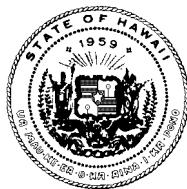


JOSH GREEN, M.D.
GOVERNOR
KE KIA'ĀINA



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 9, 2024

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

The Honorable Representative Lisa Marten, Chair
House Committee on Human Services

FROM: Cathy Betts, Director

SUBJECT: [SB 2285-SD2](#) - RELATING TO THE STATE HEALTH PLANNING AND DEVELOPMENT AGENCY.

Hearing: March 12, 2024, 9:00 AM
Conference Room 329 & 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. Clarifies the definition of "health care". Establishes positions. Appropriates moneys. Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025. Effective 12/31/2050. (SD2)

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;

March 9, 2024

Page 2

- (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.

DHS appreciates the Legislature's continued investment in and attention to improving the affordability and quality of healthcare. 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 to develop a global budget plan provides for a thoughtful approach that considers the ramifications of the changes to Hawaii's residents, payers, and providers.

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



STATE OF HAWAII
KA MOKU'ĀINA O HAWAII
STATE COUNCIL ON DEVELOPMENTAL DISABILITIES
'A'UNIKE MOKU'ĀPUNI NO KA NĀ KĀWAI KULA
PRINCESS VICTORIA KAMĀMALU BUILDING
1010 RICHARDS STREET, Room 122
HONOLULU, HAWAII 96813
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543

March 12, 2024

The Representative Della Au Belatti, Chair
House Committee on Health & Homelessness
The Representative Lisa Marten, Chair
House Committee on Human Services
The Thirty-Second Legislature
State Capitol
State of Hawai'i
Honolulu, Hawai'i 96813

Dear Representative Belatti, Representative Marten, and Committee Members:

SUBJECT: SB2285 SD2 RELATING TO HEALTH

The Hawaii State Council on Developmental Disabilities **SUPPORTS SB2285 SD2**, which amends the functions and duties of the State Health Planning and Development Agency. Clarifies the definition of "health care". Establishes positions. Appropriates moneys. Declares that the appropriation exceeds the state general fund expenditure ceiling for 2024-2025. Effective 12/31/2050. (SD2)

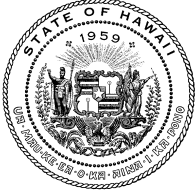
The purpose of the State Health Planning & Development Agency (SHPDA) is to "promote accessibility for all the people of the State to quality health care services at reasonable cost." We support legislation to upgrade SHPDA's healthcare oversight capability.

We defer to SHPDA for comments and recommendations.

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

Sincerely,

Daintry Bartoldus
Executive Administrator



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

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

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

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 Health & Homelessness
Representative Della Au Belatti, Chair,
Representative Jenna Takenouchi, Vice Chair,
and Committee Members

House Committee on Human Services
Representative Lisa Marten, Chair,
Representative Terez Amato, Vice Chair,
and Committee Members

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

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

Tuesday, March 12, 2024
9:00 a.m.

1 **Agency's Position: SUPPORT**

2 **Fiscal Implications:** See page 3 and 4.

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

8 To accomplish the goals of SB 2285, SD 2, SHPDA must have the ability to acquire,
9 analyze, and share broadly with the health sector comprehensive, valid, and current data to
10 enable monitoring and improvement of Hawai'i's statewide health status, health outcomes, and
11 cost-effectiveness for health and long-term care services. This will also require SHPDA to

1 apply such data in collaboration with both public and private health and long-term care
2 providers and payers to systematically improve primary care and specialty access; focus on
3 prevention; assure equitable outreach to underserved, disadvantaged, and rural populations;
4 reduce workforce deficiencies; and improve quality of care, outcomes, and cost-effectiveness
5 for health and long-term care services.

6 SHPDA was apparently statutorily created to be Hawai'i's health oversight agency in
7 1975 with a large multi-million-dollar budget and staff of 65. Originally largely federally funded,
8 the agency was greatly reduced when federal funds were discontinued in the 1980s and has
9 for the past three decades been funded and staffed only with 6 positions to periodically
10 produce a State Health Services and Facilities Plan and to manage our state's Certificate of
11 Need (CON) program. SHPDA receives health provider and community input for these
12 purposes through its statewide advisory councils and the State Health Coordinating Council
13 (SHCC). The SHPDA Administrator is appointed by and reports to the Governor, but the
14 agency is administratively attached to and works closely with the DOH.

15 The DOH, DHS, SHPDA, the Insurance Commissioner, and other state agencies with
16 health-related functions have conferred recently about the need for health care (and long-term
17 care) oversight functions in Hawai'i state government to monitor access, equity, quality of care,
18 health outcomes, and cost-effectiveness. It was felt that SHPDA, which provides no health or
19 long-term care services itself, can become an unconflicted and effective source of these
20 oversight responsibilities if staffed to do so. This was considered also in light of the Governor's
21 desire to reinvigorate the "Hawai'i the Health State" vision in the recruitment of a new SHPDA
22 Administrator, and in consideration of potentially attracting federal assistance in these regards.

23 Under SHPDA's statutory authority, this legislature has in previous years required that
24 all insurers in Hawaii provide the agency with the insurance claims data of all health care

1 provided for beneficiaries of Medicaid, Medicare, and the EUTF through Hawai'i's All-Payer
2 Claims Database (APCD). In contractual collaboration with Med-QUEST and the UH, the
3 APCD already has the data of one million of our total 1.4 million residents under privacy-
4 assured de-identified management. With potential collaboration with the databases of the
5 Healthcare Association of Hawai'i and the Hawai'i Health Information Exchange, the state can
6 be well on our way as a state to having the data resources needed for such oversight.

7 We believe the modern definition of health care in Section 1 of this bill is an important
8 improvement in HRS Section 323-D-2. We also recommend amendments of adding "and long-
9 term" between the words "health" and "care" to read "health and long-term care" in Section 2
10 item 1 (line 10 page 2), and throughout Section 323 D-2.

11 We acknowledge that while SHPDA currently has access to facility and staffing data for
12 long-term care facilities statewide, access to related cost data may be required later if not
13 readily available for these purposes in the future. We also acknowledge that 10 states have
14 begun creating "total-costs-of-care" global budgets for their respective states to monitor
15 increases in health care costs, and that the federal government may be offering technical
16 assistance for states who wish to accomplish this important means of tracking health care (and
17 long-term care) costs to assure ongoing affordability of health care for families, businesses,
18 and government. We appreciate the inclusion of this function in SB 2285, SD 2, and look
19 forward to implementing it.

20 Regarding staffing and funding to implement this mission, and after conferring with other
21 state health oversight agencies and our own department of health regarding SHPDA new
22 staffing needs, we are pleased that SB 2285, SD 2, Section 4 now reads:

23 Section 4: There is appropriated out of the general revenues of the State of Hawaii the
24 sum of **\$1,933,435** or so much thereof as may be necessary for fiscal year 2024-2025 for

1 administrative costs for SHPDA essential modernization; to update the SHPDA Health
2 Services and Facilities Plan; to contract for technical, actuarial, and data analytics expertise to
3 monitor and assure universal access to high-quality, equitable, and affordable health and long-
4 term care services for all of Hawai'i's citizens; for recurring expenses for SHPDA expansion;
5 and to establish the following new positions within the state health planning and development
6 agency:

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

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

19 Finally, mahalo nui loa for the opportunity to testify.



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

CAROLINE CADIRAO
DIRECTOR
Executive Office on Aging

Telephone
(808) 586-0100

Fax
(808) 586-0185

STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
EXECUTIVE OFFICE ON AGING
NO. 1 CAPITOL DISTRICT
250 SOUTH HOTEL STREET, SUITE 406
HONOLULU, HAWAII 96813-2831

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

COMMITTEE ON HEALTH & HOMELESSNESS
REP. DELLA AU BELATTI, CHAIR
REP. JENNA TAKENOUCI, VICE CHAIR

COMMITTEE ON HUMAN SERVICES
REP. LISA MARTEN, CHAIR
REP. TEREZ AMATO, VICE-CHAIR

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

Hearing: Tuesday, March 12, 2024, 9:00 A.M., Conference Room 329

- 1 **EOA Position:** The Executive Office on Aging (EOA), an attached agency to the Department of
- 2 Health (DOH) supports SB2285, SD2 provided that its enactment does not reduce or replace
- 3 priorities within the Administration's executive budget.
- 4 **Fiscal Implications:** Appropriates funds. Exceeds the general fund expenditure ceiling.
- 5 **Purpose and Justification:** The purpose of this bill is to amend HRS Section 323 D-2 to update
- 6 the planning and functions of the State Health Planning and Development Agency a(SHPDA) and

- 1 provide staffing positions which would increase SHPDA's oversight capability to ensure quality
- 2 health and long-term care is accessible and affordable for all Hawai'i residents.
- 3 **Recommendation:** EOA supports this measure and defers to SHPDA for any amendments.
- 4 Thank you for the opportunity to testify.



Government Relations

Testimony of
Jonathan Ching
Government Relations Director

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

House Committee on Human Services
The Honorable Lisa Marten, Chair
The Honorable Terez Amato, Vice Chair

March 12, 2024
9:00 a.m.
Conference Room 329 & Via Videoconference

Re: SB 2285 SD2, Relating to the State Health Planning and Development Agency

Chair Belatti, Chair Marten, and committee members thank you for this opportunity to provide testimony on SB 2285, SD2 which amends the functions and duties of the State Health and Development Agency.

Kaiser Permanente Hawai'i provides the following COMMENTS on SB 2285, SD2 and requests and AMENDMENT.

Kaiser Permanente is one of the nation's largest not-for-profit health plans, serving 12.6 million members nationwide, and more than 274,000 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 19 medical facilities, including our award-winning Moanalua Medical Center. We are committed to improving the health of our members and the 1.4 million people living in the communities we serve.

Kaiser Permanente Hawai'i has no position on Section 1, Section 3, or Section 4 of SB 2285, SD2.

For Section 2, which makes various amendments to Section 323D-12, Hawai'i Revised Statutes, we believe that these amendments are premature. While there are ongoing discussions regarding alternative payment models, including hospital global budgeting, we express concern there has not been adequate time for the stakeholders to consider these models or analyze how the models might impact health care access in this state. Many of the relevant stakeholders are those named as participants in SB 3129 SD2, which establishes the Hui Ho'omana Task Force within the State Health Planning and Development Agency ("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. We believe this legislatively created Task Force would be an appropriate way for stakeholders to discuss possible alternative payment models and report back to the 2025 legislature.

Furthermore, we are aware that SHPDA and the Med-QUEST Division of the Department of Human Services are pursuing a Centers for Medicare & Medicaid Services States Advancing All-Payer Health Equity Approaches and Development Model (“States Advancing AHEAD” or “AHEAD” Model) grant. This new CMS model would provide funding for states to implement hospital global budgets. We believe that if CMS awards the state an AHEAD Model Grant, then discussions about expanding SHPDA’s authority, as sought in SB 2285 SD2 should be considered once the state has more visibility on the outcome of this grant opportunity and any state authority needed to proceed.

Therefore, until more discussion between SHPDA and relevant public and private sector stakeholders occurs, Kaiser Permanente believes the amendments in Section 2 of SB 2285 SD2 to Section 323D-12, Hawai‘i Revised Statutes are not warranted. **We respectfully ask the committees to delete Section 2.**

Mahalo for the opportunity to provide comments on this measure.



March 12, 2024

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

The Honorable Lisa Marten, Chair
The Honorable Terez Amato, Vice Chair
House Committee on Human Services

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

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

Hawaii Medical Service Association (HMSA) appreciates the opportunity to provide comments
on SB 2285 SD2, which will appropriate the function of the State Health Planning and
Developmental Agency (SHPDA) within the Department of Health as well as provide positions
and funding.

HMSA supports the efforts of the SHPDA to increase the conversations around access to quality
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.

At this time, we would ask the committee to remove section 2 of SB 2285 SD2 as the proposed
changes to SHPDA's statutorily mandated functions deserve more discussion with stakeholders
and the legislature to ensure that SHPDA has the appropriate infrastructure in place to
accomplish these functions.

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

Sincerely,

Dawn Kurisu
Assistant Vice President
Community and Government Relations



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

The Honorable Lisa Marten, Chair
The Honorable Terez Amato, Vice Chair
House Committee on Human Services

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

Hearing: Tuesday, March 12, 2024, 9:00 AM, Conference Room 329

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

AlohaCare appreciates the opportunity to provide testimony in **support** of **SB2285 SD2**. This measure amends the functions and duties of the State Health Planning and Development Agency (SHPDA), establishes positions, makes an appropriation, and clarifies the definition of "health care".

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.

As one stakeholder among many across the health care delivery system, AlohaCare appreciates the important leadership role of SHPDA, from a statewide perspective, to comprehensively lead, plan, and build toward high-quality, equitable, and affordable care in "Hawai'i, the Health State." We support the proposed expansion to the role of SHPDA as well as 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. With regard to developing an annual state global budget, we note the importance of having broad stakeholder participation, including all health plans and representation from various healthcare providers, such as community health centers among other provider types. To deliver on this proposed expansion to its function and role, we support the proposal to resource SHPDA appropriately.

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

Tuesday, March 12, 2024 at 9:00 am
Conference Room 329 & Videoconference

House Committee on Health and Homelessness

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

House Committee on Human Services

To: Representative Lisa Martin, Chair
Representative Terez Amato, Vice Chair

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

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

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 SB 2285, SD2** 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.

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.

Section 2 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 SB 3129, SD2, 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 established in SB 3129, SD2 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 are in the process of applying for the federal AHEAD grant and to determine how this funding opportunity could improve upon Hawai'i's existing health care delivery system. 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.



Tuesday, March 12, 2024 at 9:00 am
Conference Room 329

House Committee on Health and Homelessness

To: Chair Della Au Belatti
Vice Chair Jenna Takenouchi

House Committee on Human Services

To: Chair Lisa Marten
Vice Chair Terez Amato

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

Re: Submitting Comments
SB 2285 SD 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. We appreciate the intent of this measure—however, our members have concerns regarding statutory requirements for the entirety of the state to move over to a global budget by 2026. There are active discussions and activities around alternative payment models to promote primary care and address inequalities in access and outcomes. Further, we are concerned that global budgets—which were designed initially to reduce costs in the state of Maryland, which continues to have higher healthcare costs and worse outcomes than Hawaii—may not be the right fit to achieve the goals laid out in this measure.

We would suggest two major amendments: first, to remove the new section (5) starting on page 3, line 15 through page 4, line 6. Further, we would suggest that a study be added to the

measure in a new section. Our suggested language regarding this amendment is outlined below:

Section 323D- , Hawaii Revised Statutes, is amended to read as follows:

(a) The State Health Planning and Development Agency shall conduct a thorough review and analysis alternative payment mechanisms, including global budgets, aimed at supporting primary care and promoting equitable access to healthcare services in Hawaii.

(b) The study shall encompass and report on:

(i) Current insurance expenditure patterns across all payer types, including but not limited to Medicare, Medicaid, commercial insurance, and any other forms of insurance prevalent within the state, with a particular focus on spending in Hawaii compared to other states;

(ii) Current quality and pay-for-performance programs being carried out in the state, with an accounting of total dollars tied into those models and the patient population served;

(iii) A comprehensive review and analysis of quality and outcome data related to healthcare services, with a focus on how current payment methodologies are supporting better outcomes and quality for Hawaii patients;

(iv) A comprehensive review of health disparities in the state, including health outcomes and access, with a particular focus on Native Hawaiian and rural communities;

(v) What impacts global budgets, and other similar alternative payment models, would have on Hawaii, including total reimbursements to providers in the state and the demonstrated effectiveness in improving access to care and improving health outcomes;

(vi) A review of strategies or alternative models that have been successfully implemented in other states to incentive primary care services in Hawaii and other states; and

(vii) A review of strategies or alternative models that have improved access and care outcomes in rural areas.

(c) The State Health Planning and Development Agency shall submit a comprehensive report of its findings and recommendations to the state legislature no later than 20 days prior to the start of the 2026 legislative session. The report may include recommendations for

legislative or policy changes aimed at primary care and equitable access to healthcare services for all residents of the state.

We would further note that there are several new employees requested for this measure. A discussion about the number and specific functions of staff to carry out the findings of a study could also be a consideration.

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

March 12, 2024

To: Chair Belatti, Chair Marten, Vice Chair Takenouchi, Vice Chair Amato, and Members of the House Committees

From: The Hawaii Association of Health Plans Public Policy Committee

Date/Location: Mar. 12, 2024; 9:00 a.m./Conference Room 329 & Videoconference

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

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

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 Section II. 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. 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.

Sincerely,

HAHP Public Policy Committee

cc: HAHP Board Members



Testimony to the House Joint Committee on Health and Homelessness and Human Services

Tuesday, March 12, 2024; 9:00 a.m.

State Capitol, Conference Room 329

Via Videoconference

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

Chair Belatti, Chair Marten, 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, Senate 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 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.

This bill would also take effect on December 31, 2050.

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.

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.



1001 Bishop Street | Suite 625 | Honolulu, HI 96813-2830
1-866-295-7282 | Fax: 808-536-2882
aarp.org/hi | aarphi@aarp.org | twitter.com/AARPHawaii
facebook.com/AARPHawaii

The State Legislature
COMMITTEE ON HEALTH & HOMELESSNESS
COMMITTEE ON HUMAN SERVICES
Tuesday, March 12, 2024
Conference Room 329, 9:00 a.m.

TO: The Honorable Della Au Belatti, Chair
The Honorable Lisa Marten, Chair
FROM: Keali'i Lopez, State Director, AARP Hawaii
RE: Support for S.B. 2285, SD2 -Relating to State Health Planning and
Development Agency

Aloha Chairs Belatti and Marten, 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 2285 SD2 which amends the functions and duties of the State Health Planning and Development Agency. Clarifies the definition of "health care" to include long term care.

The overall health care industry continues to face mounting challenges with the growing demand for care. Exacerbated by the Covid-19 pandemic, shortage of health care workers and the increasing number of kūpuna needing long term care, there is an urgent need for the State to provide the leadership and coordination of activities and resources that affect health care access, availability, and quality of care, including long term care. AARP supports the State Health Planning and Development Agency's efforts in working with public and private stakeholders to strengthen and improve Hawaii's health and long term system. In order to do this effectively, SHPDA will need the necessary staffing and funding to perform its functions and duties.

Thank you for the opportunity to support S.B. 2285 SD2.

SB-2285-SD-2

Submitted on: 3/10/2024 5:52:53 PM

Testimony for HLT on 3/12/2024 9:00:00 AM

Submitted By	Organization	Testifier Position	Testify
james	Individual	Oppose	In Person

Comments:

I oppose HB2285.I dont like when government wants the power to take away parental rights and take children away form whom they wish.This state has to stop like acting like a communist country.Maybe thats why hawaii is once again voted the Most Corrupt state in America!!!So sad we have a bunch of nazi like people in our governments.....sad.