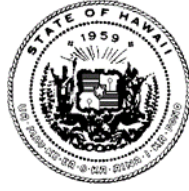


JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



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 22, 2023

TO: The Honorable Senator Joy A. San Buenaventura, Chair
Senate Committee on Health & Human Services

FROM: Cathy Betts, Director

SUBJECT: **SCR 132/ SR 152 - REQUESTING THE DEPARTMENT OF HUMAN SERVICES' MED-QUEST DIVISION TO TAKE STEPS NECESSARY TO ENSURE THAT ADEQUATE PROVIDER RATES ARE ESTABLISHED FOR APPLIED BEHAVIOR ANALYSIS SERVICES.**

Hearing: March 24, 2023, 1:02 p.m.
Conference Room 225 & Via Videoconference, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) offers comments.

PURPOSE: This resolution requests that DHS Med-QUEST Division (MQD) take steps necessary to ensure that adequate provider rates are established for applied behavioral analysis services (ABA); to assess current reimbursement rates for ABA; and to submit a report of its findings and recommendations on appropriate reimbursement rate increases, including any proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2024.

MQD can assess reimbursement rates for ABA services and submit a report on its findings to the Legislature no later than twenty days before the convening of the Regular Session of 2024. As background, when the Medicaid reimbursement rates were developed for ABA, MQD analyzed other payers of Tri-Care and available commercial rates and matched them. Currently, the primary utilized service code is differentiated by the provider level, e.g., Licensed and Board Certified Behavioral Analyst, Board Certified Assistant Behavioral Analyst,

or Registered Behavioral Technician. This ABA rate paid by MQD continues to be equivalent to Tri-Care for two of the three providers. Additionally, a brief review of several other states' Medicaid fee schedules for ABA showed that Hawaii rates tend to be higher than most and about the same as others. A more comprehensive analysis can be conducted as it is well understood that all health care providers face challenges, including those providing ABA services, particularly on the neighbor islands.

Thank you for the opportunity to provide comments on this measure.



Committee on Health and Human Services

Friday, March 24, 2023
1:02 p.m.
VIA VIDEOCONFERENCE
Conference Room 225
State Capitol
415 South Beretania Street

SUPPORT SCR 132/SR 152 RELATING TO THE DEPARTMENT OF HUMAN SERVICES

Chair San Buenaventura, Vice Chair Aquino, and members of the Committee:

On behalf of the Hawai'i Association for Behavior Analysis (HABA) we thank you for the opportunity to submit testimony in strong support of SCR 132/ SR 152 which requests the department of human services Med-QUEST division take steps necessary to ensure that adequate provider rates are established for applied behavior analysis services. Applied behavior analysis (ABA) is a medically necessary service provided for QUEST beneficiaries under the age of 21 with an autism diagnosis for intensive behavioral therapy (IBT), as mandated by section 1905(r) of the Social Security Act for Early and Periodic Screening, Diagnostic and Treatment (EPSDT). Autism is classified as a mental health condition, included in the Diagnostic and Statistical Manual of Mental Disorders, Fifth Edition (DSM-5) and ABA treatment is the leading behavioral health treatment to ameliorate symptoms associated with this diagnosis and focuses on improving independence and decreasing the level of supports and services needed over the lifetime.

Providers across the state have reported they are not able to meet the needs of QUEST members largely due to difficulty hiring and retaining providers given our high cost of living and the demand for increased wages. Reimbursement rates for QUEST services were set in 2015 and have not increased, creating a hardship for behavioral health providers. This has resulted in significant delays for beneficiaries to access services, as well as not being able to meet the full service needs for children and families in our state.

Below market reimbursement rates—the current reimbursement rate for Registered Behavior Technicians (RBTs) is below market rate in Hawaii. The American Medical Association (AMA) Current Procedural Terminology (CPT®) codes for ABA services are carrier priced, meaning the [Centers for Medicare & Medicaid Services \(CMS\) Medicare Physician Fee Schedule \(MPFS\)](#) does not currently set rates for our services. **This means that other measures that are focused on bringing Medicaid payments to 100% of Medicare (like SB397 SD2), would not include ABA services.** This has resulted in a lack of parity for these intensive behavioral health services in our state.

Other payors in the state, including the Department of Education (DOE) and Department of Health (DOH) Development Disabilities Division (DDD) pay higher rates for these services, with a difference of \$25 per hour for DOE neighbor islands and \$19.45 for DOH-DDD respectively.

Other states, with lower costs of living, have increased their reimbursement rates over the years while the QUEST reimbursement rates have remained the same. A sample of Medicaid state rates for RBTs is included in Table 1.

Funder	RBT rate per hour
Alaska Medicaid	\$76.08
Arizona Medicaid	\$81.48
Nevada Medicaid	\$52.04
Oregon Medicaid	\$55
Hawai'i Medicaid	\$50

Table 1. Medicaid rates in other states for comparison with links to state fee schedules.

Waitlist for services, limited provider network—QUEST beneficiaries are too often faced with a lack of access to services across the state, especially on neighbor islands. Providers report having to maintain waitlists, with families sometimes waiting for years to access their medically necessary behavioral health treatment. Research demonstrates that early intensive intervention and provision of services in line with the [professional standards of care](#) for treatment dosage produce the best gains for individuals and can decrease the costs of care over the lifetime.

Due to low reimbursement rates and the high cost of living here in the islands, there is a shortage of providers, creating provider network adequacy issues. An increase in reimbursement rates would allow providers to pay livable wages and create additional jobs to serve QUEST beneficiaries.

We urge you to pass these resolutions to address the urgent need for parity in payments for applied behavior analysis services for the Medicaid population. Thank you for the opportunity to submit this testimony.

Mahalo,



Kristen Koba-Burdt, BCBA, LBA
Legislative Chair
Hawai'i Association for Behavior Analysis

SCR-132

Submitted on: 3/22/2023 10:29:03 AM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Jason J Stauffer	Individual	Support	Remotely Via Zoom

Comments:

To the esteemed members and chair of the health and human services committee,

As a licensed provider of applied behavior analysis (ABA) services, I can personally attest to the challenges and negative impacts that insufficient provider rates have created for providers of these services as well as for families struggling to access timely, medically necessary care.

I can understand the reluctance and concerns one might have in raising the cost of providing these services. However, the long-term economic cost of not empowering individuals with Autism Spectrum Disorder to achieve their potential through receipt of medically necessary care far outstrip any short-term cost-saving considerations - not to mention the human cost of restricting the quality of life for these individuals. I strongly urge you to vote in support of SCR132 as a step in remediating these challenges and impacts.

Respectfully,

Jason Stauffer, MS, BCBA, LBA

SCR-132

Submitted on: 3/21/2023 6:27:00 PM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Louis Erteschik	Testifying for Hawaii Disability Rights Center	Support	Written Testimony Only

Comments:

In support.



Friday, March 24, 2023
1:02 p.m.
VIA VIDEOCONFERENCE
Conference Room 225
State Capitol
415 South Beretania Street

SUPPORT SCR 132/SR 152 RELATING TO THE DEPARTMENT OF HUMAN SERVICES

Chair San Buenaventura, Vice Chair Aquino, and members of the Committee:

Thank you for the opportunity to submit testimony in **support of SCR 132/ SR 152**. BAYADA is a not-for-profit health care company committed to serving our community. We provide services across the state, with behavioral health services for QUEST members on Oahu and Maui.

As a behavioral health service provider, we have struggled to meet the needs of children with autism on Med-QUEST due to the increased costs of operating a business without increased rates for our services. QUEST rates for the coverage of intensive behavioral therapy (IBT) for treatment of children under 21 years of age with autism spectrum disorder (ASD), also referred to as applied behavior analysis (ABA), were set in 2015 and have not increased, despite the increased costs of living and increased costs for employers over the last 8 years. Wages have gone up nearly 30% since 2015 in Hawai'i, forcing businesses to shoulder the cost without proportionate rate increases, making it harder to attract candidates and businesses to the field of supporting individuals with autism and their families.

- **Rate differences**—There is a significant disparity in reimbursement between Med-QUEST and other departments within the state who pay a higher rate for Registered Behavior Technicians (RBT), who are an integral part of providing applied behavior analysis (ABA) services. In the table below, publicly available rates in the state are included for comparison. Additionally, these other funding sources allow for more service activities to be billed in comparison to QUEST, resulting in even lower reimbursement.

Funder	RBT rate per hour
TRICARE Hawai'i	\$65.56
DOH-DD Waiver	\$69.48
DOE for neighbor islands	\$75
MedQUEST	\$50

Table 1. Publicly available rates for the same service in Hawai'i.

- **Difficulty hiring and retaining providers**—as an organization, we have struggled to hire and retain providers to meet the needs of QUEST members and other clients in need of services. Often during the recruitment process, providers are asking for wages we are not able to provide due to the current reimbursement rates. We're receiving more applications than ever, and offering more conditional offers, however we're seeing lower position acceptance or transition to hired.



- **Staffing differences:** for comparison, at our Maui location we have been able to hire double the amount of RBTs in the last year to work in the DOE (which has a higher reimbursement rate) than we have been able to hire for our QUEST and insurance-funded services.
- **Waitlist to access services**—currently we must maintain a waitlist for clients to access services because there is more demand than we are able to meet with our current providers. At our Oahu location, 40% of those on our waitlist are QUEST members. At our Maui location, 66% are QUEST members. We closed our Big Island and Kauai insurance-based services, despite ongoing community need, due to losses based on unsustainable rates in 2018. These waitlists are only representative of our organization and are similar across providers.
- **Access to care** — behavioral health services provided during critical early years can decrease the overall costs to the state by preventing children and families needing to remain reliant on state resources for care as they grow. Current waitlists and provider adequacy limitations, prevent access to access to behavioral healthcare that allows children to build needed skills and decrease symptoms that reduce the need for supports from DOE, DHS, and DOH-DDD as they age.
- **Career and Workforce Development**—with improved funding in behavioral health organizations such as ours, providers can increase access to jobs for our local community with livable wages in healthcare careers supporting QUEST members here in Hawai'i. With adequately funded and competitive reimbursement rates we believe we can improve member access to much needed services not only on Maui and Oahu, but to Big Island and Kauai as well.

We respectfully request the Committee pass this resolution in support of increasing rates for what we believe are under-covered behavioral health services.

Thank you,

Josliene Miller
BAYADA Behavioral Health

Written Testimony

Senate Committee on Human Services

Friday, March 24, 2023 / 1:02 pm
Conference Room 225, Hawai'i State Capitol

By

Christine K. Walton, PhD, BCBA-D, LBA
President, Behavior Analysis No Ka Oi, Inc.

SCR132/SR152– REQUESTING THE DEPARTMENT OF HUMAN SERVICES' MED-QUEST DIVISION TO TAKE STEPS NECESSARY TO ENSURE THAT ADEQUATE PROVIDER RATES ARE ESTABLISHED FOR APPLIED BEHAVIOR ANALYSIS SERVICES.

Chair San Buenaventura, Vice Chair Aquino and members of the committee

Thank you for the opportunity to submit testimony in **support of** SCR132/SR152 which appropriates funding for Med-Quest division for non-covered or under-covered behavioral health services for med-Quest beneficiaries.

I am the President of Behavior Analysis No Ka Oi, Inc., a Kaka'ako-based clinic that has been serving people with autism for over 15 years. At our clinic, we provide applied behavior analysis (ABA), which is a medically necessary, empirically validated treatment approach for children diagnosed with autism and other related disorders. Since the passing of Luke's Law in 2015, which requires health insurance coverage for the diagnosis and treatment of autism, there has been no change to the Medicaid fee schedule for ABA.

The operational costs of running a clinic have increased significantly since 2015. Specifically, costs related to rent, health insurance for employees, the IRS standard mileage reimbursement rate for employees who commute to the families' homes or other community sites, have all increased.

As a direct result of no increases to the Medicaid fee schedule for ABA, we have been struggling with hiring. Interviewees request competitive wages, comparable to school-based services which reimburse at a higher rate. We not only struggle with recruiting the best providers, but also in retaining our most qualified providers, where several have relocated to the mainland where the cost of living is lower and fee schedules are higher. We are simply not able to serve clients due to the challenges of recruiting and retaining providers, resulting in a current wait list for services of approximately 3 years. While the passage of Luke's Law was a monumental advancement in securing services for the people of Hawai'i, it is not

impactful if those it was meant to ensure services for cannot find providers.

In conclusion, in order to provide medically necessary services, funding for Med-Quest division for non-covered or under-covered behavioral health services for Med-Quest beneficiaries must be increased.

March 23, 2023

March 23, 2023

Re: SCR132

I write to you today on behalf of The Council of Autism Service Providers (CASP) in support of HCR203/HR207 .CASP is a non-profit association of organizations committed to providing evidence-based care to individuals with autism. CASP represents the autism provider community to the nation at large, including government, payers, and the general public. We provide information and education and promote standards that enhance quality of care.

Of particular interest to our members is the coverage of evidence-based care in both private health insurance plans as well as through Medicaid.

The State of Hawaii took an important step in 2015, when it passed legislation requiring coverage of medically necessary care for ASD. Since then, individuals diagnosed with ASD have had access to meaningful interventions, reducing their need for special education services, improving their quality of life, and opening doors for further education and employment.

This coverage includes children under the age of 21 who are enrolled in MedQUEST, assuring access to medically necessary care pursuant to Medicaid's Early Periodic, Screening, Diagnostic and Treatment (EPSDT) mandate and CMS' Informational Bulletin on Clarification of Medicaid Coverage of Services to Children with Autism.¹ EPSDT requires that these services be provided **without delay**. The previously referenced CMS bulletin² states:

¹ Center for Medicaid and CHIP Services. Informationa Bulletin, Clarification of Medicaid Coverage of Services to Children with Autism, July 7, 2014 (hereinafter "CMS Informational Bulletin"), available at <http://www.medicaid.gov/Federal-Policy-Guidance/Downloads/CIB-07-07-14.pdf>.

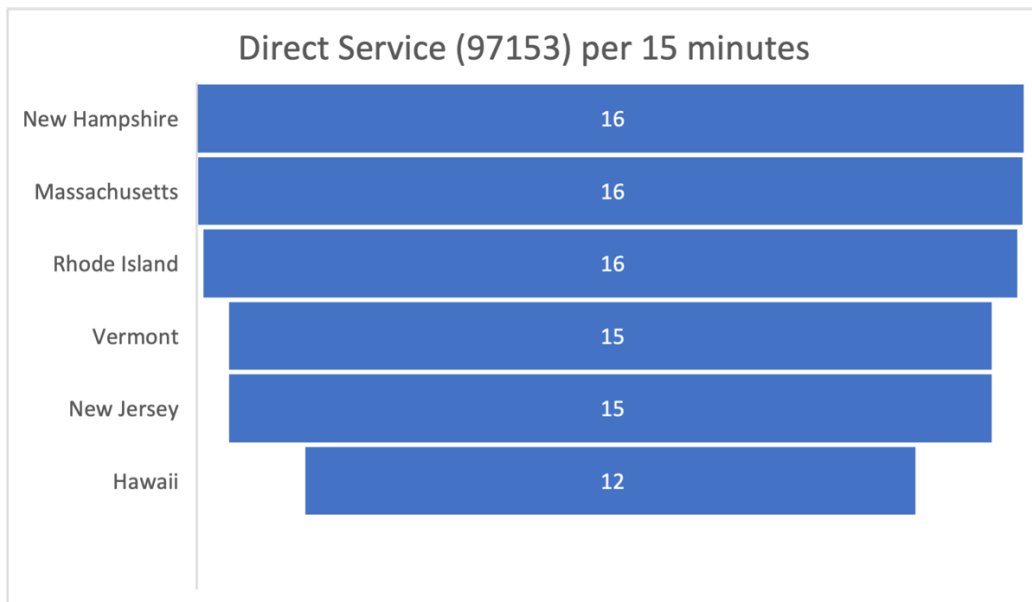
² Ibid.

*EPSDT also requires medically necessary diagnostic and treatment services. When a screening examination indicates the need for further evaluation of a child's health, the child should be appropriately referred for diagnosis and treatment **without delay**. Ultimately, the goal of EPSDT is to assure that children get the health care they need, when they need it – the right care to the right child at the right time in the right setting.*

***The role of states is to make sure all covered services are available** as well as to assure that families of enrolled children, including children with ASD, are aware of and have access to a broad range of services to meet the individual child's needs.*

Ensuring an adequate network is established by offering appropriate rates is critical. The existing MedQUEST rates have not been adjusted since 2015, even though the cost of providing these services has skyrocketed. This has caused our member organizations to maintain wait lists for children who are in dire need of services and is in direct contradiction to the requirements of EPSDT.

Additionally, as indicated below, other states with similar costs of living have rates that are more in line with economic forces:



According to the most recent estimates from the Centers for Disease Control, 1 in every 44 children is diagnosed with autism spectrum disorder. This means that 2% of Hawaii's children who are on Medicaid have an autism spectrum disorder and to date,

many are unable to access the most basic, evidence-based treatments for their diagnosis. Because of this, we respectfully request that you pass SCR132, which ensures that necessary steps are taken to establish adequate rates for autism service providers.

Thank you for your work in the past and moving forward to ensure that Hawaii's autistic children who are enrolled in Medicaid have access to life-changing, evidence-based care.

Respectfully,

A handwritten signature in blue ink that reads "Judith Ursitti". The signature is written in a cursive, flowing style.

Judith Ursitti
Vice President of Government Affairs

SCR-132

Submitted on: 3/22/2023 2:05:01 PM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Eliza Lipp	Individual	Support	Written Testimony Only

Comments:

Bill rates have been the same since 2015 despite the rising costs of living in Hawaii. Numerous other states have increased their ABA rates for Medicaid but unfortunately Hawaii has not. Without an increase in rates, providers will continue to struggle to hire and retain providers and as a result our community members will be left without medically necessary services due to an increase shortage of providers.

SCR-132

Submitted on: 3/22/2023 1:22:08 PM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Erin Walters	Individual	Support	Written Testimony Only

Comments:

rates have been the same since 2015 despite the increased costs of living in Hawai'i, numerous other states have increased their ABA rates for Medicaid but unfortunately HI has not, we struggle to hire and retain providers at the current rates

SCR-132

Submitted on: 3/22/2023 12:14:22 PM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Carla T Schmidt	Individual	Support	Written Testimony Only

Comments:

I support this measure!

SCR-132

Submitted on: 3/22/2023 2:05:21 PM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Leslie Allison Schurtz	Individual	Comments	Written Testimony Only

Comments:

Rates need to increase as other funding agencies have increased their rates and it is making it difficult to retain quality staff to work with the learners we have now and on those on the waitlist when other funders are paying so much more. The cost of living has also increase significantly.

SCR-132

Submitted on: 3/22/2023 4:36:26 PM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Josliene Miller	Individual	Support	Written Testimony Only

Comments:

Rates have been the same since 2015 despite the increased costs of living in Hawai‘i, numerous other states have increased their ABA rates for Medicaid but unfortunately HI has not, we struggle to hire and retain providers at the current rates. This is detrimental to being able to provide necessary services.

SCR-132

Submitted on: 3/22/2023 8:55:53 PM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Kehaulani Dickerson	Individual	Support	Written Testimony Only

Comments:

I support this measure

SCR-132

Submitted on: 3/22/2023 12:10:02 PM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Rachel Miller	Individual	Support	Written Testimony Only

Comments:

I support this measure.

SCR-132

Submitted on: 3/21/2023 9:58:21 PM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Naomi Tachera	Individual	Support	Written Testimony Only

Comments:

Aloha,

I am writing to express my strong support for the bill requesting the Department of Human Services' Med-QUEST Division to take steps necessary to ensure that adequate provider rates are established for applied behavior analysis (ABA) services.

Mahalo,

Naomi Tachera

SCR-132

Submitted on: 3/22/2023 4:00:57 PM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Leilani Artaho	Individual	Support	Written Testimony Only

Comments:

I support this measure because rates have been the same since 2015 despite the increased costs of living in Hawai'i, numerous other states have increased their ABA rates for Medicaid but unfortunately HI has not, we struggle to hire and retain providers at the current rates.

SCR-132

Submitted on: 3/22/2023 7:04:23 PM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Deborah Krekel	Individual	Support	Written Testimony Only

Comments:

I support this measure because rates have been the same since 2015 despite the increased costs of living in Hawai‘i. In addition numerous other states have increased their ABA rates for Medicaid but unfortunately HI has not. Furthermore, agencies that deliver ABA medically necessary treatment struggle to hire and retain providers at the current rates.

SCR-132

Submitted on: 3/23/2023 7:46:22 AM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Kathleen Penland	Individual	Support	Written Testimony Only

Comments:

I support this measure,

SCR-132

Submitted on: 3/22/2023 12:06:38 PM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Dallas Star	Individual	Support	Written Testimony Only

Comments:

I am submitting in support of SCR119 , Medicaid Rates for ABA services have not increased in 9 years since their inception in 2015. Throughout COVID and inflation Med-Quest, DHS, and other healthcare, LTSS, and HCBS services have been able to obtain and sustain rate increases to maintain their workforce supporting our most vulnerable populations. Hawai‘i is already an underserved population with a high cost of living, without rate increases in our Medquest our families reliant on these services will fall even further behind.

SCR-132

Submitted on: 3/23/2023 9:55:40 AM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Tyasia Williams	Individual	Support	Written Testimony Only

Comments:

I support this measure

SCR-132

Submitted on: 3/23/2023 10:05:51 AM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Chelsea Gornichec	Individual	Support	Written Testimony Only

Comments:

I support this measure!

SCR-132

Submitted on: 3/23/2023 8:36:50 AM

Testimony for HHS on 3/24/2023 1:02:00 PM

Submitted By	Organization	Testifier Position	Testify
Pamela Wood	Individual	Support	Written Testimony Only

Comments:

rates have been the same since 2015 despite the increased costs of living in Hawai'i, numerous other states have increased their ABA rates for Medicaid but unfortunately HI has not, we struggle to hire and retain providers at the current rates