



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

March 20, 2025

The Honorable Representative Lisa Marten, Chair  
House Committee on Human Services and Homelessness  
The Thirty-Third Legislature  
State Capitol  
State of Hawai'i  
Honolulu, Hawai'i 96813

Dear Representative Marten and Committee Members:

**SUBJECT: HR180/HCR187 URGING THE GOVERNOR TO DETERMINE A COURSE OF ACTION FOR THE STATE, SHOULD THE FEDERAL GOVERNMENT CUT FUNDING FOR MEDICAID.**

The Hawai'i State Council on Developmental Disabilities respectfully submits **in support on HR180/HCR187**, which is urging the governor to determine a course of action for the state should the federal government cut funding for Medicaid.

Medicaid is a critical lifeline for individuals with intellectual and developmental disabilities (I/DD), ensuring they receive essential healthcare services, home and community-based support, and other critical resources that promote independence and well-being.

For Hawaii's disability community, Medicaid is not just a healthcare program; it is a means to live safely in their communities, avoid institutionalization, and achieve meaningful inclusion. A significant reduction in federal Medicaid funding would be devastating, especially for the most vulnerable populations. Such cuts would reduce access to necessary services, increase healthcare disparities, and burden families and caregivers financially. Without Medicaid support, individuals with I/DD would face a higher risk of being forced into institutional care, undermining the principles of dignity, choice, and self-determination.

We appreciate the opportunity to provide **support for HR180/HCR187**.

Sincerely,

Daintry Bartoldus  
Executive Administrator

**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  
EXECUTIVE OFFICE ON AGING**  
NO. 1 CAPITOL DISTRICT  
250 SOUTH HOTEL STREET, SUITE 406  
HONOLULU, HAWAII 96813-2831

**CAROLINE CADIRAO**  
DIRECTOR  
Executive Office on Aging

Telephone  
(808) 586-0100

Fax  
(808) 586-0185

**Testimony in SUPPORT of HR180/HCR187**  
**URGING THE GOVERNOR TO DETERMINE A COURSE OF ACTION FOR THE**  
**STATE, SHOULD THE FEDERAL GOVERNMENT CUT FUNDING FOR MEDICAID.**

**COMMITTEE ON HUMAN SERVICES & HOMELESSNESS**  
**REP. LISA MARTEN, CHAIR**  
**REP. IKAIKA OLDS, VICE CHAIR**

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

Hearing: Wednesday, March 20, 2025, 10:15 A.M Conference Room 329

**EOA Position:** The Executive Office on Aging (EOA), an attached agency to the Department of Health (DOH) supports the intent of HR180/HCR187.

**Purpose and Justification:** This resolution urges the Governor to determine a course of action, should federal funding be cut for Medicaid. The recent federal budget resolution proposes to cut \$880 million in Medicaid funding over the next 10 years. Cuts to Medicaid will drastically impact beneficiaries access to healthcare and other specialized benefits.

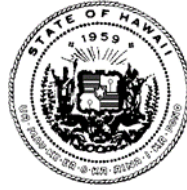
Nationally, more than 7 million older adults and 10 million people with disabilities rely on Medicaid. Medicaid provides essential medical and long-term care services, including nursing home care and home and community-based services. Home and community-based services are crucial for those who need assistance with activities of daily living such as bathing,

dress, and eating, and enable older adults to remain independent and age in place. Any type of cut to Medicaid puts older adults and individuals with disabilities at risk and can adversely impact their health and quality of life.

**Recommendation:** EOA supports the intent of the resolution and defers to the Governor in its implementation.

Thank you for the opportunity to testify.

JOSH GREEN, M.D.  
GOVERNOR  
KE KIA'ĀINA



RYAN I. YAMANE  
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 19, 2025

TO: The Honorable Representative Lisa Marten, Chair  
House Committee on Human Services & Homelessness

FROM: Ryan I. Yamane, Director

SUBJECT: **HR 180/ HCR 187 URGING THE GOVERNOR TO DETERMINE A COURSE OF ACTION  
FOR THE STATE, SHOULD THE FEDERAL GOVERNMENT CUT FUNDING FOR MEDICAID.**

Hearing: March 20, 2025, 10:15 a.m.  
Conference Room 329 & via Videoconference, State Capitol

**DEPARTMENT'S POSITION:** The Department of Human Services (DHS) appreciates the intent of the resolution and offers comments.

**PURPOSE:** The purpose of this resolution is to urge the Governor to determine a course of action for the State should the federal government cut funding for Medicaid and to consult with the members of Hawaii's Congressional delegation to ascertain the impacts of pending federal legislation on Medicaid expansion and the timing of any reduction in federal funding; and to submit a report of any findings and recommendations, including proposed legislation, to the Legislature no later than twenty days prior to the convening of the Regular Session of 2026.

The DHS Med-QUEST Division (MQD) operates Hawaii's Medicaid program, QUEST Integration (QUEST), and appreciates the Legislature's recognition of the valuable role the program plays in the overall health and well-being of the community, as well as the economic support it plays for safety net providers such as Federally Qualified Health Centers. Further, we also express our gratitude to healthcare providers who continue to accept and serve our community covered by QUEST.

QUEST provides healthcare coverage to approximately 405,000 residents, accounting for 28% of the state's population. The program supports a diverse group, including working-age adults, children, and the aged, blind, and disabled. With a budget of \$3.51 billion for the 2024-2025 fiscal year, MQD continues to implement innovative services under its recently renewed Section 1115 Demonstration Waiver, including housing assistance, nutrition support, and pre-release services for incarcerated individuals. The state recently completed its Medicaid renewal process following a three-year pause during the COVID-19 Public Health Emergency, maintaining a population level that remains significantly higher than pre-pandemic numbers. While proposed federal budget cuts targeting Medicaid funding could have significant impacts, we intend that our collective state and community efforts will continue to safeguard healthcare access for residents.

We understand that many individuals are concerned about potential changes to their Medicaid coverage, particularly considering ongoing federal budget discussions. Currently, there are no actual changes in federal funding. MQD will provide updates and resources to help navigate any changes, and we encourage members to stay connected for the latest information. Our priority is to support our community and work collaboratively to address any challenges that may arise. Should there be reductions in federal funding, MQD will work with Governor Green, M.D., and the community on recommendations on a course of action, taking into consideration details and timing of any possible reductions to determine recommendations.

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



**Testimony to the House Committee on Human Services and Homelessness**  
**Thursday, March 20, 2025, 10:15 a.m.**  
**State Capitol, Conference Room 329**  
**Via Videoconference**

**RE: HOUSE CONCURRENT RESOLUTION NO. 187/HOUSE RESOLUTION NO. 180, URGING THE GOVERNOR TO DETERMINE A COURSE OF ACTION FOR THE STATE, SHOULD THE FEDERAL GOVERNMENT CUT FUNDING FOR MEDICAID.**

Chair Marten, Vice Chair Olds, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS** House Concurrent Resolution No. 187 and House Resolution No. 180, URGING THE GOVERNOR TO DETERMINE A COURSE OF ACTION FOR THE STATE, SHOULD THE FEDERAL GOVERNMENT CUT FUNDING FOR MEDICAID.

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.

These measures, as received by your Committee, would:

- (1) Urge the Governor to determine a course of action for the State, should the federal government cut funding for Medicaid;
- (2) Urge the Governor to work with the members of Hawaii's congressional delegation to ascertain the impacts of pending federal legislation on Medicaid expansion and the timing of any reduction in federal funding; and
- (3) Request the Governor to submit a report of any findings and recommendations, including proposed legislation, to the 2026 Legislature.

Earlier this month, concerns were raised nationally that significant cuts would be made by the federal government to the Medicaid Program during the transition from the Biden to Trump Presidential Administrations. The scope of these cuts described would profoundly alter the ability of State's in providing essential health care services to the financially underprivileged. These concerns were taken very seriously by social service organizations, including the HPCA.

Because of this, the HPCA sent a letter to Senators Ronald Kouchi, Michelle Kidani and Dru Kanuha, and Representatives Nadine Nakamura, Linda Ichiyama, Sean Quinlan, and Chris Todd dated March 3, 2025, RE: RAMIFICATIONS OF FEDERAL MEDICAID FUNDING REDUCTIONS ON HAWAII'S UNINSURED POPULATION AND THE PROVISION OF HEALTH CARE TO RURAL AND UDNERPRIVILEGED COMMUNITIES, attached.

Citing a recent study issued by the Kaiser Family Foundation, we stated in the letter:

- If all Medicaid enrollees eligible under Medicaid expansion were disenrolled, approximately 156,000 or 34% of Hawaii's total Medicaid population would lose coverage. To put this into perspective, KFF reported that there were 38,000 uninsured people in 2023, or 2.8% of the State's total population. The number of current Medicaid recipients who would be disenrolled would represent a 410% increase in the uninsured population based on the 2023 level.
- If the State of Hawaii offset the reduction of all federal funding for Hawaii's Medicaid expansion population, the State of Hawaii would need to appropriate an additional \$3.2 billion for the Medicaid program (i.e., Budget Line Item HMS401) over a ten-year period. If the \$3.2 billion was spread out equally over ten years, and assuming that the State would offset the differences solely through the use of general funds, the State would need to increase general fund appropriations to HMS401 by \$302 million annually. The State's general fund appropriation for HMS401 for fiscal year 2024-2025 was \$1.052 billion. Adding another \$302 million annually to general fund appropriations at the FY 2024-2025 level would represent a 28.7% increase.

We further stated in the letter:

*"... By law, FQHCs must treat all patients regardless of their ability to pay. While the majority of our patients are Medicaid enrollees, we anticipate the number of uninsured patients to increase significantly. While federal law requires FQHCs to charge uninsured patients on the basis of their ability to pay, all costs unpaid are absorbed by the FQHC as indigent cost. **Our limited reserves will quickly be overwhelmed should Hawaii's***

uninsured population increase by the levels extrapolated by KFF. . ." [See, Letter from HPCA, attached, p. 2.]

Should the Medicaid program experience a reduction in federal funding to the extent described, either the State would need to find a way to cover this shortfall to the best of its ability or else the State will experience explosive growth in its uninsured and underinsured populations

For these reasons, the HPCA strongly supports these resolutions and urges the Legislature to examine the feasibility of utilizing the Rainy Day Fund to supplement HMS401 on the short term, but also to begin looking at alternative funding mechanisms to strengthen the base budget appropriations moving forward.

Lastly, we note that there is an error in a WHEREAS Clause on page 3, lines 21 through 24:

*"WHEREAS, according to the study, if Hawaii picked up the new expansion costs under scenario 1, the anticipated loss of federal funding per fiscal year that would need to be offset by \$3,200,000,000; and"*

The KFF Report stated that the amount needed to be offset was \$3.2 billion over a ten-year period. As such, the annual amount that would need to be offset would be \$320 million per year.

Accordingly, the HPCA recommends that this provision be amended to read:

*"WHEREAS, according to the study, if Hawaii picked up the new expansion costs under scenario 1, the anticipated loss of federal funding per fiscal year that would need to be offset over a ten-year period, would be [~~\$3,200,000,000~~] \$320 million per year;*

With these amendments, the HPCA urges your favorable consideration of these measures.

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.

attachment





March 3, 2025

**VIA EMAIL ONLY**

Senator Ronald D. Kouchi  
Senate President  
[senkouchi@capitol.hawaii.gov](mailto:senkouchi@capitol.hawaii.gov)

Senator Michelle N. Kidani  
Senate Vice President  
[senkidani@capitol.hawaii.gov](mailto:senkidani@capitol.hawaii.gov)

Senator Dru Mamo Kanuha  
Senate Majority Leader  
[senkanuha@capitol.hawaii.gov](mailto:senkanuha@capitol.hawaii.gov)

Representative Nadine K. Nakamura  
House Speaker  
[repnakamura@capitol.hawaii.gov](mailto:repnakamura@capitol.hawaii.gov)

Representative Linda Ichiyama  
House Vice Speaker  
[repichiyama@capitol.hawaii.gov](mailto:repichiyama@capitol.hawaii.gov)

Representative Sean Quinlan  
Majority Leader  
[repquinlan@capitol.hawaii.gov](mailto:repquinlan@capitol.hawaii.gov)

Representative Chris Todd  
House Majority Caucus Leader  
[reptodd@capitol.hawaii.gov](mailto:reptodd@capitol.hawaii.gov)

**RE: RAMIFICATIONS OF FEDERAL MEDICAID FUNDING REDUCTIONS ON HAWAII'S  
UNINSURED POPULATION AND THE PROVISION OF HEALTH CARE TO RURAL AND  
UNDERPRIVILEGED COMMUNITIES.**

Dear Majority Leadership of the Hawaii State Senate and House of Representatives:

The Board of Directors of the Hawaii Primary Care Association expresses its dismay over the impact significant reductions in federal Medicaid funding would have on Hawaii's uninsured population and the ability of federally qualified health centers (FQHCs) to provide essential health care services to rural and underprivileged communities throughout the State. If cuts are made to the extent that are currently under consideration by the United States Congress, the State of Hawaii could experience an unprecedented increase in the uninsured population and force fundamental changes to State's share of funding needed to operate the Medicaid Program at current levels.

## Letter to Senate and House Majority Leadership

March 3, 2025

Page 2

Concerns have been raised by Congressional insiders that to fund the continuation of tax reductions authorized during the first Trump Administration, the second Trump Administration may need to restrict funding for or possibly even eliminate entirely Medicaid expansion established under the Affordable Care Act. Should that happen, all "expansion" states, including the State of Hawaii, would see significant cuts to their federal Medicaid funding.

Social service organizations have taken this threat very seriously. Most notably, the Kaiser Family Foundation (KFF) recently studied the potential ramifications of the elimination of Medicaid expansion on the fifty states. [See, <https://www.kff.org/medicaid/issue-brief/eliminating-the-medicaid-expansion-federal-match-rate-state-by-state-estimates/>]

Key findings in this report as it relates to Hawaii included:

- If all Medicaid enrollees eligible under Medicaid expansion were disenrolled, approximately 156,000 or 34% of Hawaii's total Medicaid population would lose coverage. To put this into perspective, KFF reported that there were 38,000 uninsured people in 2023, or 2.8% of the State's total population. The number of current Medicaid recipients who would be disenrolled would represent a 410% increase in the uninsured population based on the 2023 level.
- If the State of Hawaii offset the reduction of all federal funding for Hawaii's Medicaid expansion population, the State of Hawaii would need to appropriate an additional \$3.2 billion for the Medicaid program (i.e., Budget Line Item HMS401) over a ten-year period. If the \$3.2 billion was spread out equally over ten years, and assuming that the State would offset the difference solely through the use of general funds, the State would need to increase general fund appropriations to HMS401 by \$302 million annually. The State's general fund appropriation for HMS401 for fiscal year 2024-2025 was \$1.052 billion. Adding another \$302 million annually to general fund appropriations at FY 2024-2025 level would represent a 28.7% increase.

At this point, we do not know the extent to which federal funding for the Medicaid program will be cut. However, should the State determine that it cannot sustain the complete offset of lost federal funding for the Medicaid program, there will be direct consequences that will threaten the health, welfare, and safety of our citizens.

By law, FQHCs must treat all patients regardless of their ability to pay. While the majority of our patients are Medicaid enrollees, we anticipate the number of uninsured patients to increase significant. While federal law requires FQHCs to charge uninsured patients on the basis of their ability to pay, all costs unpaid are absorbed by the FQHC as indigent cost. Our limited reserves will quickly be overwhelmed should Hawaii's uninsured population increase by the levels extrapolated by KFF.

**Letter to Senate and House Majority Leadership**

**March 3, 2025**

**Page 3**

The State of Hawaii is fortunate to have a mechanism that could be utilized to mitigate the impacts of the uninsured on FQHCs, namely the Community Health Center Special Fund. However, because the ceiling for that fund is currently set at \$8.8 million per fiscal year, it is unclear whether there would be sufficient resources available to adequately address the projected 410% increase in Hawaii's uninsured population projected from the total elimination of Medicaid expansion.

Keeping all this in mind, should cuts be approved by Congress, the fiscal impact on the State would likely not be felt directly until the State's fiscal year 2026-2027, and a possible response by the State could be addressed through the Supplemental Budget under consideration during the Regular Session of 2026.

Because of this, the HPCA felt it was imperative that we bring this situation to your attention now so that the State will be in a better position to address the potential catastrophic impacts significant federal cuts to Medicaid would have on our most underprivileged and vulnerable populations. Undoubtedly, this will require many difficult policy decisions to be made by both the Executive and Legislative Branches. But to the extent that the HPCA can serve as a resource to assist you, we stand willing to partner with you through this turbulent time.

For your consideration, attached please find a draft Concurrent Resolution based on the KFF report should you deem it warranted to solicit public comment on this issue. At the very minimum, it will help to inform your colleagues on the workings of this vital program and the impacts decisions in Washington, D.C. will have on everyday life.

Thank you for your attention. Should you have any questions, please do not hesitate to contact me at (808) 791-7830.

Very Truly Yours,

*Robert Hirokawa*

ROBERT HIROKAWA  
Chief Executive Officer  
Hawaii Primary Care Association

attachment

c: HPCA Board of Directors

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## CONCURRENT RESOLUTION

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URGING THE GOVERNOR TO DETERMINE A COURSE OF ACTION FOR THE STATE  
OF HAWAII SHOULD MEDICAID EXPANSION BE ELIMINATED.

1 WHEREAS, Medicaid is the primary program providing  
2 comprehensive health and long-term care to one in five people  
3 living in the U.S. and accounts for nearly \$1 out of every \$5  
4 spent on health care; and

5  
6 WHEREAS, currently, there are several options under  
7 consideration by Congress to significantly reduce Medicaid  
8 spending to help pay for an extension of expiring tax cuts; and

9  
10 WHEREAS, in a study issued by the Kaiser Family Foundation  
11 (KFF) on February 13, 2025, [See,  
12 [https://www.kff.org/medicaid/issue-brief/eliminating-the-](https://www.kff.org/medicaid/issue-brief/eliminating-the-medicaid-expansion-federal-match-rate-state-by-state-estimates/)  
13 [medicaid-expansion-federal-match-rate-state-by-state-estimates/](https://www.kff.org/medicaid/issue-brief/eliminating-the-medicaid-expansion-federal-match-rate-state-by-state-estimates/)]  
14 KFF examined the impact of eliminating the Affordable Care Act  
15 expansion match rate under two scenarios:

- 16  
17 (1) Assuming the states maintain Medicaid expansion  
18 coverage and pick up new expansion costs, federal  
19 Medicaid spending would decrease by 10% (or \$626  
20 billion) and state Medicaid spending would increase by  
21 17% (or \$626 billion) over a 10-year period; and  
22  
23 (2) Assuming that states drop Medicaid expansion coverage  
24 in response to the elimination of the 90% federal  
25 match rate, federal Medicaid spending would decrease  
26 by 25% (or \$1.7 trillion), and the state Medicaid  
27 spending would decrease by 5% (or \$186 billion) over a  
28 10-year period;

29  
30 and

1           WHEREAS, under the second scenario, total Medicaid spending  
2 would be cut by nearly one-fifth (or \$1.9 trillion), and nearly  
3 a quarter of all Medicaid enrollees (20 million people) would  
4 lose coverage; and

5  
6           WHEREAS, only states that have adopted the Medicaid  
7 expansion would see any spending or enrollment impacts under  
8 this policy proposals though changes would vary by state; and

9  
10          WHEREAS, according to the KFF study, if the State of Hawaii  
11 picked up the new expansion costs under scenario (1), the  
12 anticipated loss of federal funding that would need to be offset  
13 by State funds is \$3.2 billion over a ten-year period; and

14  
15          WHEREAS, under scenario (2), in which the State of Hawaii  
16 would drop Medicaid expansion coverage, federal Medicaid funding  
17 would decrease by \$9.4 billion and State Medicaid funding would  
18 decrease by \$1 billion over a ten-year period and result in  
19 156,000 or 34% of Hawaii's total Medicaid population losing  
20 coverage; and

21  
22          WHEREAS, if the State of Hawaii maintains Medicaid  
23 expansion coverage in the wake of this policy change, lawmakers  
24 will need to increase the general fund appropriation to HMS401  
25 on a continual basis or find new sources of funding for this  
26 vital program; and

27  
28          WHEREAS, if the State of Hawaii is not able to maintain  
29 Medicaid expansion coverage, the number of uninsured would  
30 increase significantly and reverse gains in financial security,  
31 access to care, and health outcomes associated with Medicaid  
32 expansion; and

33  
34          WHEREAS, the federal government has also initiated massive  
35 employee reductions that will further exacerbate the explosion  
36 of uninsured workers and families impacting Hawaii's Medicaid  
37 program; now, therefore,

\_\_\_\_\_.C.R. NO.

1 BE IT RESOLVED by the \_\_\_\_\_ of the Thirty-third  
2 Legislature of the State of Hawaii, Regular Session of 2025, the  
3 \_\_\_\_\_ concurring, that the Governor is urged to  
4 determine a course of action for the State of Hawaii should  
5 Medicaid expansion be eliminated; and

6  
7 BE IT FURTHER RESOLVED that the Governor consult with  
8 Hawaii's Congressional Delegation to ascertain the impacts of  
9 pending federal legislation on Medicaid expansion and the timing  
10 of any reduction in federal funding; and

11  
12 BE IT FURTHER RESOLVED that the Governor is requested to  
13 provide a report of any findings and recommendations, including  
14 proposed legislation, to the Legislature at least twenty days  
15 prior to the Regular Session of 2026; and

16  
17 BE IT FURTHER RESOLVED that certified copies of this  
18 Concurrent Resolution be transmitted to the Governor, the  
19 Directors of Commerce and Consumer Affairs, Health, Human  
20 Services, and Budget and Finance, and each member of Hawaii's  
21 Congressional Delegation.

22  
23  
24  
OFFERED BY: \_\_\_\_\_



**WAIANAE COAST  
COMPREHENSIVE  
HEALTH CENTER**

Thursday, March 20, 2025 at 10:15 AM  
State Capitol, Conference Room 329 & Videoconference

**HOUSE COMMITTEE ON HUMAN SERVICES & HOMELESSNESS**

**To: Chair Lisa Marten  
Vice Chair Ikaika Olds**

**From: Ian Ross  
Public Affairs Director**

**RE: TESTIMONY IN SUPPORT OF HCR 187 and HR 180 - URGING THE GOVERNOR TO  
DETERMINE A COURSE OF ACTION FOR THE STATE, SHOULD THE FEDERAL  
GOVERNMENT CUT FUNDING FOR MEDICAID.**

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**Aloha Chair Marten, Vice Chair Olds, and Members of the Committee,**

The Waianae Coast Comprehensive Health Center (WCCHC) strongly supports **HCR 187 and HR 180**, which urge the Governor to determine a course of action should the federal government reduce Medicaid funding. **We respectfully request an amendment to correct a numerical error in the measure.**

WCCHC is a Federally Qualified Health Center that serves over 35,000 patients annually in West O'ahu, one of the most underserved areas of Hawai'i. For over 52 years, we have provided comprehensive primary and behavioral health care, vision services, dental services, and emergency medical services. We work tirelessly to address not only immediate health concerns but also the long-term health outcomes for our community.

As an FQHC, WCCHC provides critical health services to medically underserved communities, including a high proportion of Medicaid beneficiaries. Across Hawai'i, over 450,000 residents—nearly a third of the state's population—depend on Medicaid for essential health care. A significant reduction in federal Medicaid funding would have severe and immediate consequences for our most vulnerable populations.

The House of Representatives passed the budget resolution, H.Con.Res.14, on February 25th. The proposed budget includes guidelines for Fiscal Year 2025 through Fiscal Year 2034 by providing instructions for spending and cuts to Congressional committees with jurisdiction over particular federal spending and programs. This budget resolution would task committees to identify cuts to federal spending in several areas of spending. If enacted, this House budget could result in up to \$880 billion in Medicaid cuts. While the final budget may be substantially different, this has created uncertainty.

Due to this ongoing uncertainty surrounding federal Medicaid policies, it is critical that Hawai'i develops a proactive plan to protect access to care for Medicaid recipients. If federal Medicaid funding is substantially reduced, the state will face a choice: either offset the shortfall or see a dramatic increase in uninsured and underinsured populations. While conversations and



**WAIANAE COAST  
COMPREHENSIVE  
HEALTH CENTER**

planning is ongoing, we hope that this resolution will foster increased engagement among stakeholders from FQHCs, state agencies, and the public to determine a path forward so we are properly prepared.

**Requested Amendment**

We request an amendment to correct a numerical error in a WHEREAS Clause on page 3, lines 21-24:

"WHEREAS, according to the study, if Hawai'i picked up the new expansion costs under scenario 1, the anticipated loss of federal funding per fiscal year that would need to be offset by **\$3,200,000,000**; and"

The referenced **Kaiser Family Foundation Report** found that this amount represents a **ten-year total**, meaning the **annual shortfall would be \$320 million per year**. We recommend revising the clause to state:

"WHEREAS, according to the study, if Hawai'i picked up the new expansion costs under scenario 1, the anticipated loss of federal funding over a ten-year period would be **\$320 million per year**;"

WCCHC urges the Committee to pass **HCR 187 and HR 180 with amendments** and to continue fostering collaboration between the state and health care providers to safeguard Hawai'i's Medicaid recipients.

Mahalo for the opportunity to testify.



33<sup>rd</sup> Legislature, State of Hawaii

Committee on Human Services & Homelessness

March 19, 2025

Testimony on:

**HR 180 – Course of Actions for Medicaid Funding**

Dear Chair Marten, Vice Chair Olds and Committee Members,

My name is Olivia Davies, and I am a current post graduate student living here in Hawai'i. I am testifying in favor of HR 180 which asks that the State of Hawai'i chooses a course of actions if the federal government cuts funding for Medicaid.

In light of how impactful this subject is, I believe that it would be extremely beneficial to keep funding for Medicaid members in the state of Hawai'i. The wide range impact Medicaid has on the 158,448 patients across Hawai'i shows the need of this resource. With downsizing the Medicaid members to one fifth of the budget size would exacerbate many more health and human service resources to plummet. I have been able to work with the homeless youth populations in the state for the past two summers and without the proper government funded health services, these children would not have anywhere to go. The individuals that struggle with financial stability will not be able to seek proper and affordable healthcare which will result in high death rates, lack of mental health support, and further separates us as a community. There are many aspects at play in making an impactful decision as this one, but it would be equally impactful for the individuals who lose their health resources as well. This why I believe that HR 180 would be beneficial to the low income members that are currently using Medicaid in Hawai'i.

I thank you for taking the time to read and hear my testimony. The work you do is greatly appreciated.

Olivia Davies

oliviahd@hawaii.edu

