLIANCE

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www.kauai-medical.org
winkler@kauai-medical.org (email)

March 18, 2023

Re: Support of SB397

I am submitting testimony to put a human face on our State's healthcare access crisis. I am both a medical provider and CEO of a non-profit rural Primary Care clinic on Kauai about to close due to insufficient funds. We have provided critical medical services for 25 years, seeing 15-20,000 visits a year. We are only surviving because of community donations. I took no salary for 8 months in 2022. The healthcare crisis in Hawaii is not a joke.

I will cut to the chase. The reason our facility along with most private medical practices are shutting their doors is due to low insurance reimbursements, particularly Medicaid Quest.

According to a *2020 Hawaii Workforce Assessment*, of all the counties in the US, Kauai has the 13th worst access to medical care, Maui 5th and Big Island 3rd worst in the nation.

Our facility can't make payroll because insurance payments are below the cost of providing care. Twenty percent of Hawaii residents are on Medicare, and our state receives the lowest Medicare reimbursement in the country despite having the highest cost of living. Medicaid reimbursements are even worse than Medicare and make up 30% of Hawaii's insured population.

You have undoubtedly heard Hawaii can't attract young physicians, nor can we retain those we have. Same reason—lowest reimbursement in the US and highest COL. It doesn't matter how many new docs we graduate from JABSOM, they all leave for the mainland because they can't open a practice in Hawaii and survive.

Raising Medicaid reimbursements is critical if we are serious about keeping medical facilities open in rural Hawaii. Our outer island residents have a much higher all cause mortality. Cancer, heart disease, stroke, and suicide are all highest where clinics like ours are closing and access is unavailable.

This is not academic, this is grandma's diabetes, it's your sister's breast cancer, your friend with Parkinson's or heart disease, it's your children's school physicals, your neighbor's stroke, your depressed friend or aunty's fractured hip. This isn't a restaurant closing—It's access to primary healthcare.

Clinics all over are turning away Medicaid Quest patients in order to survive.

Raising Medicaid reimbursement is a leveraged investment in partnership with the Federal government. The healthcare access crisis is here, and as it accelerates it will take a generation to repair. Now is truly the time to act.

Please support SB397.

Respectfully,

KAUAI COMMUNITY HEALTH ALLIANCE

James Winkler, CEO
Kambria Beck Holder, MD and Chief Medical Officer
Art Brownstein, MD

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KILAUEA MEDICAL CLINIC MAY CLOSE

CEO: 'Every month is a cliffhanger'

Guthrie Scrimgeour
THE GARDEN ISLAND

KILAUEA — The Kaua'i Community Health Alliance receives between 17,000 and 20,000 patient visits each year, providing a range of treatment to largely working-class people from the Ha'ena to Kapa'a.

They soon may be unable to keep their doors open, their CEO says.

"Every month is a cliffhanger," said Jim Winkler, who serves as CEO and president of KCHA while also practicing at the Hale Lea Medicine clinic.

"The clinic is currently running at a deficit. While we have not missed payroll in 28 years, we are not able to operate for much longer due to a confluence of circumstances."

The clinic has been in operation since 1994 and has functioned as a nonprofit since 2008. KCHA houses both the Hale Lea Medicine and Urgent Care and the North Shore Wellness Center. Since they treat a large number of underinsured patients, they struggle to make ends meet and rely on community support for a portion of their budget.

If the center were to close, it could result in significant disruption for its patients, who would have to scramble to access care in the limited North Shore market. There is only one primary-care clinic on the North Shore — the North Shore Medical Center — which has limited hours and a smaller staff than KCHA. The next closest clinic is Ho'ola Lahui in Kapa'a.

"A lot of those people (on the North Shore) don't want to go to Kapa'a. Location is an issue regardless of who is providing the services," said Dr. Kapono Chong-Hanssen, chief medical director at Ho'ola Lahui.

"We could take some of them, and if all of our community partners got together we could

SEE CLINIC, A4

Dear Representatives,

Hawaii has a severe shortage of healthcare providers and an access to care crisis, which has been documented by AHEC for many years and reported in hundreds of news stories. The lack of access to healthcare has resulted in significant healthcare disparities, especially on our Neighbor Islands and rural areas with higher mortality rates for cardiovascular disease, cancer, trauma, hepatitis C, asthma, COPD, suicide and adolescent deaths as confirmed by Department of Health statistics.

The reason for the severe shortage of healthcare providers in Hawai'i is primarily financial. Hawaii has the highest cost of living and providing medical services in America. Hawaii's reimbursements are among the lowest nationally. Please note that Hawaii's healthcare providers are documented by Becker's ASC review to have the lowest pay adjusted for the cost of living in America.

Lowest annual compensation adjusted for cost of living

- District of Columbia (47)
- New York (48)
- Vermont (49)
- Connecticut (50)
- Hawaii (51)



<https://www.beckershospitalreview.com/compensation-issues/rn-pay-for-all-50-states-adjusted-by-cost-of-living.html>

<https://www.beckersasc.com/benchmarking/np-pay-for-all-50-states-adjusted-by-cost-of-living.html>

The Senate Health Committee heard multiple measures. To improve access to healthcare. Chair San Buenaventura understands that Hawaii has a severe shortage of healthcare providers and an access to care crisis. The Health Committee advanced SB397 by a vote of 5-0.

A robust healthcare provider system is important for the economic health of Hawai'i . Mayor Mitch Roth supports these bills and has noted that it is difficult to attract businesses and new industries to our island, if business owners are unable to ensure healthcare access to their employees and family. The loss of additional medical practices is a huge concern. The Hilo Community Surgical Center and Hale Lea Medical Clinic, the largest primary and urgent practice on Kauai's north shore, were both recently discussed on the front page of local newspapers, as threatened with

closure due to fiscal conditions. Our local group of 15 radiologists proudly provided 24/7/365 coverage of our local hospitals for 60 years, but had to recently dissolve our professional corporation because we only have 6 remaining specialists with most nearing or past retirement age.



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KILAUEA MEDICAL CLINIC MAY CLOSE

CEO: 'Every month is a cliffhanger'

Guthrie Scrimgeour
THE GARDEN ISLAND


KILAUEA — The Kaua'i Community Health Alliance receives between 17,000 and 20,000 patient visits each year, providing a range of treatment to largely working-class people from the Ha'ena to Kapa'a.

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"Every month is a cliffhanger," said Jim Winkler, who serves as CEO and president of KCHA while also practicing at the Hale Lea Medicine clinic.

"The clinic is currently running at a deficit. While we have not missed payroll in 28 years, we are not able to operate for much longer due to a confluence of circumstances."

The clinic has been in operation since 1994 and has functioned as a nonprofit since 2008. KCHA houses both the Hale Lea Medicine and Urgent Care and the North Shore Wellness Center. Since they treat a large number of underinsured patients, they struggle to make ends meet and rely on community support for a portion of their budget.



Winkler

If the center were to close, it could result in significant disruption for its patients, who would have to scramble to access care in the limited North Shore market. There is only one primary-care clinic on the North Shore — the North Shore Medical Center — which has limited hours and a smaller staff than KCHA. The next closest clinic is Ho'ola Lahui in Kapa'a.

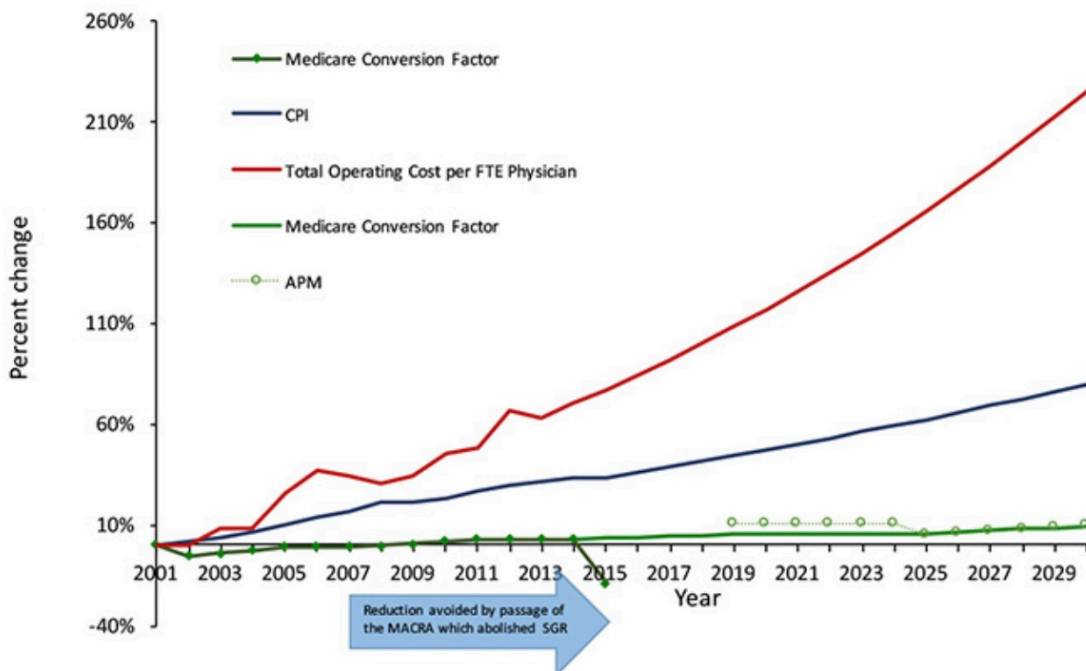
"A lot of those people (on the North Shore) don't want to go to Kapa'a. Location is an issue regardless of who is providing the services," said Dr. Kapon Chong-Hanssen, chief medical director at Ho'ola Lahui.

"We could take some of them, and if all of our community partners got together we could

SEE CLINIC, A4

I testified that with post COVID burnout, the Access to Care survey showing half of providers considering quitting medicine, leaving Hawaii or cutting back hours, mass retirements of our rapidly aging workforce and the fiscally impossible challenges of seeing reimbursements fall each year while our cost of providing services soar, that there will be few private practices left to tax with the GET in 3-5 years. This will drastically effect Hawaii's rapidly growing Medicaid population which exceeds 440,000. Having insurance coverage is of very little value if there are no healthcare providers to care for you.

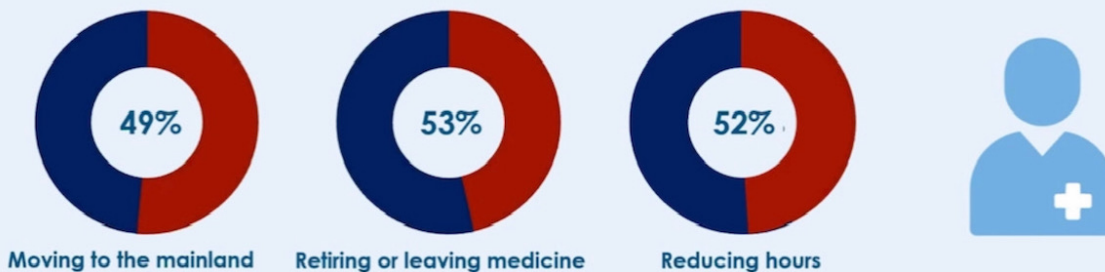
Chart 2: Cumulative percent change in operating expenses for physician-owned, multispecialty with primary care only groups, the Consumer Price Index, and Medicare physician payments; APM scenario (2001-2030)



Further compounding the crisis, Hawai'i may be losing more Providers.

Roughly one-quarter say they are less than five years away from retirement.

Over the past year, health care providers have considered:



Most medical practice nationally report breaking even on providing Medicare services and losing money caring for Medicaid patients. Hawaii's GET taxation on private

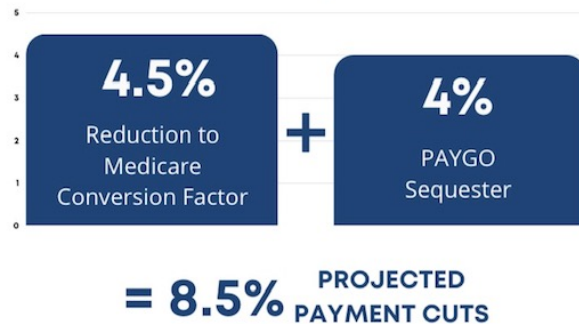
practices is ruinous, because gross revenues are taxed even if providers break even or lose money treating patients. Rather than progressively tax doctors, PAs, APRNs and nurses for their higher income, the GET taxation of gross revenues is a practice killer preventing many practices from even realizing a business profit. For this reason Hawaii has the lowest number of providers able to accept Medicare patients in America.



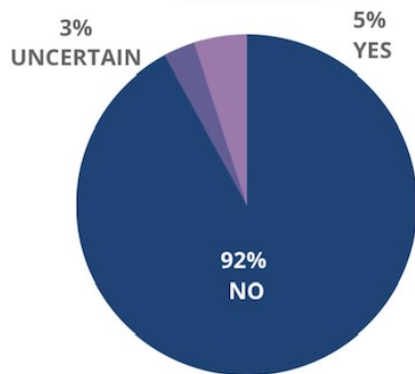
IMPACT OF PAYMENT REDUCTIONS TO MEDICARE RATES IN 2023

After two years of financial uncertainty due to the ongoing COVID-19 pandemic, practices are once again facing significant projected payment cuts to Medicare in 2023. In 2022, practices absorbed a 2% reduction to Medicare payment with the reintroduction of Medicare sequestration. This is compounded by record-breaking inflation reaching 9.1%. Already challenged with financial constraints and reductions in payment, looking ahead to 2023, group practices face a 4.5% reduction to the Medicare conversion factor and a 4% PAYGO sequester, reducing Medicare payment by at least 8.5%.

PROJECTED MEDICARE PAYMENT CUTS ON JAN. 1, 2023



DOES MEDICARE REIMBURSEMENT IN 2022 ADEQUATELY COVER THE COST OF CARE PROVIDED?



MGMA conducted a survey of 517 medical group practices, ranging from small single provider practices to large 2400 physician health systems across 45 states, assessing the potential impact of such payment cuts to Medicare rates in 2023, and evaluating how their practices would respond to such payment cuts.

According to 92% of surveyed group practices, Medicare rates in 2022, before the projected 8.5% payment cuts take effect, already inadequately cover the cost of furnishing care.

TO OFFSET THE REDUCTIONS IN PAYMENT, GROUPS OF ALL SIZES ARE CONSIDERING WHAT BUSINESS DECISIONS MUST BE MADE TO ENSURE THE FINANCIAL SOLVENCY OF THEIR PRACTICES:

- **58%** are considering **limiting the number of new Medicare patients;**
- **66%** are considering **reducing charity care;**
- **58%** are considering **reducing the number of clinical staff;** and
- **29%** are considering **closing satellite locations.**

Lowest Physician Medicare-Acceptance Rate

47. New York

48. California

49. Oregon

50. District of Columbia

51. Hawaii

Please note that the information that providers could pass the GET to Medicare and TriCare patients in the Department of Taxation Tax Facts 98-1 was in error. This is expressly forbidden by federal policies and CMS has advised that providers who pass the GET on to Medicare patients will be referred to the Inspector General for investigation of Medicare fraud. We appreciate that this guidance was corrected by the Department in Jan, 2023. Most providers do not pass the GET to Medicaid patients because they cannot afford it and it becomes a barrier to care.

8 Are the amounts the physician receives from Medicare, Medicaid and/or TRICARE subject to GET?

Yes. The amounts the physician receives from Medicare, Medicaid and/or TRICARE are subject to GET. The physician may charge you GET on these amounts as a way to recover their expense.

In the near future, there will likely be few private practices remaining. If no action is taken to prevent this outcome. If Hawaii loses the remaining providers in private practice, this could well trend GET revenues toward zero in the next 3-5 years. That means Hawaii loses not only GET revenues from taxing healthcare, but also income, property, corporate and secondary GET taxation on all other purchases from the lost healthcare providers. The Healthcare Association of Hawai'i has stated that taxing Hawaii's hospitals with the GET would result in many reducing services or closing their doors. If the GET taxation of hospitals would badly damage the viability of our state's hospital systems, then how can the devastating GET taxation of small businesses providing medical care be pono.

Please support SB397/HB1367. If Hawaii has a fiscally viable environment then recruiting hundreds of doctors and thousands of needed healthcare workers would boost our economy and increase overall tax revenues. The AARP, Kupuna Caucus, Hawaii Island Chamber of Commerce, Hawaii County Mayor's Office, Hawaii County Medical Society, HMA, JABSOM, HAPN and Hawaii Tax Foundation support these bills.

Aloha,
Scott Grosskreutz, M.D., FACR
Hawaii Provider Shortage Crisis Task Force

Economic Impact of Physicians: By Island

Source Data:

American Medical Association's National Economic Impact of Physicians, 2018.

Every Physician in the United States generates

- \$3,166,901 in aggregate economic output.
- 17 jobs.
- \$1,417,958 in total wages and benefits.
- \$126,129 in state and local tax revenues.

Preliminary Findings of the Annual Report on Findings from the HI Physician Workforce Assessment Project to 2021 Legislature Courtesy of Dr. Kelly Withy.

2020	O'ahu	Big Island	Maui County	Kaua'i	Statewide
Shortage	475	287	191	60	1014
Percentage	20	53	43	33	29

Hawaii Statewide:

1014 new Hawai'i physicians could reasonably be expected to generate:

- \$3,211,237,614 in aggregate economic output.
- 17,238 new jobs.
- \$1,437,809,412 in total wages and benefits.
- \$127,894,806 in state and local tax revenues.

Oahu County

475 new Hawai'i physicians could reasonably be expected to generate:

- \$1,504,277,975 in aggregate economic output.
- 8075 new jobs.
- \$673,530,050 in total wages and benefits.
- \$59,911,275 in state and local tax revenues.

Hawai'i County:

287 new Big Island physicians could reasonably be expected to generate:

- \$908,900,587 in aggregate economic output.

- 4879 new jobs.
- \$406,953,946 in total wages and benefits.
- \$36,199,023 in state and local tax revenues.

Maui County

191 new Hawai'i physicians could reasonably be expected to generate:

- \$604,878,091 in aggregate economic output.
- 3247 new jobs.
- \$270,829,978 in total wages and benefits.
- \$24,090,639 in state and local tax revenues.

Kauai County

60 new Hawai'i physicians could reasonably be expected to generate:

- \$190,014,060 in aggregate economic output.
- 1020 new jobs.
- \$85,077,480 in total wages and benefits.
- \$7,567,740 in state and local tax revenues.

Testimony of
Jonathan Ching
Government Relations Director

Before:
House Committee on Human Services
The Honorable John M. Mizuno, Chair
The Honorable Terez Amato, Vice Chair

House Committee on Health & Homelessness
The Honorable Della Au Belatti, Chair
The Honorable Jenna Takenouchi, Vice Chair

March 21, 2023
9:00 a.m.
Conference Room 329 & Via Videoconference

Re: SB 397, SD2 Relating to the Professional Medicaid Services

Chair Mizuno, Chair Belatti, and committee members, thank you for this opportunity to provide testimony on SB 397, SD2, which appropriates general funds to increase Medicaid payments to eligible health care professionals in the State up to one hundred per cent of the current Medicare rates.

Kaiser Permanente Hawai'i STRONGLY SUPPORTS SB 397, SD2.

Kaiser Permanente Hawai'i is one of the nation's largest not-for-profit health plans, serving 12.6 million members nationwide, and more than 269,000 members in Hawai'i. In Hawai'i, more than 4,200 dedicated employees and more than 650 Hawai'i Permanente Medical Group physicians and advance practice providers work in our integrated health system to provide our members coordinated care and coverage. Kaiser Permanente Hawai'i has more than 20 medical facilities, including our award-winning Moanalua Medical Center. We continue to provide high-quality coordinated care for our members and deliver on our commitment to improve the health of our members and the 1.4 million people living in the communities we serve.

Over the past several years, especially with the economic challenges brought by the COVID-19 pandemic, the state's Medicaid population has increased dramatically by almost 40%. Similarly, Kaiser Permanente Hawai'i's Medicaid population has risen significantly (over 68% since early 2020). Increases in the Medicaid population have been coupled with continued physician shortages statewide, particularly in the neighbor islands.

Enhanced Medicaid reimbursements will allow us to continue to recruit and retain providers to care for our Medicaid members. In addition, it will allow us to more easily partner with providers outside of Kaiser Permanente that serve our members, particularly in the neighbor islands where there are less providers and access can be more challenging.

This appropriation will immediately support the delivery of and access to high-quality care.

Mahalo for the opportunity to testify on this important measure.

SB-397-SD-2

Submitted on: 3/19/2023 7:21:10 AM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Cassandra Fisher, M.A., CCC-SLP	Central Oahu Speech	Support	Written Testimony Only

Comments:

Aloha,

I am writing to voice my support for increasing the Medicaid rates for providers of all types in Hawaii, specifically Speech-Language Pathologists.

As a private practice owner, it has been extremely difficult to hire new SLPs in Hawaii (despite high interest) due to the comparatively low reimbursement rates Hawaii gets when looking at similar cost-of-living states. This disparity is felt throughout all of our rates (we get \$82.00 for our main treatment code from Medicare, Alaska gets \$101.00 for that same code, same care, same degree, San Jose California gets \$93.00 - at 40-60 treatments a week, that makes an impact of \$3,040-\$4,560 per month less in Hawaii than in Alaska for the exact workload - at the Medicare rate).

My clinic chooses to take Quest patients at the Medicaid rate - we truly believe that being part of a community means supporting the whole community, especially those that are not able to find care elsewhere. However, the reimbursement we get from Medicaid/Quest is under \$23.00 per session (I am not allowed to give the exact amount, per the signed contract). This is for professional individualized treatment from a clinician with a master's degree, 400+ clinical hours of training, a decade of experience, and multiple specialty certifications.

To give you an idea of how that works for a small practice providing much-needed in-person treatment - Let's say we start with \$23.00 even though it's actually less than that - \$1.01 goes to GET taxes, \$4.00 of that goes to validating patient parking (not validating patient's parking would become yet another barrier to care for patients who are already struggling to access care), and \$15.00 goes to pay the receptionist for being there for the session. **That leaves \$2.99 to pay: portions of - Office rent, HIPAA-compliant medical records software, the \$0.25 per claim the be filed, the fax software, the internet bill to access all the software, the payroll software, and to pay the Speech-Language Pathologist providing the treatment and then completing skilled documentation and parent education.**

Clearly, that \$2.99 can't do that. Each and every time we take a Quest patient, I know that I will be losing money as a business owner. This has become even more difficult this year, as inflation has increased utilities at our office space by about \$200.00.

I do not wish to make the unfair decision to no longer serve this population. I deeply value the skills we have helped our Quest patients gain in their ability to communicate their wants, needs, thoughts, and ideas clearly. It makes a lifelong impact on their future academics, and it decreases frustration for them and for their family in their home. This is true for all of our patients, and it is why we do what we do - because every person has the right to communicate. Every person **needs** to be able to communicate for their own safety, for their own happiness, and for their ability to be a part of a community.

For some of our children and adults on the island, the skilled medical evaluation and treatment that they need is unavailable to them, or is delayed for 6 months to a year plus due to the highly limited number of providers that can afford to offer the care they have the right to.

Please, increase the Medicaid rates to match 100% of the Medicare rates. Please enact this law for 2023-2024 and 2024-2025. This will make an immediate impact on those that need it, and on those of us that are doing our best to support our community as a whole.

SB-397-SD-2

Submitted on: 3/19/2023 8:35:12 AM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
SallyAnn Giess	HSHA	Support	Written Testimony Only

Comments:

It is imperative that speech-language pathology services be included in this bill and that measure be enacted as soon as possible and not as far away as December 2050. Speech-language pathologists are specialists who provide services to individuals with communication disorders. The work we provide is highly skilled and we are highly trained professionals who deserve to be compensated at a fair rate. We cannot wait until 2050 for this bill to be effective. Too many providers will leave the island well before that time if they are not compensated fairly.

Hawai'i Association of Professional Nurses (HAPN)



To: The Honorable Representative John Mizuno, Chair of the House Committee on Human Services, and The Honorable Representative Della Au Belatti, Chair of the House Committee on Health and Homelessness

From: Hawaii Association of Professional Nurses (HAPN)

Subject: SB397 SD2 – Relating to Professional Medicaid Services, in Support with amendments

Hearing: March 21, 2023, 9a.m.

Aloha Representative Mizuno, Chair; Representative Amato, Vice Chair; Representative Belatti, Chair; Representative Takenouchi, Vice Chair; and Committee Members

Thank you for the opportunity to submit testimony regarding SB397 SD2. HAPN stands with the Governor as well as countless community organizations, private practices throughout the state, and all residents of Hawaii who receive Medicaid Services. HAPN believes that healthcare access in Hawaii is at a point where provider supply is not in line with healthcare demand. As such, HAPN is in **Support with amendments** of appropriating funds to increase Medicaid payments to eligible health care professionals. **We respectfully request the following amendment “... increase medicaid payments to eligible health care professionals in the State up to at one hundred per cent of the current medicare rates.”** (section 2). At this time, **Medicare discriminates care provided by Advanced Practice Registered Nurses (APRN)** via their physician fee schedule **by reimbursing our profession 15% less** than our physician colleagues providing similar care. APRNs who have opened their own practices have the same overhead costs as our colleagues.

HAPN strongly supports the intent of this bill, however, we would like to ensure equity in reimbursement to keep our clinic doors open to provided much needed care. As noted in this bill, APRNs who accepted Medicaid during the Corona virus pandemic provided much needed services in our communities. During this time, “Medicaid enrollment has increased forty percent”.

HAPN’s mission, to be the voice of APRNs in Hawaii, has been the guiding force that propelled us to spearhead the advancement of patients access to healthcare as well as supporting the recognition of the scope of practice for APRNs in Hawaii which led us to full practice authority. We have worked to improve the physical and mental health of our communities. As our ability to provide close care with our patients progressed, we also opened up our own clinics to provide the care our patients deserve. APRNs have played an important role in the healthcare of our communities and we will continue to be by our patients’ side.

HAPN respectfully asks your Committee to pass this bill with amendments. Thank you for the opportunity to share the perspective of HAPN with your committee. Thank you for your enduring support of the nursing profession in the Aloha State.

Respectfully,

Dr. Jeremy Creekmore, APRN
HAPN President

Dr. Bradley Kuo, APRN
HAPN Legislative Committee, Chair
HAPN Past President



THE QUEEN'S HEALTH SYSTEM

To: The Honorable John M. Mizuno, Chair
The Honorable Terez Amato, Vice Chair
Members, House Committee on Human Services

The Honorable Della Au Belatti, Chair
The Honorable Jenna Takenouchi, Vice Chair
Members, House Committee on Health & Homelessness

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

Date: March 21, 2023

Re: Testimony in Support of SB397 SD2: Relating to Professional Medicaid Services

The Queen's Health System (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 10,000 affiliated physicians, caregivers, and dedicated medical staff 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 testify in **support** of SB397 SD2, which appropriates funds to increase Medicaid payments to eligible health care professionals in the State up to one hundred per cent of the current Medicare rates. We commend the stakeholder community, Administration, and Legislature for recognizing the overall positive impact these additional funds will have on our statewide healthcare system. The increase in funding will expand the likelihood of more healthcare professionals taking on Medicaid patients and by extension increase the probability that more Medicaid recipients will see a provider.

Having access to quality, timely healthcare services and a robust healthcare workforce is critical to reaching our shared goal of reducing health disparities. This funding helps create more opportunities for people to see the providers they feel most comfortable within their own communities - this is even more so the case on our neighbor islands where issues of access are pronounced.

Primary care, specialty care, and behavioral health professionals have an overwhelming desire to treat patients of all backgrounds. The Hawaii Medicaid professional fee schedule is currently set at 60% of Medicare for the majority of professional services. This low reimbursement rate has a negative impact on the ability of medical professionals to treat an increased number of Medicaid patients. The current Medicaid professional fee schedule also increases the challenge of recruiting and retaining providers in the state since Hawai'i is competing against the rest of the nation for an adequate workforce.

The mission of The Queen's Health System 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.

Mahalo for your support of this measure and for your investment in our state's healthcare system.



Hawaii Medical Association

1360 South Beretania Street, Suite 200 • Honolulu, Hawaii 96814
Phone: 808.536.7702 • Fax: 808.528.2376 • hawaiimedicalassociation.org

COMMITTEE ON HUMAN SERVICES

Rep. John M. Mizuno, Chair
Rep. Terez Amato, Vice Chair

COMMITTEE ON HEALTH & HOMELESSNESS

Rep. Della Au Belatti, Chair
Rep. Jenna Takenouchi, Vice Chair

Date: March 21st, 2023
From: Hawaii Medical Association
Bernard Robinson, MD, HMA Public Policy Committee

Re: SB397 SD2 RELATING TO PROFESSIONAL MEDICAID SERVICES.
Position: Support

The purpose of this measure is to appropriate funds to increase Medicaid payments to eligible health care professionals in the State up to one hundred per cent of the current Medicare rates.

In Hawaii, the enrollment in Hawaii MedQUEST (Medicaid program) has jumped 40% since the start of the COVID-19 pandemic, and more than 440,000 Hawaii residents are now enrolled in Medicaid. However low-income individuals and families as well as Native Hawaiians and Pacific Islanders experience incredible delays and barriers to healthcare services, according to the 2022 Access to Care CDC funded comprehensive statewide survey of patients and providers.

Causes for healthcare disparities are multifactorial, but are unquestionably linked to the unremitting decline in our Hawaii physician workforce. In order for Hawaii Medicaid beneficiaries to access needed care in a timely manner, there must be a sufficient number of physicians to serve these patients. As the Hawaii physician workforce decreases relative to the ever-increasing demand of healthcare services needed, physicians cannot bear the immense financial burden of accepting deficient Medicaid payment compared to those of privately insured individuals.

Presently the percent of Hawaii State spending is approximately 34% of Medicaid, compared to the federal funds. Investing in Hawaii Medicaid by matching reimbursement levels to those

2023 Hawaii Medical Association Officers

Angela M. Pratt, MD, President • Elizabeth Ann Ignacio, MD, President Elect • Michael Champion, MD, Immediate Past President
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2023 Hawaii Medical Association Public Policy Coordination Team

Elizabeth Ann Ignacio, MD, Chair • Beth England, MD, Co-Chair
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director

of Medicare would allow more health care providers to accept Medicaid patients, improving access to care.

HMA supports this measure for appropriation of funds to Hawaii Medicaid, allowing for improved provider participation and further delivery of healthcare services to Hawaii patients.

Thank you for allowing the Hawaii Medical Association to testify in support of this measure.

References and Quick Links:

Cocke S. Hawaii Medicaid enrollment up 40% since start of pandemic. Honolulu Star Advertiser Dec 19 2022.

States Reporting At Least One Eligibility Expansion or Restriction. Kaise

Hest, R. Assessing Physician Acceptance of Medicaid Patients Using State Health Compare. State Health Access Data Assistance Center. Shadac.org. August 25, 2022.

University of Hawaii System Annual Report. Report to the 2023 Legislature. Annual Report on findings from the Hawaii Physician Workforce Assessment Project. Dec 2022.

Access to Care. Health for our communities. Community First Hawaii. July 2022 Report.

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March 21, 2023

To: Chair Mizuno, Chair Belatti, Vice Chair Amato, Vice Chair Takenouchi, and Members of the House Committees on Human Services and Health and Homelessness

From: Hawaii Association of Health Plans Public Policy Committee

Date/Location: March 21, 2023; 9:00 a.m., Conference Room 329/Videoconference

Re: Testimony in support of SB 397 SD2 – Relating to Professional Medicaid Services

The Hawaii Association of Health Plans (HAHP) appreciates the opportunity to testify in support of SB 397 SD2. HAHP is a statewide partnership that unifies Hawaii's health plans to improve the health of Hawaii's communities together. A majority of Hawaii residents receive their health coverage through a plan associated with one of our organizations.

HAHP believes in providing our members with access to quality care. Medicaid enrollment is up more than 40% and includes nearly a third of the residents in our state. One out of three babies born and one out of two keiki are covered through Medicaid. Medicaid also covers many individuals who are frail, elderly, disabled, homeless, with chronic conditions, and in long-term care. Providers are in short supply, particularly in rural areas, and access to care is critically important. Investing in Medicaid and increasing Medicaid reimbursement rates to health care providers would strengthen our critical health care workforce, support the health care ecosystem, and, most importantly, improve access to care for the residents of Hawaii.

Thank you for the opportunity to testify on SB 397 SD2.

Sincerely,

HAHP Public Policy Committee
cc: HAHP Board Members

AlohaCare | HMAA | HMSA | Humana | HWMG | Kaiser Permanente | MDX Hawaii | Ohana Health Plan | UHA Health Insurance | UnitedHealthcare

hahp.org | 818 Keeaumoku Street, Honolulu, HI 96814 | info@hahp.org



March 21, 2023
Conference Room 329

House Committee on Human Services

To: Chair John M. Mizuno
Vice Chair Terez Amato

House Committee on Health & Homelessness

To: Chair Della Au Belatti
Vice Chair Jenna Takenouchi

From: Hilton Raethel
President and CEO
Healthcare Association of Hawaii

Re: Strong Support
SB 397 SD2, Relating to Professional Medicaid Services

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 member organizations who represent almost every aspect of the health care continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high-quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 30,000 people statewide.

Thank you for the opportunity to provide testimony in **strong support** of this measure, which would address healthcare access challenges for Medicaid enrollees, and strengthen our healthcare workforce by paying providers the same rate under the Medicaid program as they are paid under the Medicare program. Currently, Hawaii providers receive relatively low reimbursements from government programs like Medicaid compared to the national average. While we are very supportive of cost efficient, high-value care, the current low reimbursement rates affect the ability of healthcare professionals in our community to take on patients enrolled in Medicaid.

Having access to quality, timely healthcare services and a robust healthcare workforce is critical to reaching our goals of reducing health disparities. We are confident that this funding is a necessary and meaningful step towards addressing long standing health inequities that exist in this state. This initiative is a broad-based, systemic approach to improving access to healthcare for the most underserved and needy members of our community. By creating more

opportunities for people to see the providers they feel most comfortable with, in their own communities, and in a way that they feel is best for their preferences and health, will be a long overdue change in how we treat those who need this type of quality, patient-centered care the most.

Primary care, specialty care, and behavioral health professionals have an overwhelming desire to treat patients of all backgrounds, regardless of insurance coverage. The Hawaii Medicaid professional fee schedule is currently set at 60% of Medicare for the majority of professional services. This low reimbursement rate has a negative impact on the ability of medical professionals to treat an increased number of Medicaid patients, especially during these high inflationary times. The current Medicaid professional fee schedule also increases the challenge of recruiting and retaining providers in the state since Hawaii is competing against the rest of the nation for an adequate workforce. In 2022, there was a reported deficit of at least 750 full-time physicians in the state, and a documented shortage of almost 4,000 non-physician, patient-facing healthcare workers such as nurses, technicians, and patient service representatives.

This increase will benefit physicians, psychiatrists, behavioral health therapists, nurse practitioners, physician assistants, and other providers who bill using the Medicare fee schedule.

Thank you for the opportunity to provide strong support of this measure.



March 21, 2023

The Honorable John M. Mizuno, Chair
The Honorable Terez Amato, Vice Chair
House Committee on Human Services

The Honorable Della Au Belatti, Chair
The Honorable Jenna Takenouchi, Vice Chair
House Committee on Health & Homelessness

Re: SB 397 SD2 – Relating to professional Medicaid services.

Dear Chair Mizuno, Chair Belatti, Vice Chair Amato, Vice Chair Takenouchi and Members of the Committees:

Hawaii Medical Service Association (HMSA) appreciates the opportunity to testify in support of SB 397 SD 2, which will appropriate funds to increase Medicaid payments to eligible health care professionals in the State up to one hundred per cent of the current Medicare rates

HMSA believes that efforts to expand access to quality health care for all Hawaii residents, including for QUEST members and those living on the Neighbor Islands, who have a smaller network of providers available to them, will only help to strengthen our community. This bill will continue to support and strengthen our provider core, especially physicians who may be financially challenged due to inflation, labor shortages, and higher operational costs. We hope the higher payments to physicians will provide more access to care for QUEST members and can additionally help to address health inequities.

Currently, HMSA is already paying one hundred percent of the 2020 Medicare rate for primary care services under MedQUEST's ACA PCP Enhancement program and we look forward to continuing to support our providers in strengthening the health of Hawaii.

Thank you for the opportunity to testify in support of SB 397 SD 2.

Sincerely,

Dawn Kurisu
Assistant Vice President
Community and Government Relations



To whom it may concern:

I'm writing to strongly advocate for increased CMS reimbursement for Medicaid providers.

My entire career has been dedicated to supporting infants and children in need as a pediatric physical therapist for Early Intervention and the Department of Education. Over my years, I noticed large number of infants and children not quality for EI/DOE services, and yet they did not have access to private physical therapy services. I felt that I needed to assist in bridging the healthcare gaps in Hawaii. In 2021, I took the leap to start my own pediatric physical therapy practice called Three Little Ducks. Creating opportunity and access to additional pediatric physical therapy services is the sole reason that I started my company.

As one of the FEW physical therapists accepting Medicaid in Hawaii, the current rates are beyond painful. I wholeheartedly believe that every child in need of physical therapy intervention should have access to care. However, it is financial strapping to make the conscious decision to be a CMS provider.

Currently, I provide in-home pediatric physical therapy services. With travel time accounted for, I oftentimes make \$15 an hour when I treat Medicaid patients. This is an hourly wage that is not acceptable or sustainable. To put it in perspective, I made \$17 per hour working in the retail store, Lululemon, 5 years ago. As someone with a doctorate degree, has served as a leader for pediatric physical therapists in Hawaii, and serves as a professor at the University of Hawaii- West Oahu, the current CMS rates does not reflect the quality and necessity of pediatric physical therapy services in our community.

Additionally, Hawaii has a high need for pediatric physical therapists in Hawaii. If CMS rates remain as they are, it will become increasingly difficult to retain quality therapists to serve the community.

If Hawaii aims to care for their community and children, I believe that healthcare providers should be adequately compensated. Please let me know if there are other ways that I can continue to advocate for CMS providers to earn a modest living while serving the Hawaii community.

Thank you,

Suma

Dr. Suma Metla
Pediatric physical therapist, owner of Three Little Ducks

SB-397-SD-2

Submitted on: 3/20/2023 3:19:57 PM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Colleen Inouye	Hawaii Independent Physicians Association	Support	Written Testimony Only

Comments:

Hawaii Independent Physicians Association is asking for your support of SB397 SD2.

This bill will allow physicians to take care of the most vulnerable patients and communities. Is it difficult to recruit and retain physicians with the current Medicaid rates. With this appropriation patients will have better access to quality care and physicians can continue to provide quality care.

Thank you for your kind support of SB 397 SD2.

Colleen F Inouye MD MMM MS-PopH FACHE FAAPL FACOG

Interim Executive Director of the Hawaii Independent Physicians Association, a 700+ provider organization that spans across the state of HI

SB-397-SD-2

Submitted on: 3/15/2023 5:30:37 AM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Nash Witten	Individual	Support	Written Testimony Only

Comments:

Aloha Committee Chair and Committee Members,

As a born and raised primary care Family Medicine physician practicing in Wai‘anae and Hale‘iwa, O‘ahu, I STRONGLY SUPPORT this bill.

Thank you for the opportunity to testify on this bill,

Nash Witten, MD

SB-397-SD-2

Submitted on: 3/15/2023 10:53:48 AM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Mark A. Koppel	Individual	Support	Written Testimony Only

Comments:

My name is Mark Koppel 31-392 Lepoloa Rd Ninole, HI 96773.

I am testifying in strong support in SB397. We are facing a Doctor shortage in Hawaii, largely because Medicaid reimbursements are so low. Rural Hawaii areas get much less than rural Alaska areas.

We must have higher Medicaid reimbursements.

Mahalo

HOUSE COMMITTEE ON HUMAN SERVICES

Rep. John M. Mizuno, Chair

Rep. Terez Amato, Vice Chair

HOUSE COMMITTEE ON HEALTH & HOMELESSNESS

Rep. Della Au Belatti, Chair

Rep. Jenna Takenouchi, Vice Chair

DATE: Tuesday, March 21, 2023, 9:00am

Re: SB 397, SD2 - RELATING TO PROFESSIONAL MEDICAID SERVICES

Aloha Chair Mizuno, Chair Belatti, and Committee Members.

My name is Linda Dorset, a resident of Wailuku, Maui. I thank you for the opportunity to submit written testimony regarding the above referenced legislation. I strongly support SB397 to appropriate funds to increase Medicaid reimbursements to eligible health care professionals to match the current medicare fee schedule.

There is an acute shortage of physicians and need to adequately compensate and retain their services so that they can continue to treat our most vulnerable population and decrease the health disparities in our health care system. Even though Hawaii Medicaid is one of the few states that reimburses primary care providers for primary care services at 100 percent Medicare, there are many health care professional services reimbursed well-below Medicare rates. There is evidence that reimbursement rates are an important determinant of access to care, health care utilization, and health status among Medicaid recipients.

Linda Dorset

Wailuku Resident

SB-397-SD-2

Submitted on: 3/16/2023 5:12:32 AM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Thomas H Joslyn	Individual	Support	Written Testimony Only

Comments:

Dear Senators, Please support this bill. In times like these when all all the cost for goods and services continue to rise, the one exception is the reimbursement for Medicare, which seems to drop consistantly. Please pass this bill and allow all qualified APRN's to recieve 100 % of the allowable reimbursement for their services. Thank you. Respectfully submitted. Thomas H Joslyn

SB-397-SD-2

Submitted on: 3/16/2023 10:08:11 AM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Dan Gardner	Individual	Support	Written Testimony Only

Comments:

Chair Mizuno and Members of the Committee on Human Services - Hawaii is currently challenged by a growing shortfall in health care workers. For our seniors / Kapunas this shortage is becoming even greater. A major driver in the increasing shortfall is the disparity between Medicare and Medicaid reimbursements. Currently nearly 1/3 of Hawaii's residents are on Medicaid. SB397 addresses this challenge head-on by bringing Medicaid reimbursements up to par with Medicare. We must attract, grow, retain, and compensate our Health care providers. Please provide your continued support for this critical legislation. Thank you.

Federal and state governments should ensure that Medicaid reimbursement is sufficient to guarantee access to the full range of high-quality long-term services and supports (LTSS) in all service settings. For many kupuna in need of long term care whether in an institutional setting or in their home, Medicaid becomes their safety net coverage if they are unable to pay out of pocket or lack private long term care insurance. Hawaii is currently facing an acute shortage of health care workers especially in long term care. We need to attract, retain and compensate them properly so that they can continue to care for our most vulnerable populations including kūpuna. Increasing the Medicaid payments will help improve the overall access to care for all people in need.

SB-397-SD-2

Submitted on: 3/16/2023 3:07:29 PM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Andrew Kagemoto	Individual	Support	Written Testimony Only

Comments:

Thank you Chair Belatti and Chair Mizuno for the opportunity to testify in strong support!

Ricardo Molero Bravo, 03/17/2023

SB 397

Dear Chairperson and members of the committee,

I am writing to express my support for SB 397, which aims to match Medicaid reimbursement levels with those of Medicare in Hawaii. As a concerned citizen and a physician in the community, I believe that this bill would have a significant impact on improving access to care for those who need it most.

I fully agree with the legislature's findings that health care providers often receive less reimbursement from Medicaid than from Medicare or commercial insurances for the same service. This is particularly concerning for the significant number of Hawaii residents who rely on Medicaid for their health care needs.

I strongly believe that investing in Medicaid by matching reimbursement levels with those of Medicare would allow more health care providers to accept Medicaid patients, which would help improve access to care for those who need it most. It is important to note that lesser reimbursements contribute to the challenges providers face in sustaining their practices, leading some health care providers to limit or refuse to accept Medicaid patients.

As an Obstetrician Gynecologist, I have seen firsthand the struggles that individuals face when trying to access quality health care. This is especially true for those who rely on Medicaid for their health care needs. I believe that this bill is a crucial step towards addressing this issue and ensuring that everyone has access to the care they need to live healthy and fulfilling lives.

Thank you for considering my testimony in support of SB 397. I urge you to take action to ensure that this bill becomes law and that we can work towards a better and more equitable healthcare system for all Hawaii residents.

Sincerely,

Ricardo A. Molero Bravo

March 18, 2023

TO:

Committee on Human Services

Rep. John M. Mizuno, Chair

Rep. Terez Amato, Vice Chair

AND

Committee on Health and Homelessness

Rep. Della Au Belatti, Chair

Rep. Jenna Takenouchi, Vice Chair

RE: SB397 SD2 – Relating to Professional Medicaid Services

Hearing Scheduled March 21, 2023

Conference Room 329; 9:00AM

Most Honorable Chair Mizuno; Chair Au Belatti; Vice Chair Amato; Vice Chair Takenouchi, and Members of the Committees:

I support SB397 SD2 – to equalize the reimbursement payments up to 100 per cent to Health Care Professionals providing Medicaid services to eligible Hawaii residents.

Professionals providing health care services should be equally reimbursed whether providing care under the Medicare or the Medicaid ‘umbrella’ of services.

Please vote affirmatively to appropriate funds to increase Medicaid reimbursements to eligible health care professionals to match the current Medicare fee schedule.

Respectfully submitted,

Christine Olah

Resident of the State of Hawaii

SB-397-SD-2

Submitted on: 3/19/2023 9:42:44 AM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Marcia Kemble	Individual	Support	Written Testimony Only

Comments:

I strongly encourage you to pass SB397 to increase reimbursement rates for doctors who treat Medicaid patients. The problem of doctors being unwilling to accept Medicaid patients because reimbursement rates are so ridiculously low has reached a beyond-critical stage.

Thank you.

SB-397-SD-2

Submitted on: 3/19/2023 11:23:48 AM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Kathleen Kearns, MD, FAAFP	Individual	Support	Written Testimony Only

Comments:

I am a primary care physician on Molokai and Maui and I whole heartedly support the importance of raising reimbursement rates for Medicaid patients. Raising rates can help increase access to care to both primary care and specialty services, as providers will be willing to accept Medicaid patients and still cover the costs of care. The disparity in reimbursement for the same services is totally nonsensical and does not reflect the reality that caring for Medicaid patients can often be more challenging due to adverse social determinants of health. With few providers being able to see Medicaid patients, these patients just end up going to the Emergency Room, which is ultimately much more expensive.

SB-397-SD-2

Submitted on: 3/19/2023 3:12:24 PM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Anita Trubitt	Individual	Support	Written Testimony Only

Comments:

As an LCSW in private practice for many years, I accepted many clients who were covered by Medicaid and did my best to serve them as well as those whose coverage had significantly higher reimbursement rates. I was surprised to learn that many of my colleagues did not accept these clients at all because of this discrepancy but over the years I began to limit my acceptance of these clients because they tend to present with multiple problems that require even more time and energy than those with better resources. The insurance companies continue to make big profits while those of us who want to truly support people in greater need have bills to pay too. If reimbursement rates for medicaid clients matched those of private plan rates, everyone would be better served.

Anita Trubitt, LCSW

SB-397-SD-2

Submitted on: 3/19/2023 5:58:43 PM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Alison Kaneshiro	Individual	Support	Written Testimony Only

Comments:

Health Care Access and Quality is one of the Healthy People 2030 social determinants of health (U.S. Department of Health and Human Services, n.d.) Avoidable health problems are more likely to send the uninsured to the hospital, their mortality rates are higher, and they are more likely to have health declines. Having health care coverage not only increases access to high quality care but also improves financial stability (Kaiser Family Foundation, 2022). By passing this bill, more of our Hawaii residents will be able to access care when they need it. By having greater access to care, they will be less likely to have hospitalizations due to not being able to access care in the early stages of disease and will be more likely to obtain preventative care since they will have access to primary care providers in the community.

References

Kaiser Family Foundation. (2022). *Key facts about the uninsured population.*

<https://www.kff.org/uninsured/issue-brief/key-facts-about-the-uninsured-population/>

U.S. Department of Health and Human Services. (n.d.) *Healthy people 2030 building a healthier future for all: Health care access and quality.* [Health Care Access and Quality - Healthy People 2030 | health.gov \(archive-it.org\)](#)

COMMITTEE ON HUMAN SERVICES

COMMITTEE ON HEALTH AND HOMELESSNESS

Hearing: Tuesday, March 21, 2023, 1:00 p.m.
Via Video Conference Room 329
State Capitol
415 South Beretania Street

**TESTIMONEY IN SUPPORT OF SB 397, SD2
RELATING TO PROFESSIONAL MEDICAID SERVICES**

THE THIRTY-SECOND LEGISLATURE
REGULAR SESSION OF 2023

To: Rep. John M. Mizuno, Chair; Rep. Terez Amato, Vice Chair; Committee on Human Services

To: Rep. John M. Mizuno, Chair; Rep. Terez Amato, Vice Chair; Committee on Health and Homelessness

Thank you for the opportunity to submit written testimony in **strong support** of **SB 397, SD2**, Relating to Professional Medicaid Services. There is an acute shortage of physicians and need to adequately compensate and retain their services so that they can continue to treat our most vulnerable population and decrease the health disparities in our health care.

SB 397, SD2: Appropriates funds to increase Medicaid reimbursements to eligible health care professionals in the State by up to one hundred percent of the current Medicare rates. Effective 12/31/2050 (SD2)

I urge you to support **SB 397, SD2**.

Anna Filler
District 26, Downtown-Kakaako-McCully
Email: afiller@twc.com

SB-397-SD-2

Submitted on: 3/20/2023 12:41:15 AM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
H Richard Burson	Individual	Support	Written Testimony Only

Comments:

I strongly urge passage of this important legislation. As has been widely reported, Hawaii has a severe shortage of physicians, and low reimbursement rates for Medicaid services most certainly have a negative impact on recruitment of needed physicians.

I am an 85-year-old male, and I certainly appreciate my Medicare coverage. It is only fair that persons covered by Medicaid should have access to the same broad range of physicians, and similarly it is only fair that physicians who will accept Medicaid patients be reimbursed comparably.

Please pass this important piece of legislation.

SB-397-SD-2

Submitted on: 3/20/2023 7:32:11 AM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Barbara Polk	Individual	Comments	Written Testimony Only

Comments:

I strongly support the intent of SB 397 and urge you to pass it by amending it back to the way it was originally written. A "technical" amendment in the last Senate committee changed the wording of Section 2 of the bill. Originally it said, to increase reimbursement to doctors "up to one hundred percent of the current medicare rates". The change added the word "by": to increase reimbursement by up to one hundred per cent of the current medicare rates. This wording implies that the change could be less than the medicare rate. I urge you to remove that word, and probably also the word "up". Doctors must be paid **at** the medicare rate, and not some lower figure, if we want to provide health care to people on medicaid, rather than overloading hospitals with emergency cases.

House Committees on Human Services and Health and Homelessness
Tuesday, March 21, 2023, 9 a.m.
State Capitol Rm. 329

To: The Honorable John Mizuno, Chair of the Human Services Committee
The Honorable Della Au Belatti, Chair of the Health and Homelessness
Committee
Members of the House Human Services and Health and Homelessness
Committees

From: Carl Miura, private citizen

Bill: Senate Bill 397, SD2 – Relating to Professional Medicaid Services

I would like to request your support in passing out Senate Bill 397, SD2 relating to professional Medicaid services.

This increase in reimbursement amount is very much needed to help open and keep access to physician services for people in need and our kupuna. Currently, only a very limited number of doctors will take patients with Medicaid (and Medicare coverage). Some of reasons are the low reimbursement rates and regulations. Doctors, like many organizations, simply need to pay their bills. For those that do, they need to rely on patients with regular private insurance payments to offset the gap in payment.

Also, if patients are fortunate to find a doctor who accepts Medicaid, they may still have to wait over half a year to get their initial appointment especially if they need to see a specialist. This could lead to higher costs because they end up going to the hospital for care and end up in a life-threatening situation.

Please support the doctors, health professionals, and medical organization that assist the most vulnerable including seniors... And pass SB 397, SD2. Thank you.

SB-397-SD-2

Submitted on: 3/20/2023 8:08:51 AM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Suma Metla	Individual	Support	Written Testimony Only

Comments:

To whom it may concern:

I'm writing to strongly advocate for increased CMS reimbursement for Medicaid providers.

My entire career has been dedicated to supporting infants and children in need as a pediatric physical therapist for Early Intervention and the Department of Education. Over my years, I noticed large number of infants and children not quality for EI/DOE services, and yet they did not have access to private physical therapy services. I felt that I needed to assist in bridging the healthcare gaps in Hawaii. In 2021, I took the leap to start my own pediatric physical therapy practice called Three Little Ducks. Creating opportunity and access to additional pediatric physical therapy services is the sole reason that I started my company.

As one of the FEW physical therapists accepting Medicaid in Hawaii, the current rates are beyond painful. I wholeheartedly believe that every child in need of physical therapy intervention should have access to care. However, it is financial strapping to make the conscious decision to be a CMS provider.

Currently, I provide in-home pediatric physical therapy services. With travel time accounted for, I oftentimes make \$15 an hour when I treat Medicaid patients. This is an hourly wage that is not acceptable or sustainable. To put it in perspective, I made \$17 per hour working in the retail store, Lululemon, 5 years ago. As someone with a doctorate degree, has served as a leader for pediatric physical therapists in Hawaii, and serves as a professor at the University of Hawaii-West Oahu, the current CMS rates does not reflect the quality and necessity of pediatric physical therapy services in our community.

Additionally, Hawaii has a high need for pediatric physical therapists in Hawaii. If CMS rates remain as they are, it will become increasingly difficult to retain quality therapists to serve the community.

If Hawaii aims to care for their community and children, I believe that healthcare providers should be adequately compensated. Please let me know if there are other ways that I can continue to advocate for CMS providers to earn a modest living while serving the Hawaii community.

Thank you,

Dr. Suma Metla

Pediatric physical therapist, owner of Three Little Ducks

SB-397-SD-2

Submitted on: 3/20/2023 9:17:10 AM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
David Sumikawa	Individual	Comments	Written Testimony Only

Comments:

Aloha, please include DENTAL reimbursements with this bill.

Medicaid dental reimbursements have not changed in decades. We will continue to lose willing participating providers unless rates are increased.

Thank you

SB-397-SD-2

Submitted on: 3/20/2023 12:19:56 PM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Julia Kuhn	Individual	Support	Written Testimony Only

Comments:

Medicaid rates for speech-language pathologists (SLPs) in Hawai'i need to be raised to ensure that individuals who require speech and language services have access to high-quality care.

SLPs play a critical role in helping people with communication disorders to improve their ability to speak, listen, read, and write. Medicaid is an essential source of coverage for many vulnerable populations, including keiki, kupuna, and individuals with disabilities, who may have limited financial resources to pay for speech therapy services out-of-pocket.

However, the current Medicaid reimbursement rates for SLPs are too low. This creates significant financial challenges for providers and limits access to care for patients. Hawai'i has a major shortage of SLPs. There is no incentive to start clinics when the Medicaid rates cannot even pay the rent and electricity to run the clinic.

Increasing Medicaid rates for SLPs would help to address these issues by providing fair compensation for SLPs and enabling them to offer more comprehensive services to Medicaid beneficiaries. This would ultimately lead to better outcomes for patients, increased access to care, and a more sustainable healthcare system for the state of Hawai'i.

Julia Kuhn, MS CCC-SLP

HI SP #1484

SB-397-SD-2

Submitted on: 3/20/2023 1:17:11 PM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Connie Conover	Individual	Support	Written Testimony Only

Comments:

I am writing in support of increasing Medicaid reimbursement to 100% of Medicare rates for providers. Hopefully this will increase the number of providers that are willing to accept our Quest families here in the islands

Connie Conover CNM

Certified Nurse Midwife

SB-397-SD-2

Submitted on: 3/20/2023 8:10:17 PM

Testimony for HUS on 3/21/2023 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Raydeen Busse MD	Individual	Support	Written Testimony Only

Comments:

I support SB397 SD2. Please pass this most important bill for the survival of practicing healthcare workers and for maintaining good medical care in Hawaii.

Mahalo,

Raydeen Busse, MD

ALISTAIR W BAIROS, MD, CWSP, FACCWS

General Surgery, Wound Care Specialist

PO Box 670
Kealahou, Hawaii 96750
20 March 2023

RE: **SB 397 SD2 - RELATING TO PROFESSIONAL MEDICAID SERVICES**

Aloha Representatives:

My name is Ali Bairos; I am a General Surgeon on the Kona coast of Hawai'i Island. After premed at UH Manoa, med school in Canada, surgery residency at UH and the Mainland, I came home, to practice in Kealahou, the only place I have ever practiced, 38 short years ago.

I am now an aging physician and, problem is, no one is coming to replace me, or my many aging colleagues. The reasons why have been well-documented, for years now, and are thoroughly detailed in the many presentations addressed to your committee.

I won't recite those many reasons for supporting SB 397 SD2 – they stand solidly by themselves. But I will tell a short story, a history, our history:

Time was when Hawai'i strove to be a leader in healthcare. The Prepaid Health Care Act of 1974 was truly historic – the first in the nation to set minimum standards of health care coverage for workers. Just 14 years a state, the youngest state, and Hawai'i-nee was leading the way. Others came to us for advice; we were riding the wave, owning the wave. And why, why did we do it? There were lots of reasons...but the bottom line was that it was pono – it was the right thing to do for our island community. It was a true example of government doing what it should do best - adding a bit of security to life's vagaries.

Fast forward – nobody's coming for advice now – in oh-so-many sad statistics we're circling the drain. And, as you've so often heard, particularly on the neighbor islands. Surgeons, by nature, are privy to life and death dramas, where mere seconds count, or you're counted out, so this is where I get brutally blunt: people are literally and truly dying, some right now, today, some in slow motion, on the neighbor islands because of the lack – in some cases, full absence – of access to needed care. It's meaningless to tout insurance coverage rates if they're no practitioners to see those covered.

Is it pono for a distressed teenager to languish in an ER for days awaiting access to life-altering mental health services – hopefully in time! Is it pono for auntie harboring a breast cancer for far too long because diagnostic & treatment services aren't accessible because the doc and nurses fled to the Mainland? Is it pono for an elderly lady desperately needing care to be offered an appointment 6 ½ weeks from now, because that's the best an overworked, short-staffed clinic can offer? This is an acute DEFCON 1 condition – it cannot be stated more plainly – the folks above are real, they are at risk of life and limb, disease and disability due to the withering practitioner workforce on Hawai'i Island.

That, Senators, is where the rubber – and SB 397 SD2– meets the road: access to care! That's where SD 397 SD2 translates into bettering the lives of our fellow citizens. Not a be-all nor an end-all, but one step, not so much taking down a barrier, but building a bridge towards where we want our healthcare to be - a true example of government doing what it can do - adding a bit of security to life's vagaries. Making things pono.

Please, for the love of your fellow citizens, support and pass SB 397 SD2.

Mahalo, nui loa,

Ali Bairos, MD, CWSP, FACCWS

