



**STATE HEALTH PLANNING  
AND DEVELOPMENT AGENCY**  
DEPARTMENT OF HEALTH - KA 'OIHANA OLAKINO

**JOSH GREEN, M.D.**  
GOVERNOR OF HAWAII  
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII

**KENNETH S. FINK, MD, MGA, MPH**  
DIRECTOR OF HEALTH  
KA LUNA HO'ŌKELE

**John C. (Jack) Lewin, M.D.**  
ADMINISTRATOR

1177 Alakea St., #402, Honolulu, HI 96813 Phone: 587-0788 Fax: 587-0783 www.shpda.org

**House Committee on Finance  
Chair Kyle Yamashita,  
Vice Chair, Lisa Kitagawa  
and Honorable Members**

**S.B. 2285 SD2 HD1 Relating to the State Health Planning and Development Agency**

**Testimony of John C. (Jack) Lewin, M.D.  
SHPDA Administrator**

**Tuesday, April 2, 2024  
4:00 p.m.**

1 **Agency's Position: SUPPORT**

2 **Fiscal Implications:** See pages 3 – 5.

3 **Purpose and Justification:** The purpose of SB 2285, SD 2, HD 1, is to modernize SHPDA  
4 through amendments to HRS Section 323 D-2 to become Hawai'i's health care oversight  
5 agency to monitor and assure universal access to high-quality, equitable, and affordable health  
6 and long-term care services for all of Hawai'i's citizens. Hawai'i currently largely lacks but  
7 requires this oversight capability.

8 SHPDA will produce and publish reports on population health status and health  
9 outcomes where such information is not available and then collaborate with the health sector --  
10 physicians, nurses, other clinicians, hospitals, insurers, consumers, and government agencies  
11 – to identify gaps in care and outcomes and to work together to improve Hawaii's health and  
12 long care services and results.

1 SHPDA staff and consultants will require actuarial science, data analytics, advanced  
2 statistics and comprehensive health planning expertise to collaborate with the health sector to  
3 achieve the Governor’s “Hawai’i the Health State” vision, and to be the first state to make  
4 universal access to quality care a reality.

5 To accomplish the goals of SB 2285, SD 2, HD 1, SHPDA must have the ability to  
6 acquire, analyze, and share broadly with the health sector comprehensive, accurate, and  
7 current data on the status of health and long-term care services in Hawai’i, including the social  
8 determinants of health and mental and behavioral health.

9 Under SHPDA’s statutory authority, the Legislature has required that all insurers provide  
10 their insurance claims data covering the Employee-Union Health Benefits Trust Fund (EUTF)  
11 beneficiaries and retirees, and also all Medicaid and Medicare beneficiaries in the state to be  
12 collected in the All-Payer Claims Database (APCD). We currently have the de-identified and  
13 privacy-assured claims data for over 1 million citizens available in the APCD, which Med-  
14 QUEST and the University of Hawai’i (UH) manage for SHPDA. The APCD should fully be  
15 operational within 2 years, and when all Medicare patients are included, it will contain about  
16 1.2 million people. We will work over the next few years to seek voluntary means of including  
17 also the missing data for about 250,000 commercially insured citizens not covered by the  
18 mandate. We will use this critically important data to systematically improve primary care and  
19 specialty access; focus on prevention; assure equitable outreach to underserved,  
20 disadvantaged, and rural populations; reduce workforce deficiencies; and identify gaps in care.

21 SHPDA will also work collaboratively with the Hawai’i Health Information Exchange  
22 (HHIE) and the Healthcare Association of Hawai’i (HAH) which collect clinical data for most  
23 citizens. Clinical data is necessary to improve quality of care, outcomes, and cost-  
24 effectiveness for health and long-term care services in the years ahead. We will also work with

1 the UH, HAH, and others to produce a comprehensive workforce report and to suggest means  
2 to recruit and retain the necessary workforce here.

3 The DOH, DHS, SHPDA, the Insurance Commissioner, and other state agencies with  
4 health-related functions have conferred together over 2023 about the need for better health  
5 care (and long-term care) planning and oversight functions in Hawai'i state government to  
6 monitor access, equity, quality of care, health outcomes, and cost-effectiveness. It was felt  
7 that SHPDA, which provides no health or long-term care services itself, can become an  
8 unconflicted and effective source of these oversight responsibilities if staffed to do so.

9 We believe the modern definition of health care in Section 1 of this bill is an important  
10 improvement in HRS Section 323-D-2, in particular by adding "and long-term" between the  
11 words "health" and "care" to read "health and long-term care." throughout Section 323 D-2.

12 The House Committee on Health and Homelessness combined a separate SHPDA  
13 proposed bill SB 3129, creating the short-term Hui Ho'omana Task Force, into this SB 2285  
14 SD2 HD1 bill. We agree with that given the parallel purposes of the original two separate  
15 measures.

16 The Hui Ho'omana Task Force will be comprised of a broad representation of the key  
17 stakeholders in health and long-term care, including the key government agencies, to work  
18 between now and 2026 to envision the best future of health and long-term care for Hawai'i. It  
19 will issue its final report to the Legislature in 2026 before dissolving. It has no fiscal  
20 implications.

21 Regarding staffing and funding to implement the SB 2285 SD2 HD1 mission, we have  
22 been conferring during this session with other states with similar health oversight agencies and  
23 with our Department of Health regarding SHPDA staffing and consulting needs, and we now  
24 believe SB 2285, SD 2, Section 4, best reflects the necessary funding and staffing, and is less

1 costly than the original staffing proposal, which remains here in SB 2285 SD2 HD1. The SD2  
2 appropriation wording is contained in the following paragraph from lines 3 to 22:

3           Section 4: There is appropriated out of the general revenues of the State of Hawaii the  
4 sum of \$1,933,435 or so much thereof as may be necessary for fiscal year 2024-2025 for  
5 administrative costs for SHPDA essential modernization; to update the SHPDA Health  
6 Services and Facilities Plan; to contract for technical, actuarial, and data analytics expertise to  
7 monitor and assure universal access to high-quality, equitable, and affordable health and long-  
8 term care services for all of Hawai'i's citizens; for recurring expenses for SHPDA expansion;  
9 and to establish the following new positions within the state health planning and development  
10 agency:

- 11           (1) One full-time equivalent (1.0 FTE) administrative specialist IV position;
- 12           (2) One full-time (1.0 FTE) research statistician VI position, who shall serve as a  
13           state healthcare informaticist;
- 14           (3) Two full-time equivalent (2.0 FTE) research statistician V positions who shall  
15           serve as administrative data specialists;
- 16           (4) Two full-time equivalent (2.0 FTE) program specialist V positions, who shall  
17           serve as state health planners;
- 18           (5) One full-time equivalent (1.0 FTE) Administrative Officer VI position, who shall  
19           serve as the contracts management, procurement, and human resources officer  
20           of the agency.

21           The sum appropriated shall be expended by the department of health for the purposes  
22 of this Act.

23           Finally, we need to increase the previously budgeted SHPDA Administrator salary to the  
24 actual salary negotiated by the Governor for the Administrator position by \$67,338. This

1 request was in the Governor's and the DOH budget but remained as a \$1 placeholder in HB  
2 1800 HD1. Without correcting this SHPDA cannot fill its vacant and essential Health Planner  
3 position. We ask that this amount to added to this appropriation if possible.

4 Finally, we are truly very excited about the opportunity this proposed legislation  
5 represents to foster a more efficient and effective health and long-term care future for Hawai'i.

6 Mahalo nui loa for the opportunity to testify.



**STATE OF HAWAII**  
STATE COUNCIL  
ON DEVELOPMENTAL DISABILITIES  
1010 RICHARDS STREET, Room 122  
HONOLULU, HAWAII 96813  
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543  
April 02, 2024

The Honorable Representative Kyle T. Yamashita, Chair  
House Committee on Finance  
The Thirty-Second Legislature  
State Capitol  
State of Hawai'i  
Honolulu, Hawai'i 96813

Dear Representative Yamashita and Committee Members:

**SUBJECT: SB2285 SD2 HD2 RELATING TO THE STATE HEALTH PLANNING AND DEVELOPMENT AGENCY.**

The Hawai'i State Council on Developmental Disabilities **supports SB2285 SD2 HD2**, which amends the functions and duties of the State Health Planning and Development Agency. Clarifies the definition of "health care". Establishes a task force known as the Hui Hoomana. Establishes positions. Appropriates funds.

The purpose of the State Health Planning & Development Agency (SHPDA) is to "promote accessibility for all the people of the State to quality health care services at reasonable cost." We support legislation to upgrade SHPDA's healthcare oversight capability.

We defer to SHPDA for comments and recommendations.

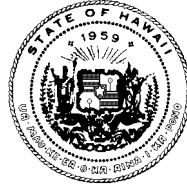
Thank you for the opportunity to submit testimony in **support of SB2285 SD2 HD1**.

Sincerely,

Daintry Bartoldus

Executive Administrator

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

TRISTA SPEER  
DEPUTY DIRECTOR  
KA HOPE LUNA HO'OKELE

March 31, 2024

TO: The Honorable Representative, Kyle T. Yamashita, Chair  
House Committee on Finance

FROM: Cathy Betts, Director

SUBJECT: [SB2285 SD2 HD2](#)- RELATING TO THE STATE HEALTH PLANNING AND  
DEVELOPMENT AGENCY.

Hearing: April 2, 2024, 4:00 PM  
Conference Room 308 & Via Videoconference, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the bill and defers to the Department of Health and the State Health Planning and Development Agency (SHPDA) on implementation and resource needs. DHS respectfully requests that any appropriation not reduce or replace budget priorities identified in the executive budget.

**PURPOSE:** This bill amends the functions and duties of the State Health Planning and Development Agency (SHPDA). Clarifies the definition of "health care." Establishes a task force known as the Hui Ho'omana. Establishes positions. Appropriates moneys. Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025. Effective 12/31/2050. (HD1)

The Committee on Health and Human Services (SD1) amended this measure by:

- (1) Clarifying the definition of "health care" to include oral health, behavioral health, and long-term care;
  - (2) Inserting an effective date of December 31, 2050, to encourage further discussion;
- and

- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

The Committee on Ways and Means (SD2) amended the measure by making technical nonsubstantive changes for purposes of clarity, consistency, and style.

The Committee on Health and Homelessness (HD1) amended the measure by:

- (1) Requiring the State Health Planning and Development Agency to coordinate activities that affect health care costs, as well as access and quality and deleting the requirement that the State Health Planning and Development Agency provide leadership or resources for the coordination of these activities;
- (2) Deleting language requiring the State Health Planning and Development Agency to develop an annual state global budget;
- (3) Requiring the State Health Planning and Development Agency to submit the State Health Services, Workforce, and Facilities Plan no later than twenty days prior to the convening of the Regular Session of 2026 and the updated plan every four years thereafter;
- (4) Amending the permitted contents of the State Health Planning and Development Agency's reports;
- (5) Establishing a task force known as the Hui Ho'omana to assist in the development of the State Health Services, Workforce, and Facilities Plan and to make recommendations to achieve universal access and equity to quality health care at an affordable cost for the State's residents and requiring the Hui Ho'omana to submit reports to the Legislature;
- (6) Changing the effective date to July 1, 3000, to encourage further discussion; and
- (7) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

The Committee on Consumer Protection and Commerce (HD2) amended the measure by:

- (1) Deleting the requirement that the representatives from the Statewide Health Coordinating Council on the Hui Ho'omana be confirmed by the Senate; and
- (2) Making technical, nonsubstantive amendments for the purposes of clarity, consistency, and style.

DHS appreciates the Legislature's continued investment in and attention to improving the affordability and quality of health care. SHPDA's efforts at a statewide level will complement and augment efforts by DHS to improve access, cost, and quality of care for Medicaid beneficiaries. The opportunity for a thoughtful approach to health care access, costs, and quality, including health insurance coverage rates, health insurance benefits, affordability,



workforce health, reimbursements, quality, administrative simplification, workforce development, and health information technology, will help Hawaii's residents, payers, and providers to accomplish our goals of affordable and equitable health care.

Additionally, DHS will gladly participate as a member of the Hui Ho'omana Task Force, which would assist in developing the State Health Services, Workforce, and Facilities Plan SHPDA produces and make recommendations to achieve universal access and equity to quality health care at an affordable cost for the State's residents. The task force would sunset on July 1, 2026.

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



# 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 Finance  
Tuesday, April 2, 2024 at 4:00 p.m.

By

Lee Buenconsejo-Lum, Interim Dean  
John A. Burns School of Medicine

And

Clementina Ceria-Ulep, Dean  
Nancy Atmospera-Walch School of Nursing

And

Michael Bruno, Provost  
University of Hawai'i at Mānoa

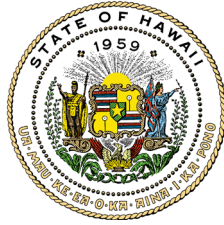
#### SB 2285 SD2 HD2 – RELATING TO THE STATE HEALTH PLANNING AND DEVELOPMENT AGENCY

Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

Thank you for the opportunity to testify in **support of Part II** of SB 2285 SD2 HD2. As amended, Part II of the measure includes language from SB 3129 establishing the Hui Ho'omana task force to develop a comprehensive plan to provide universal access to equitable and affordable high-quality healthcare for state residents. The purpose of the task force would be to make recommendations to achieve universal access and equity to quality healthcare at an affordable cost for our residents. We take no position on Parts I and III which concern the functions and duties of the State Health Planning and Development Agency.

The COVID-19 pandemic highlighted and made worse preexisting challenges for some populations to achieve good health, in part due to inconsistent access to healthcare. Disparities in infection rates, hospitalizations and death were noted throughout Hawai'i and experienced by certain ethnicities more than others. Despite many efforts guided by community leaders to help with outreach and education, many health disparities continue today. Increasing healthcare insurance costs, low reimbursement rates to providers, healthcare workforce shortages combined with growing unaffordability for families and businesses are among the myriad reasons for poor access to care. Despite many efforts and partnerships among those in the health care sector and community leaders, coordinated efforts are needed to provide seamless access to care for all of Hawai'i's people, across community-based settings to clinics to inpatient, long-term, and home-based care settings.

The Hui Ho'omana task force would be an effective mechanism to outline processes and procedures that would move the state in the direction of achieving universal access to equitable and affordable high-quality healthcare. The John A. Burns School of Medicine and the Nancy Atmospera-Walch School of Nursing appreciate and welcome the opportunity to participate in the task force. Thank you for the opportunity to provide testimony on this matter.



**JOSH GREEN, M.D.**  
GOVERNOR OF HAWAII  
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII

**KENNETH FINK, MD, MGA, MPH**  
DIRECTOR OF HEALTH  
KA LUNA HO'OKELE

**STATE OF HAWAII  
DEPARTMENT OF HEALTH  
KA 'OIHANA OLAKINO  
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**CAROLINE CADIRAO**  
DIRECTOR  
Executive Office on Aging

Telephone  
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**Testimony in SUPPORT of SB2285 SD2 HD2  
RELATING TO THE STATE HEALTH PLANNING AND DEVELOPMENT AGENCY**

COMMITTEE ON FINANCE  
REP. KYLE T. YAMASHITA, CHAIR  
REP. LISA KITAGAWA, VICE CHAIR

Testimony of Caroline Cadirao  
Director, Executive Office on Aging  
Attached Agency to the Department of Health

Hearing: Tuesday, April 2, 2024, 4:00 P.M., Conference Room 308

- 1 **EOA Position:** The Executive Office on Aging (EOA), an attached agency to the Department of
- 2 Health (DOH) supports SB2285 SD2 HD2, provided that its enactment does not reduce or
- 3 replace priorities within the Administration's executive budget.
- 4 **Fiscal Implications:** Appropriates funds for administrative costs and to establish staff positions.
- 5 Exceeds the general fund expenditure ceiling.
- 6 **Purpose and Justification:** The purpose of this bill is to
- 7 a) Clarify the definition of "healthcare" for the purposes of healthcare planning and
- 8 development;

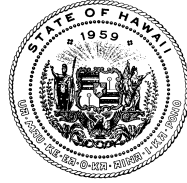
- 1        b) Amend HRS Section 323 D-2 to update the planning and functions of the State Health
- 2            Planning and Development Agency (SHPDA);
- 3        c) Establish the Hui Ho‘omana Task Force within SHPDA; and
- 4        d) Appropriate funds for administrative costs and to establish staff positions.

5        This bill would increase SHPDA’s oversight capability to ensure quality health and long-term  
6        care is accessible and affordable for all Hawai‘i residents.

7        **Recommendation:** EOA supports this measure and defers to SHPDA for any amendments.

8        Thank you for the opportunity to testify.

JOSH GREEN, M.D.  
GOVERNOR OF HAWAII  
KE KIA'AINA O KA MOKU'AINA 'O HAWAII



KENNETH S. FINK, M.D., M.G.A., M.P.H.  
DIRECTOR OF HEALTH  
KA LUNA HO'OKELE

STATE OF HAWAII  
DEPARTMENT OF HEALTH  
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**Testimony in SUPPORT of SB2285 SD2 HD2**  
RELATING TO THE STATE HEALTH PLANNING AND DEVELOPMENT AGENCY.

REP. KYLE T. YAMASHITA, CHAIR  
HOUSE COMMITTEE ON FINANCE

Hearing Date: April 2, 2024

Room Number: 308

1 **Fiscal Implications:** \$1.9M general fund appropriation plus an additional \$67,338 general fund  
2 appropriation to meet current operational deficit.

3 **Department Testimony:** The Department of Health (DOH) supports SB2285 SD2 HD2, which  
4 seeks to reassert State leadership in Hawaii's health policy conversation.

5 This is primarily accomplished by providing the State Health Planning and Development Agency  
6 (SHPDA) with the resources to carryout their statutory responsibilities to the fullest, as well as  
7 authorize a blue-ribbon task force to make recommendations to achieve universal access and  
8 equity to quality health care at an affordable cost.

9 The last artifact of cross-sector health planning was published in 1989, coincidentally when  
10 SHPDA Administrator Dr. Jack Lewin was the Director of Health, in the form of the State  
11 Health Functional Plan. In the intervening 35 years, all facets of health care have transformed  
12 except the State's ability to organize stakeholders in pursuit of a more cogent long-term health  
13 care strategy, which is what this measure attempts to remedy.

14 DOH also supports an additional appropriation of \$67,338 in general funds to reconcile a budget  
15 deficit related to salary expenses.

16 Thank you for the opportunity to testify.

17



**Testimony to the House Committee on Finance  
Tuesday, April 2, 2024; 4:00 p.m.  
State Capitol, Conference Room 308  
Via Videoconference**

**RE: SENATE BILL NO. 2285, SENATE DRAFT 2, HOUSE DRAFT 2, RELATING TO THE STATE HEALTH PLANNING AND DEVELOPMENT AGENCY.**

Chair Yamashita, Vice Chair Kitagawa, and Members of the Joint Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** Senate Bill No. 2285, House Draft 2, RELATING TO THE STATE PLANNING AND DEVELOPMENT AGENCY.

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

This bill, as received by your Committee, would:

- (1) Update the functions and duties of the State Health Planning and Development Agency (SHPDA), establish full time equivalent positions with SHPDA; and appropriate an unspecified amount of general funds for fiscal year 2024-2025; and
- (2) Require SHPDA to establish the Hui Hoomana to make recommendations to achieve universal access and equity to quality health care at an affordable cost for state residents.

This bill would also take effect on July 1, 3000, to facilitate continued discussion.

**Testimony on Senate Bill No. 2285, House Draft 2**  
**Tuesday, April 2, 2024; 4:00 p.m.**  
**Page 2**

Regarding portions of the bill that would update SHPDA's functions and duties, Chapter 323D, Hawaii Revised Statutes (HRS), the Health Planning and Resources Development and Health Care Cost Control Law, was enacted to promote accessibility for all the people of the State to quality health care services at reasonable costs. [See, Section 323D-1, HRS.] Among other things, this law establishes the State Health Planning and Development Agency [See, Section 323D-11, HRS.], Subarea Health Planning Councils [See, Chapter 323D, Part III, HRS.], and a certificate of need process that is intended to ensure that any new facility or expansion of an existing facility be evaluated on its probable impact on health care costs. [See, Section 323D-44, HRS.]

This law makes explicit that:

*". . . No person, public or private, nonprofit or for profit, shall:*

- (1) Construct, expand, alter, convert, develop, initiate, or modify a health care facility or health care services in the State that requires a total capital expenditure in excess of the expenditure minimum;*
- (2) Substantially modify or increase the scope or type of health service rendered; or*
- (3) Increase, decrease, or change the class of usage of the bed complement of a health care facility or relocate beds from one physical facility or site to another;*

*unless a certificate of need therefor has first been issued by the state agency." [See, Section 323D-43, HRS.]*

The HPCA asserts that Chapter 323D, HRS, is essential public policy because it requires the State to evaluate the need for health care within an area based on the financial impact to residents and communities. To the extent that this bill reaffirms this important public policy and clarifies the roles and responsibilities of SHPDA to fulfill this purpose, the HPCA wholeheartedly supports this measure.

Regarding portions of the bill related to the Hui Hoomana, the HPCA acknowledges that this proposal has been part of the Department of Health's package of legislation from inception and been reviewed and deliberated upon by the Legislature (See, House Bill No. 2728 and Senate Bill No. 3129). The HPCA has been in strong support of the Hui Hoomana initiative and desire this portion of the bill to be enacted. However, we note that questions have arisen concerning the extent to which a bill may be amended beyond the scope of the bill as it was first introduced. (See, Taomae v. Lingle, 108 Haw 245 (2005))

**Testimony on Senate Bill No. 2285, House Draft 2**  
**Tuesday, April 2, 2024; 4:00 p.m.**  
**Page 3**

The HPCA believes that to address a possible challenge based on the Taomae decision, a statement in the Committee Report could show the Legislature's acknowledgment that language pertaining to the Hui Hoomana initiative had received all necessary previous readings by both the House and Senate, as demonstrated by the legislative histories of House Bill No. 2728 and Senate Bill No. 3129, and that this language is in keeping with the scope of Senate Bill No. 2286, and the Administration's legislative package. Hopefully, this showing of legislative intent will dissuade any potential challenge moving forward on this proposal.

With that, the HPCA urges your favorable consideration of this measure.

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





**Tuesday, April 2, 2024 at 4:00 pm**  
**Conference Room 308**

**House Committee on Finance**

To: Chair Kyle T. Yamashita  
Vice Chair Lisa Kitagawa

From: Paige Heckathorn Choy  
Associate Vice President, Government Affairs  
Healthcare Association of Hawaii

Re: **Submitting Comments**  
**SB 2285 SD 2 HD 2, Relating to the State Health Planning and Development Agency**

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 healthcare 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 **comments** on this measure, which seeks to modify certain functions of the State Health Planning and Development Agency (SHPDA) and add full-time employees to carry out the goals outlined in the measure. The needs of the healthcare community are great, and our organization has been working to increase federal reimbursements for providers and build out the workforce pipeline. Further, our members have been actively engaged in performance programs to improve outcomes and have engaged in productive conversations regarding efforts to address inequities in care. Having close partnerships with all stakeholders is incredibly important in providing the best possible care to Hawaii residents, and the addition of the hui ho'omana task force can help to continue these conversations with providers, payers, and government entities.

We appreciate the legislature's continued interest in promoting access to high-quality, affordable care, and thank you for the opportunity to provide comments on this measure.

Tuesday, April 2, 2024 at 4:00 pm  
Conference Room 308 & Videoconference

**House Committee on Finance**

To: Representative Kyle Yamashita, Chair  
Representative Lisa Kitagawa, Vice Chair

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

Re: **SB 2285, SD2, HD2 – Comments**  
**RELATING TO THE STATE HEALTH PLANNING AND DEVELOPMENT**  
**AGENCY**

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My name is Michael Robinson, and I am the Vice President of Government Relations & Community Affairs for 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.

I write to provide **comments on Parts I and III of SB 2285, SD2, HD2** which amends the functions and duties of the State Health Planning and Development Agency (SHPDA) and adds a new definition of "health care" which includes oral health, behavioral health and long term care. **HPH supports Part II of the bill** establishing the Hui Ho'omana Task Force.

We appreciate the legislature's interest in seeking to ensure that the people of Hawai'i have access to affordable, quality and equitable health care. The risks from the fragmentation of care are of great concern in Hawaii due to the size and geographic distribution of the population across our islands and where health care services are delivered almost entirely through a system of non-profit providers. Before any modifications are made to SHPDA's mandate, careful consideration with input from all aspects of the health care spectrum of providers should be allowed.

Part I of the measure which makes various amendments to Section 323D-12, Hawai'i Revised Statutes may be premature at this time. While there are ongoing discussions that have started regarding alternative payment models, including hospital global budgeting, there has not been adequate time for all the stakeholders to consider them. We note that many of the relevant stakeholders are those named as participants in Part II which establishes the Hui Ho'omana Task Force within the SHPDA to develop a comprehensive plan to provide universal access to equitable and affordable high-quality

health care for state residents, including defining action plan items, setting timelines and deadlines for each action item, and identifying resources required and funding options. The workgroup to be established in the measure is an ideal vehicle to continue the discussion of possible alternative payment models and report back to the 2025 legislature.

In September 2023, the Centers for Medicare and Medicaid Services (CMS) announced a new opportunity for states to leverage federal funding on health care: the Advancing All-Payer Health Equity Approaches and Development (AHEAD) model. With this model, CMS aims to reduce the rate of growth in health care spending, improve health, and reduce disparities in health outcomes through investment in primary care. **States would have the opportunity to leverage federal funding to make broad changes in the way health care is reimbursed and to consider alternative regulatory structures to manage the health care delivery system.** SHPDA and the Hawai'i Med-QUEST Division have submitted an application to CMS to be eligible for the AHEAD grant and to determine how this funding opportunity could improve upon Hawai'i's existing health care delivery system. If awarded, the AHEAD grant would provide for funding to cover consulting and staff support for a pre-implementation planning phase to help determine whether this expanded scope is an appropriate intervention for the State of Hawai'i. Therefore, at this time and until all public and private sector stakeholders have had the opportunity to fully consider any proposed changes, it may be premature to legislate modifications to SHPDA's functions and scope until the requirements and direction are more fully clarified under the requirements of the grant.

Thank you for the opportunity to testify.

April 2, 2024

**To: Chair Yamashita, Vice Chair Kitagawa, and Members of the House Committee on Finance**

From: The Hawaii Association of Health Plans Public Policy Committee

Date/Location: April 2, 2024; 4:00 p.m./Conference Room 308 & Videoconference

**Re: Comments on SB 2285 SD2 HD2 – Relating to State Health Planning and Development Agency.**

The Hawaii Association of Health Plans (HAHP) respectfully offers our comments on SB 2285 SD2 HD2. 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.

All of HAHP's member organizations agree that Hawaii needs to increase access to high-quality, equitable, and affordable health care. We would like to request that the bill move forward without the changes to statutory language contained in Part 1, Section II (pages 1-6). At minimum, we request the following amendment on page 3, line 1 as reimbursements are the purview of independent health plans that are regulated by the state Insurance Commissioner:

"... affordability, workforce health, ~~reimbursements~~, quality, administrative simplification, workforce development, and health information technology;"

HAHP looks forward to working with SHPDA to discuss what necessary changes, if needed, are necessary to continue making progress through the Universal Access Working Group and Hui Hoomana task force. HAHP does support the appropriation of funding for positions for the State Health Planning and Development Agency and the establishment of the Hui Hoomana taskforce. By giving SHPDA the ability to establish additional positions, the agency will be better equipped to provide leadership and coordinate efforts across Hawaii's health care delivery system.

Thank you for the opportunity provide comments on SB 2285 SD2 HD2.

Sincerely,

HAHP Public Policy Committee  
cc: HAHP Board Members



April 2, 2024

The Honorable Kyle T. Yamashita, Chair  
The Honorable Lisa Kitagawa, Vice Chair  
House Committee on Finance

Re: SB 2285 SD2 HD2– RELATING TO THE STATE HEALTH PLANNING AND  
DEVELOPMENT AGENCY

Dear Chair Yamashita, Vice Chair Kitagawa, and Members of the Committee:

Hawaii Medical Service Association (HMSA) appreciates the opportunity to provide comments on SB 2285 SD2 HD2, which amends the functions and duties of the State Health Planning and Development Agency, clarifies the definition of "health care", establishes a task force known as Hui Hoomana, establishes positions, and appropriates funds.

HMSA supports the efforts of SHPDA to increase conversations around access to equitable, quality, affordable healthcare for all of Hawaii's residents.

We support section 3 of the proposed legislation which would provide funding and staffing for various positions (8 FTE) within SHPDA and the intent to create the Hui Hoomana task force to continue stakeholder discussions.

As this legislation moves forward, we respectfully request that the committee remove the word "reimbursements" found on page 3, line 1, as this is the purview of independent health plans that are regulated by the state Insurance Division/Commissioner.

We appreciate SHPDA's continued leadership and convening stakeholder conversations through the Universal Access Working Group as well as the proposed Hui Hoomana Task Force and look forward to working out any statutory changes that might be necessary to continue to move the Hawaii healthcare sector forward.

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

Sincerely,

Dawn Kurisu  
Assistant Vice President  
Community and Government Relations



To: The Honorable Kyle Y. Yamashita, Chair  
The Honorable Lisa Kitagawa, Vice Chair  
House Committee on Finance

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

Hearing: Tuesday, April 2, 2024, 4:00 PM, Conference Room 308

RE: **SB2285 SD2 HD2 Relating to the State Health Planning and Development Agency**

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AlohaCare appreciates the opportunity to provide testimony in **support of SB2285 SD2 HD2**. This measure amends the functions and duties of the State Health Planning and Development Agency (SHPDA), clarifies the definition of "health care", establishes a task force known as the Hui Ho'omana within SHPDA, establishes positions, and appropriates funds.

Founded in 1994 by Hawai'i's community health centers, AlohaCare is a community-rooted, non-profit health plan serving over 84,000 Medicaid and dual-eligible health plan members on all islands. Approximately 40 percent of our members are keiki. We are Hawai'i's only health plan exclusively dedicated to serving Medicaid and Medicaid-Medicare dually-eligible beneficiaries. Our mission is to serve individuals and communities in the true spirit of aloha by ensuring and advocating for access to quality, whole-person care for all.

AlohaCare supports and appreciates the leadership and attention from the Governor's administration and Legislature on the need for universal and equitable access to quality health care at an affordable cost for state residents. Accordingly, we support the proposed expansion of the role of SHPDA, from a statewide perspective, to comprehensively lead, plan, and build toward high-quality, equitable, and affordable care. We support establishing the Hui Ho'omana task force to make recommendations toward these goals, and we appreciate the inclusion of the Hawai'i Association of Health Plans as part of the hui, as we are a member of the association. AlohaCare also supports the inclusion of "oral health, behavioral health, and long-term care" to fully reflect that health care is about the whole person. We underscore the importance of the need to address workforce challenges as proposed. Finally, we support the proposal to resource SHPDA appropriately.

Mahalo for the opportunity to submit testimony in **support of SB2285 SD2 HD2**.

**SB-2285-HD-2**

Submitted on: 4/1/2024 9:39:06 AM

Testimony for FIN on 4/2/2024 4:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Katherine F Davis	Individual	Support	Written Testimony Only

Comments:

I wholeheartedly support this bill. It is essential to continue to improve the health of all the people of Hawaii.

Melvin M. Sakurai

Tuesday, April 2, 2024  
Conference Room 308 & Videoconference

**House Committee on Finance**

To: Representative Kyle Yamashita, Chair  
Representative Lisa Kitagawa, Vice Chair

FROM: Melvin Sakurai, PhD., Research Information Services  
Member SHPDA Universal Access Advisory Council

RE: **Testimony relating to support of SB2285 SD2 HD2  
Relating to the State Health Planning and Development Agency**

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My name is Melvin Sakurai and I am a management consultant with healthcare policy planning experience working with the State Department of Health (SHPDA), Governor's Executive Office on Again, Governor's Blue Ribbon Panel on Health Care, Legislative Auditor, and the Hawaii Health Systems Corporation on projects ranging from developing a publicly funded long-term care financing system to the regulation of adult residential care homes and formulating a public-private partnership solution for acute hospital wait listed patients.

As a member of the SHPDA Universal Access Advisory Council we are actively engaged with addressing the critical need to modernize and reform Hawaii's health care system to substantially improve achieving elevated quality of care and outcomes, universal equitable access, and cost-effective affordability for all.

SB2285 SD2 HD2 offers a pivotal opportunity to move the health care reform narrative beyond resignation and lamenting glaring problems and deficits in having high quality accountable, affordable, equitable, and accessible health care for all in Hawaii to establishing the critical tools and authorities that would actually affect the kind of fundamental changes needed.



Melvin M. Sakurai

Accordingly, I am expressing unreserved support for the adoption of SB2285 SD2 HD2 and strongly urge that the House Committee on Finance pass this measure.

Mahalo for this opportunity to testify on this essential future-looking legislation.

**SB-2285-HD-2**

Submitted on: 4/1/2024 2:46:58 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
James Labrie	Individual	Support	Written Testimony Only

Comments:

Aloha Chair Yamashita and Committee Members,

My name is James Labrie and I support this measure to fund the task force, which will ensure people that they would have assistance for various health needs at an affordable price. Access to health care is important because if we don't have care of our health it could lead to hospitalizations and serious complications.

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

**SB-2285-HD-2**

Submitted on: 4/1/2024 10:08:48 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Tori Carapelho	Individual	Support	Written Testimony Only

Comments:

To: Chair Kyle T. Yamashita, Vice Chair Lisa Kitagawa and Members of the House Committee on Finance

From: Tori Carapelho

Re: SUPPORT OF SENATE BILL 2285

My name is Tori Carapelho and I serve as Vice Chair of the Honolulu Subarea Health Planning Council (HONSAC). I am writing in SUPPORT of SB 2285 and stand behind the State Health Planning and Development Agency (SHPDA) in its crucial role of planning and coordinating health access and quality statewide. SB 2285 represents a critical step forward in our collective efforts to address the needs of our community.

**SB-2285-HD-2**

Submitted on: 4/2/2024 12:32:13 PM

Testimony for FIN on 4/2/2024 4:00:00 PM

<b>Submitted By</b>	<b>Organization</b>	<b>Testifier Position</b>	<b>Testify</b>
Aimee Grace	Individual	Support	Written Testimony Only

Comments:

Aloha, my name is Aimee Malia Grace, MD, MPH, FAAP, and I am a pediatrician and health policy/public health professional writing in my individual capacity.

We need SHPDA to be equipped with the charge and tools it needs to address Hawaii's health care challenges and needs.

I strongly support this bill and encourage you to pass it - mahalo for your consideration.