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

TRISTA SPEER
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

January 27, 2025

TO: The Honorable Representative Gregg Takayama, Chair
House Committee on Health

FROM: Ryan I. Yamane, Director

SUBJECT: **HB 557 – RELATING TO TELEHEALTH.**

Hearing: January 29, 2025, Time 10:00 a.m.
Conference Room 329, State Capitol

DEPARTMENT'S POSITION: The Department of Human Services (DHS) provides comments with concerns about this bill. Please note that our comments pertain to Section 1 only, which applies to DHS.

PURPOSE: Updates the State's laws on telehealth services to conform with federal Medicare regulations. Requires the Insurance Commissioner to report to the Legislature on reimbursements claimed in the previous year for certain telehealth services. Repeals the sunset date of Act 107, Session Laws of Hawai'i 2023.

The bill's purpose is to conform state laws with federal Medicare telehealth regulations. However, the proposed amendments do not align with Medicare's telehealth rules; instead, the bill implements Medicare changes that became effective on January 1 and codifies telehealth exceptions and flexibilities that are set to expire on March 31, 2025. DHS recommends thoughtful adoption of amendments to the telehealth law given the many uncertainties of rapidly changing Medicare telehealth laws, the lack of clear clinical data supporting the expansion of interactive communication technology using two-way, real-time, audio-only

communication technology (e.g., telephone call) for all services, and the lack of financial parity for all telehealth modalities. For these reasons, DHS has concerns regarding the proposed major changes to the telehealth law.

For the Medicaid QUEST Integration program, current Hawaii law only allows and reimburses at financial parity for audio-only for mental health and substance use disorder services. Also, when using the audio-only modality, the service must meet Medicare's telehealth general rules codified in Title 42 Code of Federal Regulations (CFR) section 410.78, which includes definitions and general rules.

Medicare has updated its definition of interactive communications in CFR 410.78 (a). However, it has not made changes to the general rules that include types of services that could be provided via telehealth modalities when being provided in the patient's home (CFR 410.78 (b)), other than continued some flexibilities from the COVID-19 pandemic. These flexibilities are set to expire March 31, 2025. Thus, changes to the Hawaii statute to conform with Medicare telehealth laws that are set to expire would be premature at this time.

Medicare allows telehealth at the originating site (the location of the patient receiving the service) in a broad range of clinical settings but limits the kinds of health care services that can be provided in the home to only mental health services, substance use disorder services and end-stage renal dialysis (CFR 410.78 (b) (3) (x) (xii) and (xiv) emphasis added):

> (3) The services are furnished to a beneficiary at an originating site, which is one of the following:
>
> ……
>
> (x) The **home of an individual** (only for purposes of the home dialysis ESRD-related clinical assessment in section 1881(b)(3)(B) of the Act).
>
> ……
>
> (xii) The **home of an individual** (only for purposes of treatment of a substance use disorder or a co-occurring mental health disorder, furnished on or after July 1, 2019, to an individual with a substance use disorder diagnosis.
>
> ……
>
> (xiv) The **home of a beneficiary** for the purposes of diagnosis, evaluation, and/or treatment of a mental health disorder for services that are furnished during the period beginning on the first day after the end of the emergency period as defined in our regulation at § 400.200 and ending on December 31, 2024, except as otherwise provided in this paragraph.

Starting April 1, 2025, the Medicare flexibilities on originating sites, the kinds of services that can be provided, and expanded audio-only modalities will end. Thus, although the Medicare definition of interactive communications has been changed to delete reference to limiting audio-only services to mental/behavioral health services, the flexibilities that expanded access to allow telehealth to be provided for a broad range of medical services in a patient's home are due to expire.

Additionally, regarding paying for telehealth services at financial parity, it is notable that Medicare does not pay parity to all providers for services provided via telehealth; there are special payment terms for Federally Qualified Health Centers (FQHC). Specifically, FQHCs are not reimbursed for services provided via telehealth using the prospective payment system (PPS); rather, they are reimbursed at the regular Medicare Physician Fee Schedule per the Social Security Act (SSA) section 1834(m)(8)(B).

Social Security Act, Section 1834(m)(8)(B)

Special payment rule

(i) In general

The Secretary shall develop and implement payment methods that apply under this subsection to a Federally qualified health center or rural health clinic that serves as a distant site that furnishes a telehealth service to an eligible telehealth individual during the periods for which subparagraph (A) applies. Such payment methods shall be based on payment rates that are similar to the national average payment rates for comparable telehealth services under the physician fee schedule under section 1395w–4 of this title. Notwithstanding any other provision of law, the Secretary may implement such payment methods through program instruction or otherwise.

(ii) Exclusion from FQHC PPS calculation and RHC air calculation

Costs associated with telehealth services shall not be used to determine the amount of payment for Federally qualified health center services under the prospective payment system under subsection (o) or for rural health clinic services under the methodology for all-inclusive rates (established by the Secretary) under section 1395l(a)(3) of this title.

On the other hand, Medicaid reimburses FQHCs using prospective payment rates (PPS) rates. As background, a PPS rate pays the same amount for each eligible encounter regardless of the service. For example, currently, several FQHC's PPS rate is about $400 per encounter. The FQHCs are reimbursed that $400 rate whether an individual receives multiple different services for an hour in the clinic setting, or they receive a 15-minute audio-only call. Med-QUEST (MQD) pays PPS rates for care provided via all telehealth modalities, unlike Medicare. However, as

noted above, audio-only is limited to only behavioral health services. MQD would request that financial parity not be mandated for all audio-only telehealth services for all providers.

Finally, as further background, Hawaii's telehealth laws are less restrictive than Medicare in the types of services, with no geographic or originating site restrictions, as long as the health care services are clinically appropriate using a telehealth modality and can be provided in a location assuring the appropriate privacy and safety of the individual. However, when Hawaii's telehealth laws, including section 346-59.1, HRS, were amended in recent years, the agreement among the various impacted parties at that time was to limit audio-only telehealth modality to mental health and substance use disorder services, similar to Medicare. As noted above, if the audio-only modality were to be broadened to all health services despite Medicare's limitations and expiring flexibilities on audio-only modalities, MQD would not support full financial parity for audio-only modality given Medicare's laws, the lack of data regarding clinical outcomes and costs.

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

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

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

STATE OF HAWAII
DEPARTMENT OF HEALTH
KA 'OIHANA OLAKINO
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

WRITTEN TESTIMONY ONLY

Testimony in SUPPORT of HB557
Relating to Telehealth

REPRESENTATIVE GREGG TAKAYAMA, CHAIR
HOUSE COMMITTEE ON HEALTH

Wednesday, 01-29-25 10:00AM in House conference room 329

Department Position: DOH supports this bill provided that its passage does not replace or adversely impact priorities indicated in our Executive Budget. We would like to note that there's strong support for this measure within the healthcare community.

Thank you for the opportunity to testify on this measure.

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

SYLVIA LUKE
LIEUTENANT GOVERNOR | KA HOPE KIA'ĀINA

STATE OF HAWAII | KA MOKUʻĀINA ʻO HAWAIʻI
OFFICE OF THE DIRECTOR
DEPARTMENT OF COMMERCE AND CONSUMER AFFAIRS
KA ʻOIHANA PILI KĀLEPA
335 MERCHANT STREET, ROOM 310
P.O. BOX 541
HONOLULU, HAWAII 96809
Phone Number: (808) 586-2850
Fax Number: (808) 586-2856
cca.hawaii.gov

NADINE Y. ANDO
DIRECTOR | KA LUNA HOʻOKELE

DEAN I. HAZAMA
DEPUTY DIRECTOR | KA HOPE LUNA HOʻOKELE

Testimony of the Department of Commerce and Consumer Affairs

Before the
House Committee on Health
Wednesday, January 29, 2025
10:00 a.m.
State Capitol, Conference Room 329 & via Videoconference

On the following measure:
H.B. 557, RELATING TO TELEHEALTH

Chair Takayama and Members of the Committee:

My name is Gordon Ito, and I am the Insurance Commissioner for the Department of Commerce and Consumer Affairs' (Department) Insurance Division. The Department appreciates the intent and offers comments on this bill.

The purpose of this bill is to (1) update the State's laws on telehealth services to conform with federal Medicare regulations; (2) require the Insurance Commissioner to report to the Legislature on reimbursements claimed in the previous year for certain telehealth services, and (3) repeal the sunset date of Act 107, Session Laws of Hawaiʻi 2023.

The Insurance Division supports efforts to improve access to health care services. Regarding the bill's requirement that the Insurance Commissioner prepare and submit to the Legislature a report that contains "a summary of the telehealth claims reimbursed during the preceding year," the Insurance Division will need the explicit authority to collect telehealth claims reimbursement data from the health insurers and

requests that the bill include a revenue stream to carry out its intent to collect and summarize telehealth claims data in an annual report.

Thank you for the opportunity to testify on this bill.

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

JOSH GREEN, M.D.
GOVERNOR OF HAWAIʻI
KE KIAʻĀINA O KA MOKUʻĀINA ʻO HAWAIʻI

KENNETH S. FINK, MD, MGA, MPH
DIRECTOR OF HEALTH
KA LUNA HOʻOKELE

JOHN C. (JACK) LEWIN, M.D.
ADMINISTRATOR

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

January 24, 2025

To: House Committee on Health
Chair Gregg Takayama
Vice Chair Sue L. Keohokapu-Lee Loy

From: John C (Jack) Lewin MD, Administrator, SHPDA

Re: HB **557**: RELATING TO TELEHEALTH

Position: SUPPORT

Testimony:
This bill updates the State's laws on telehealth services to conform with federal Medicare regulations, and further requires the Insurance Commissioner to report to the Legislature on reimbursements claimed in the previous year for certain telehealth services. It also repeals the sunset date of Act 107, Session Laws of Hawaii 2023.

Hawaii's healthcare statewide systems are threatened by severe workforce shortages. While the Governor's loan repayment program is helping to recruit physician, nurses, and other essential health and social services professionals, and acceleration of training of health professionals by the University of Hawai`i and the health sector here are working to alleviate the shortages, urgent innovative action to meet the health care needs of our state is necessary.

In-person health care services remain important and are often necessary to provision of quality care. But, telehealth services provide convenient and effective outreach services to patients for many kinds of health care purposes, including outpatient care, behavioral health care, and home and community-based services, and for routine and follow-up care for many chronic diseases, housebound patients, and rural health care.

Further, given the shortage of primary care and specialty care physicians, advanced practice nurses, behavioral health professionals, social workers, and other providers due to the workforce shortage, telemedicine allows for effective delivery of high-quality care in many circumstances where access to care is unavailable. Further, when necessary to avoid dangerous delays in care, telehealth services delivered by qualified remotely located physicians and clinicians in other states, or by specialists on O`ahu for neighbor island patients is essential.

SHPDA enthusiastically supports this bill and urges its passage.

---Jack Lewin MD, SHPDA Administrator, and Sr. Advisor to Governor Green on Health Care

UNIVERSITY OF HAWAIʻI SYSTEM
ʻŌNAEHANA KULANUI O HAWAIʻI

Legislative Testimony
Hōʻike Manaʻo I Mua O Ka ʻAhaʻōlelo

Testimony Presented Before the
House Committee on Health
Wednesday, January 29, 2025; 10:00 am
By
T. Samuel Shomaker, Dean
John A. Burns School of Medicine
University of Hawaiʻi at Mānoa
And
Michael Bruno, Provost
University of Hawaiʻi at Mānoa

HB 557 – RELATING TO TELEHEALTH

Chair Takayama, Vice Chair Keohokapu-Lee Loy and Members of the Committee:

Thank you for the opportunity to testify in **support** of HB 557 which updates the laws on telehealth services to conform with federal Medicare regulations and requires the Insurance Commissioner to report to the Legislature on reimbursements claimed in the previous year for certain telehealth services.

Since 1999, the use and expansion of telehealth services and technology in Hawaiʻi have been recognized as a way to increase access and reduce delays to health care, particularly in rural areas of the state. Many of the highest-risk patients reside in Medically Underserved Areas (MUA), are part of Medically Underserved Populations (MUP), or reside in federally-designated health professional shortage areas. Telehealth communication in any media form, including via telephonic communication, benefits many in these communities. Elderly, as well as medically- and socially-complex patients often face transportation barriers and difficulty navigating our collective system of health care. Patients with behavioral health issues are especially vulnerable and frequently require immediate attention. The inability of behavioral health and other patients to access the internet or to navigate complicated video platforms presents an even greater barrier to much-needed health care.

We note that Medicare and Medicaid pay equally for telephonic and telehealth services, recognizing the importance of telephonic services. 42 CFR § 410.78 defines telehealth services provides as follows:

> "(3) Interactive telecommunications system means, except as otherwise provided in this paragraph, multimedia communications equipment that includes, at a minimum, audio and video equipment permitting two-way, real-time interactive communication between the patient and distant site physician or practitioner. For

services furnished for purposes of diagnosis, evaluation, or treatment of a mental health disorder to a patient in their home, **interactive telecommunications may include two-way, real-time audio-only communication technology if the distant site physician or practitioner is technically capable to use an interactive telecommunications system as defined in the previous sentence, but the patient is not capable of, or does not consent to, the use of video technology.** A modifier designated by CMS must be appended to the claim for services described in this paragraph to verify that these conditions have been met." Emphasis added.

One of the realities for Hawai'i is that many of those most in need of telephonic care (limited means to travel, poor or absent internet coverage or bandwidth, residence remote from care providers, infirm with limited cognition or digital literacy, immune compromise in the age of COVID, etc.) suffer the most from a lack of provider reimbursement for telephonic coverage. By conforming Hawai'i's telehealth laws to federal Medicare regulations, this measure is a positive step toward ensuring that Hawai'i's most vulnerable patients are given equal access to the high-quality health care and health services they deserve.

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

HPCA
HAWAI'I PRIMARY CARE ASSOCIATION

Testimony to the House Committee on Health
Wednesday, January 29, 2025; 10:00 a.m.
State Capitol, Conference Room 329
Via Videoconference

RE: HOUSE BILL NO. 0557, RELATING TO TELEHEALTH.

Chair Takayama, Vice Chair Keohokapu-Lee Loy, 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 **STRONGLY SUPPORTS** House Bill No. 0557, RELATING TO TELEHEALTH.

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 conform Hawaii's Insurance Code with the Medicare Physician Fee Schedule (Medicare Fee Schedule) to ensure that private insurers provide reimbursement for telehealth services offered through two-way, real-time, audio-only communications. More specifically, this bill would:

(1) Change the definition of "interactive telecommunications system" from citation to the Medicare Fee Schedule to language found in that law as it was amended on December 9, 2024. This provision would ensure that the definition for this term under Act 107, Session Laws of Hawaii 2023 (Act 107) would not automatically change if an amendment is approved for the Medicare Fee Schedule by the Centers for Medicare and Medicaid Services (CMS). Subsequent amendments to Hawaii Law would only occur through the enactment of a new law by the Hawaii State Legislature;

(2) Eliminate concessions offered by both the Mental Health Hui (a group representing the Hawaii Primary Care Association, the Hawaii Psychological Association, the National Association of Social Workers, the Hawaii Substance Abuse Coalition, AARP, the American

Cancer Society Cancer Action Center, the Hawaii Parkinsons' Association, the Epilepsy Foundation of Hawaii, and the Alzheimer's Association, among other organizations) and HMSA that led to the agreement that was codified as Act 107. The Mental Health Hui agreed to an 80% cap on reimbursement for audio-only mental health telehealth services. HMSA agreed to allowing audio-only mental health telehealth services be reimbursable so long as the visit prior to the first audio-only mental health service was conducted by an audio-visual telehealth visit instead of an in-person visit that was required by Medicare; and

(3) Require the Insurance Commissioner to submit in its annual report data on reimbursements claimed pursuant to Act 107.

This bill would also eliminate the sunset date of December 31, 2025 in Act 107 and make Act 107 permanent.

In our testimony on the measure that later became Act 107, we wrote:

> *"We believe this issue is fundamentally one of equity for the patients who are covered by private insurance with those who are covered by Medicare and Medicaid. As we stated last year, what is good for Medicare should be good for private insurance. To that end, we firmly assert that private insurers cannot justify why benefits that are required under Medicare and Medicaid should not likewise be required for private insurance."* [**See**, HPCA Testimony to the House Committee on Consumer Protection on House Bill No. 0907, dated February 16, 2023, p. 2.]

It would appear that the Legislature agreed. In defining the term of "interactive telecommunications requirement", Act 107 reads:

> *"Interactive telecommunication system" has the same meaning as the term is defined in title 42 Code of Federal Regulations section 410.78(a)."*

This was done to ensure that if the reimbursability of telehealth services under Medicare was ever expanded by CMS, that those amendments would automatically be applied to Hawaii's private insurers under Act 107.

On December 9, 2024, CMS published amendments to the Medicare Fee Schedule. [**See**, Federal Register, Vol 89, No. 236, Monday, December 9, 2024 at 98557. These amendments were approved and went into effect on January 1, 2025.

Among other things, CMS found that the successive statutory extensions of the telehealth flexibilities (i.e., audio-only mental health telehealth) implemented in response to the public health emergency for COVID-19 made it *"appropriate to allow interactive audio-only telecommunications technology when any telehealth service is furnished to a beneficiary in their home (when the patient's home is a permissible originating site) and when the distance site physician or practitioner is technically capable of using an interactive telecommunications system but the patient is not capable of, or does not consent to the use of video technology."* [**See**, Federal Register, supra, at 97761.]

CMS further found that *"[w]hile practitioners should always use their clinical judgment as to whether the use of interactive audio-only technology is sufficient to furnish a Medicare telehealth service, we recognize that there is a variable broadband access in patients' homes, and that even when technologically feasible, patients simply may not always wish to engage with their practitioner in their home using audio and video. . ."* [**See**, Id.]

CMS added, *"[t]he purpose of our proposal was to recognize that, while real-time interactive audio-visual remains the generally applicable standard, including for distant site practitioners who wish to furnish these services, there are special considerations for patients when a Medicare telehealth services is delivered in their home. For example, a patient may not have sufficient [or any] access to broadband to support the use of real time video technology, may not have the technical proficiency or support in place to use video technology, or may have privacy concerns about using video technology for Medicare telehealth services in their home."* [**See**, Federal Register, supra, at 97762.]

Accordingly, CMS amended the definition of "interactive telecommunications system" by deleting language that restricted audio-only telehealth services to mental health services and applied this term to all telehealth services that are provided at the patient's home and that the same services provided in person are reimbursable.

Because the term in Act 107 is defined **BY CITATION** to the definition of that term in the Medicare Fee Schedule, the HPCA contends that all telehealth services (not just behavioral health services) provided through audio-only telecommunications to a patient's home is reimbursable under private insurance as of January 1, 2025, the date that the Medicare Fee Schedule Final Rule took effect.

While these development occurred, the HPCA, in conjunction with and on behalf of the Mental Health Hui, have had a series of meetings with HMSA to discuss this issue. These meeting have been cordial and productive. In that vein, I would like to publicly thank HMSA for their graciousness and openness to working on this with us on this issue. I believe we all agree that a prolonged battle over this issue hurts everyone, especially the most vulnerable and most isolated populations throughout the State.

Because these changes to the law occurred so recently, the health care providers, community groups, and the general public do not appear to be aware of these developments. That is why we think HMSA and the other private insurers have not received claims for reimbursement for non-mental health audio-only services provided after January 1, 2025. It is also unclear how Hawaii's Medicaid Administrator and Insurance Commission would interpret the change to the definition of "interactive telecommunications systems" in the Medicare Fee Schedule to Act 107. Accordingly, on January 14, 2025, Robert Hirokawa, HPCA's Chief Executive Officer, sent a letter to both Judy Mohr Peterson, Med-QUEST Administrator and Gordon I. Ito, Insurance Commissioner requesting agency determinations on the date when reimbursement for non-mental health, audio-only, telehealth services should begin in light of the December 9, 2024 amendments to the Medicare Fee Schedule and its applicability to Act 107. [**See**, Letter, attached.] **Hirokawa requested a written response by January 31, 2025.**

At this point, the HPCA views House Bill No. 0557 as reflective of where the law stands as it pertains to Act 107. It should also be noted that while this bill deletes the concessions made by the Mental Health Hui and HMSA in 2023, the most recent amendments to the Medicare Fee Schedule do not include an 80% cap nor any in-person or audio-visual telehealth visits prior to the first audio-only session so additional amendments would appear to be warranted if the Legislature should reaffirm its intent to have the Insurance Code conform to Medicare.

For these reasons, the HPCA wishes to thank the introducer for introducing this measure and the Chair of this Committee for hearing this measure. Discussions between HPCA, the Mental Health Hui and HMSA continue and it is my hope that a compromise can be found before Adjournment Sine Die.

Accordingly, for purposes of facilitating continued discussions, the HPCA respectfully 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@hawaiipca.net.

Attachment

HPCA
HAWAI'I PRIMARY CARE ASSOCIATION

January 14, 2025

Judy Mohr Peterson, Ph.D.
Administrator, Med-QUEST Division
Hawaii State Department of Human Services
P.O. Box 339
Honolulu, Hawaii 96809

Gordon I. Ito
Insurance Commissioner, Insurance Division
Hawaii State Department of Commerce and Consumer Affairs
P.O. Box 541
Honolulu, Hawaii 96809

RE: AGENCY DETERMINATION FOR REIMBURSEMENT OF NON-MENTAL HEALTH, AUDIO-ONLY, TELEHEALTH SERVICES

Dear Administrator Peterson and Commissioner Ito:

This requests your determination on the date when reimbursement for non-mental health, audio-only, telehealth services should begin pursuant to Act 107, Session Laws of Hawaii 2023.

By way of background, the Hawaii State Legislature enacted House Bill No. 907, Senate Draft 2, which was enacted as Act 107, Session Laws of Hawaii 2023 (Act 107). Among other things, this law temporarily allowed for the reimbursement for services provided through an interactive communications system and two-way, real-time, audio-only communications for telehealth purposes consistent with the 2023 Medicare Physician Fee Schedule.

Specifically, Act 107 established identical language in the statutes applicable to Medicaid (Chapter 346, Hawaii Revised Statutes (HRS)), Accident and Sickness Contracts (Article 10A of Chapter 431, HRS), Mutual Benefit Societies (Chapter 432, HRS), Health Maintenance Organizations (Chapter 432D, HRS), and Medicine and Surgery (Chapter 453, HRS).

For all of these statutes, the term, "Interactive telecommunications system" was established:

> *"'Interactive telecommunications system' has the same meaning as the term is defined in title 42 Code of Federal Regulations section 410.78(a)."*

When Act 107 was enacted, Title 42 Code of Federal Regulations Section 410.78(a) read in pertinent part:

> *"Interactive telecommunications system means, except as otherwise provided in this paragraph, multimedia communications equipment that includes, at a minimum, audio and video equipment permitting two-way, real-time interactive communication between the patient and distant site physician or practitioner.* ***For services furnished for purposes of diagnosis, evaluation, or treatment of a mental health disorder to a patient in their home, interactive telecommunications may include two-way, real time audio-only communication technology if the distant site physician or practitioner is technically capable to use an interactive telecommunications system as defined in the previous sentence, but the patient is not capable of, or does not consent to, the use of video technology. A modifier designed by CMS must be appended to the claim for services described in this paragraph to verify that these conditions have been met****."* (**See**, 42 CFR §410.78(a)(3). Emphasis added.)

By incorporating the language from Section 410.78(a) into the definition of "interactive telecommunications system" **by citation**, the audio-only telehealth services requiring reimbursement under Hawaii Law was limited to conform to what was authorized under the Medicare Fee Schedule, at that time -- namely *"services furnished for purposes of diagnosis, evaluation, or treatment of a mental health disorder to a patient in their home".*

On December 9, 2024, the Centers for Medicare and Medicaid Services (CMS) issued its Final Rule for the Medicare Physician Fee Schedule. Among other things, CMS amended the definition of "Interactive Telecommunications System" to read:

> *"Interactive telecommunications system means, . . . multimedia communications equipment that includes, at a minimum, audio and video equipment permitting two-way, real-time interactive communication between the patient and distant site physician or practitioner.* ***Interactive telecommunications system may also include two-way, real-time audio-only communication technology for any telehealth service furnished to a patient in their home if the distant site physician or practitioner is technically capable of using an interactive telecommunications system as defined in the previous sentence, but the patient is not capable of, or does not consent to, the use of video technology. The following modifiers must be appended to a claim for telehealth services furnished using two-way, real-time audio-only communication technology to verify that the conditions set forth in the prior sentence have been met.*** *. . ."* (**See**, Federal Register, Vol. 89, No. 236, Monday, December 9, 2024, at 98557. Emphasis added.)

With this amendment, the audio-only services requiring reimbursement was expanded to include *"any telehealth service furnished to a patient in their home. . ."* The Final Rule took effect on January 1, 2025. (**See**, Id., at 97710.)

On December 18, 2024, Administrator Peterson issued Memorandum No. QI-2338A (Addendum to QI-2338), FFS 23-22A (Addendum to FFS 23-22), CCS-2311A (Addendum to CCS-2331) to QUEST Integration (QI) Health Plans, Health Plans Medicaid Fee-For-Service (FFS) Providers, Community Care Services (CCS), Federally Qualified Health Centers (FQHC), and Rural Health Centers (RHC). In it, Dr. Peterson wrote:

> *"Med-QUEST Division (MQD) continues to support the medically appropriate use of interactive telecommunications systems using two-way, real-time audio-only communications technology (audio-only) to increase access to healthcare and*

> *promote continuity of care. Therefore, MQD will continue to reimburse select healthcare services delivered through audio-only communications technology. The following guidance is in effect until December 31, 2025, which aligns with the amended Hawaii Revised Statute 346-59, as amended by 2023 Hawaii legislative session Act 107 (HB 907). . ."* (**See**, Memo No. QI-2338A, supra, at page 14.)

The memo continued by citing the specific provisions applicable -- namely Section 346-59.1, Hawaii Revised Statutes, and Title 42 Code of Federal Regulations Section 410,78. However, the passage in the memorandum referring to Title 42 Code of Federal Regulations Section 410.78 (i.e., the definition of "interactive telecommunication system" in the Medicare Fee Schedule) was what was previously in effect before the amendment to the Medicare Fee Schedule was approved on December 9, 2024, and took effect on January 1, 2025.

In addition, on December 20, 2024, the United States Congress approved the American Relief Act of 2025 (ARA), a funding measure that was intended to prevent the shutdown of the federal government. On Sunday, December 22, 2024, this measure is signed into law.

Page 104, lines 3 through 7, of the ARA states the following language:

> *"(c) ALLOWING FOR THE FURNISHING OF AUDIO-ONLY TELEHEALTH SERVICES -- Section 1834(m)(9) of the Social Security Act (42 U.S.C. 1395m(m)(9)) is amended by striking "ending on December 31, 2024" and inserting "ending on March 31, 2025."*

Upon our review of this legislation, it is unclear to us whether the enactment of this language would affect the Medicare Physician Fee Schedule Final Rule that was approved on December 9, 2024, and how both would impact Act 107.

Accordingly, the Hawaii Primary Care Association respectfully requests determinations by both MedQUEST and the Insurance Division on the following questions:

(1) Because the definition of "interactive telecommunications system" refers to the definition of that same term in 42 CFR §410.78(a) by citation, would the amendments to that term that were approved by CMS on December 9, 2024, materially change the definition of that term under Act 107?

(2) If "yes" to question (1), under the terms of the December 9, 2024 amendment, would these changes to the definition of "interactive telecommunications system" go into effect on January 1, 2025?

(3) Does the enactment of the American Relief Act of 2025 invalidate the change to the definition of "interactive telecommunications system" specified in the December 9, 2024 Medicare Fee Schedule Final Rule that is scheduled to take effect on January 1, 2025, delay implementation of the amendment until April 1, 2025, or have no bearing on the December 9, 2024 Medicare Fee Schedule Final Rule?

Without guidance from MedQUEST for Medicaid, and the Insurance Division for private insurance, it is unclear whether FQHCs would be able to receive reimbursement for non-mental health, audio-only, telehealth services in compliance with the Medicare Fee Schedule Final Rule and Act 107.

Your determination will have a direct impact on legislation pending consideration during the 2025 Hawaii State Legislature. **Accordingly, I respectfully request a response from you in writing by end of business on Friday, January 31, 2025.**

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

Very Truly Yours,

ROBERT HIROKAWA
Chief Executive Officer
Hawaii Primary Care Association

c: HPCA Board of Directors
Hawaii State Director of Human Services
Hawaii State Director of Commerce and Consumer Affairs
Jennifer Diesman, Hawaii Medical Service Association

HAWAIʻI PACIFIC HEALTH | KAPIʻOLANI PALI MOMI STRAUB WILCOX

Monday, January 29, 2025
Conference Room 329 & Videoconference

House Committee on Health

To: Representative Gregg Takayama, Chair
Representative Sue Keohokapu-Lee Loy, Vice Chair

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

Re: Testimony in Support of HB 557
Relating To Telehealth

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

HPH writes in SUPPORT of HB 557 which updates the laws on telehealth services to conform with federal Medicare regulations and requires the Insurance Commissioner to report to the Legislature on reimbursements claimed in the previous year for certain telehealth services.

Since 1999, the use and expansion of telehealth services and technology in Hawaii has been recognized as a strategy to increase patient access to healthcare by overcoming the geographic challenges across our state. Many of Hawaii's geographically access challenged patients reside in Medically Underserved Areas (MUA), are part of Medically Underserved Populations (MUP), or reside in federally designated health professional shortage areas. Elderly, as well as medically- and socially complex patients often face transportation barriers, limited broadband access and personal difficulty navigating the technological requirements of accessing traditional video telehealth care services. In these instances, telephonic communication becomes a viable alternative for many in these communities to overcome barriers enabling them to access healthcare remotely.

HPH supports a provider reimbursement system that also incorporates reimbursement for telephonic services. We have experienced challenges with our patients accessing acute care services (limited means to travel, poor or absent internet coverage, residence remote from care providers, infirm with limited mobility, immune compromise in the age of COVID, etc.) across our system. As a related example, within HPH charges for

telephonic services represent 12-15% of total charges for remote physician to patient acute care service charges indicating a need for telephonic services as an alternative care modality. In the absence of telephonic services being provided or available, these at-risk individuals would have had to resort to travel from their residence to clinics and emergency departments at great personal expense or choose to do without care guidance altogether. Therefore, we foster a telehealth environment in Hawaii that allows both patients today the ability to access behavioral as well as other health services remotely without unnecessarily foreclosing future opportunities to develop alternative reimbursement structures for other remote access modalities to flourish.

Thank you for the opportunity to testify.

An Independent Licensee of the Blue Cross and Blue Shield Association

January 29. 2025

The Honorable Gregg Takayama, Chair
The Honorable Sue L. Keohokapu-Lee Loy, Vice Chair
House Committee on Health

Re: HB557- RELATING TO TELEHEALTH

Dear Chair Takayama, Vice Chair Keohokapu-Lee Loy, and Members of the Committee:

Hawaii Medical Service Association (HMSA) respectfully opposes HB557, which updates the State's laws on telehealth services to conform with federal Medicare regulations, requires the Insurance Commissioner to report to the Legislature on reimbursements claimed in the previous year for certain telehealth services, and repeals the sunset date of Act 107, Session Laws of Hawaii 2023.

HMSA fully supports the efforts of legislators and this committee to make behavioral healthcare more readily available, especially on the Neighbor Islands and in rural areas where it is difficult for residents to obtain in-person services. However, we believe that the current proposed legislation strays from the original intent of Act 107. The efforts to align with Medicare are incomplete, the proposed increase in reimbursement rates are unjustified, and the changes to the current guardrails would make it more difficult, in our opinion, for behavioral health providers and their patients to access care.

Medicare Alignment: The current language of the bill is attempting to allow audio-only for any telehealth service and justifying this as a way to better align with Medicare. While the Code of Federal Regulations[1] definition of interactive telecommunication system was updated to expand audio-only communication technology for any telehealth service, this federal definition must be observed together with Section 1834(m) of the Social Security Act[2], which states that the only covered telehealth services allowed in the home are for services for the diagnosis, evaluation, or treatment of mental health or substance use disorder, and for monthly ESRD-related clinical assessments. As such, HMSA believes that an expansion of audio-only telehealth as written in this bill is taken out of context and fails to conform with the intent of federal Medicare regulations.

Reimbursement Rates: HMSA recognizes audio-only telehealth as an important means of access to care for members lacking technological access or digital literacy. However, audio-only telehealth is generally not considered an equal substitute to audio/video telehealth or face-to-face service, with inherent limitations and lower delivery cost. Therefore, we do not believe that there is justification to raise reimbursement for audio-only services to equal that of in-person or video-based telehealth visits, especially because equal reimbursement rates

1. https://www.ecfr.gov/current/title-42/chapter-IV/subchapter-B/part-410/subpart-B/section-410.78#p-410.78(a)(3)
2. https://www.ssa.gov/OP_Home/ssact/title18/1834.htm#:~:text=(m)%20Payment,of%20such%20paragraph

would significantly increase health care costs, eventually resulting in higher premiums for businesses and/or higher copays for individuals.

Maintaining Accessibility: Hawaii's unique geography makes it difficult for behavioral health providers and patients to connect with each other in person. This is one of the main reasons why the original legislation included the option of using audio-visual telehealth as an option for the initial visit and annual follow ups required to deliver audio-only visits. Eliminating this option could create multiple barriers for behavioral health providers and patients, who may not have the capability to conduct in-person visits.

The field of telemedicine is continuously evolving and as the flexibilities and waivers introduced during the Public Health Emergency (PHE) come to an end, the healthcare community must continue to work together to find ways to expand access without sacrificing quality. HMSA considers Act 107 to be a prime example of that effort – as it shows a willingness for compromise amongst the various stakeholders in order to find a common ground to best serve our residents. Despite the questions that still remain about the quality and efficacy of audio-only health care, and a lack of research on the topic, we support CMS' opinion that mental health services are different from most other services on the Medicare telehealth services list in that many of the services primarily involve verbal conversation where

With that in mind, we ask the committee to consider the following proposal:

1. Striking all references in Act 107, 2023 to 42 Code of Federal Regulations section 410.78(a)

2. Clearly defining in sections 2, 3, 4, 5, & 6 of Act 107, 2023, that "Interactive telecommunications system" shall mean:
    a. *Except as otherwise provided in this paragraph, multimedia communications equipment that includes, at a minimum, audio and video equipment permitting two-way, real-time interactive communication between the patient and distant site physician or practitioner. For services furnished for purposes of diagnosis, evaluation, or treatment of a mental health disorder to a patient in their home, interactive telecommunications may include two-way, real-time audio-only communication technology if the distant site physician or practitioner is technically capable to use an interactive telecommunications system as defined in the previous sentence, but the patient is not capable of, or does not consent to, the use of video technology. A modifier designated by CMS must be appended to the claim for services described in this paragraph to verify that these conditions have been met.*

3. Removing sunset language found in section 8 of Act 107, 2023 and making effective upon approval.

An Independent Licensee of the Blue Cross and Blue Shield Association

We are happy to provide the committee with a proposed draft that incorporates the requested amendments. Thank you for the opportunity to testify on this measure.

Sincerely,

Dawn Kurisu
Assistant Vice President
Community and Government Relations

Good morning, thank you for the opportunity to testify before your Honored Senators and distinguished guests.

My name is George Mackel, and I have the APRN board-certified in family practice, board certified in psychiatry, and board-certified in addiction as a nurse practitioner. I am also the CEO of OhanaPsych, which we are an outpatient tele-psychiatry practice serving the state of Hawaii. My perspective on this situation is going to be 100% related to mental health care in the state of Hawaii. 2024 we serve 6656 Hawaiians in our practice group. We actively take care of about 20% of the Ohana Behavior Health care in the state right now out of 5000 estimated people that are on the carveout insurance we care for 1000 these clients have the most severe forms of mental illness in the state. Perspective psychiatric physicians only 20% take Medicaid insurance. Our payer mix makes up about 50% of Medicaid clients. We take most Hawaiian insurance and we take all the quest payers except for Kaiser. This bill is about payment parity. The payment parity needs to be applied across the board. I'm specifically talking about what physicians get paid and what APRN's get paid for as needing corrective payment parity. I have the same practice expense as any physician and am operating on a 15 to 30% reduction of compensation to deliver the same care. It is not possible for us to open physical locations in the state because of the lack of payment parity. I would encourage Hawaii to be the second state in the union of forcing insurance panels to offer payment parity between physicians and APRN's the state of Oregon did this in 2024 forcing insurance panels to pay APRN's the same rates of physicians at the same time telling them that they could not drop physician reimbursement either.

We as APRN's are qualified to take care of Kiki to Kupuna. OhanaPsych is the largest prescribers of long acting injectable (LAI's) is what the pharmacies tell us in the state, and we have partnered with pharmacy's and are able to get these injections in client's homes. This is now occurring on Oahu, Maui, Molokai, Kauai, Island of Hawaii. OhanaPsych is starting to have an impact with mental health care in the state. We have over 600 primary care teams that refer their clients to us for mental health care. We recently partnered with American Academy of pediatrics accepting referrals from over 200 Hawaiian chapter pediatricians. The coconut wire has been good us. We have had interactions with over 6656 individual clients in the past 12 months. The problems I'm having are going to be repeated with the other psychiatric nurse practitioners that are entering the population in the state of Hawaii. There are two programs now Hawaiian Pacific University is graduating about six graduates a year and Chaminade University is graduating about six graduates a year as well this will help with the mental health disparity but if there isn't payment parity my fear as many of these graduates will fly to the ninth island and deliver care someplace else.

There is also difficulty in telemedicine because of the state regulatory agency Quest has not rewritten their rules or manuals reflecting the changes that occurred with the telemedicine laws in 2022 most of the state contracts with Quest are still going on the 2017 telemedicine law and don't reflect the changes in the law that occurred in 2022. We are operating on a telemedicine memo now that came out of Quest that does give some guidance, but it's been three years since the law has been changed and I would encourage you to ask the regulatory agency why they have not changed the contracts and why they have not changed the regulations reflecting the change of the law of 2022 that is permanent.

Some of the ambiguity of your law will be problematic when you have a regulatory agency that has not changed the regulations and still has the mindset of the 2017 telemedicine law. The providers at OhanaPsych can establish provider client relationships based on a synchronous audiovisual component and I do not have to see client person-to-person. This law states I must see clients face-to-face within six months prior to an audio-only visit or 12 months after an audio-only visit and that will not happen in my practice group because it will always be synchronous audio/visual. Nor is it required by the 2022 telemedicine law, but this law is going to create ambiguity that the state regulatory agency is going to interpret as they see fit. Nor is this required by CMS rules for care have loosened and under rural healthcare rules and CMS says that telemedicine providers that are not rural healthcare clinics should follow the rural healthcare directive. Rural healthcare clinic rules for tele-medicine for behavior health are that if the provider deems it is medically unnecessary, and the client causes undue hardship that we can continue to do telemedicine without person to person. I would recommend that you put this into this law to stop this regulatory interpretation by Quest. This law is written now, and I predict the way the regulation will be interpreted we will not be able to do audio-only visits anymore. Depending on how they apply the regulation we may be forced out of business as well. The reason why we do not have physical locations is because of payment disparity for APRN's versus physicians. There are not enough financial resources to rent office spaces on five different islands. In the interest of our clients we could open one office but everybody that we serve from the outlying islands would have to fly to that office to engage with someone in our practice group thereby increasing expenses for care. As a Psychiatric provider I find it not medically necessary for behavior health care this and to be an undue hardship for the clients but without that specified in your definition I do believe that is what is coming by regulation.

Another concern I have is that your restrictive as to where I can see clients will infringe on client civil rights, they have the right to choose where they connect to their healthcare provider. OhanaPsych is financially penalized for my clients' choices now, this seems unfair. Granted privacy must be maintained and there are certain situations where privacy is compromised the client can override that because of their autonomous decision-making. One example is I have clients that are connecting on their cell phone driving why state law does not allow you to touch your cell phone while driving is risky behaviors we as a practice group will not engage in that behavior and tell the client they must reschedule. Literally, clients connect to me while riding the bus and they give permission for us to do the session which I document. Remember my clients do not have good insight. Is it not better to engage in delivery care wherever they choose and give permission than not have care at all?

There is no defined point of care (POC) code for the client that refuses or is not capable of doing synchronous audiovisual care. I do appreciate your attempt to fix this in this law. I am concerned about the implementation of it because the form 1500 does not have space for it for billing.

POC codes there are 99 of them. This bill mentions 9 of the POC codes. This bill does not mention the other 90 POC codes. This omission the state regulatory will fail to regulate as they did in 2024 to the managed care organizations (MCO) This will reduce reimbursement to the 90 codes that were unspecified, and they will all be considered non-facility reimbursement by the MCO. Reducing payment parity by some 15% for physicians and APRN's. Reducing APRN's reimbursement by a total of 30% which is below most APRN's practice expense is to be unsustainable for APRN's. CMS gives lateral movement that the states and how they administer this funding. Because of

geographical distance and issues with healthcare disparity on the outer islands I do believe that there is a good reason for telemedicine in Hawaii payment parity.

Why did CMS come up with the POC codes to start with? They did this to start with to stop higher reimbursement for facilities versus non-facilities. This has been extrapolated now by CMS to reduce payment parity for telehealth, and I want to make sure you understand that that this bill will not fix this. One solution would be for the state to define the POC codes that cannot be used for payment disparity for telehealth but to be used for facility or non-facility stopping the 15% reduction. Most providers don't see clients in a facility unless they are the contracted provider with the facility overcoming this payment disparity. As it stands right now this is used to penalize telemedicine financially and reduce compensation by CMS. The state does have a lateral ability to distribute the funding as they see best, and Hawaii is unique.

I am here this morning to testify regarding house Bill 557. If you allow me, I want to talk about a client and how this bill will relate specifically to his situation. The client's name J. I have changed his name in the interests of his confidentiality. I remember the first time I saw J from his cell phone connecting to me it was 7 o'clock in the morning and he was rolling up his blanket and cardboard that he slept on the ground last night in a storefront in Chinatown. J. was struggling with a bipolar disorder as well as polysubstance dependency the first time that I saw him I did fill out 1157 for him to get him case management services with Ohana Behavior Health wraparound case management services in the interest of time J. is doing great he is working 60 hours a week and is still actively taking his medicine.

Had I seen J. before you expanded Medicaid which I did, I was paid 60% of Medicare dollars in the Medicaid system prior to your expansion. Physicians who could have seen him at that time would've been paid 60% of Medicare dollars as well to deliver the Medicaid will work. During this time payment was awful but at least it was equal. It is important to note that 80% of the psychiatric physicians in the state do not do Medicaid work in this still has continued even with the increase reimbursement that the legislature passed and was implemented in 2024.

As a mental health provider, I do appreciate the increased reimbursement from the state legislature for Medicaid work being now paid at the Medicare rate. However, you created the pay disparity for APRN's because I get 85% of the dollar because I'm not a midwife APRN.

I do believe the legislature's intent was to help providers both physicians and APRN's be able to deliver care to Medicaid recipients and to hopefully draw physicians back in through the delivery of that care. This did not happen. What has made pay disparity worse and now APRN's no longer want to take care of Medicaid clients either. The psychiatrist M.D. provider still doesn't engage with Medicaid. They haven't started back with Medicaid clients because their practices are full of higher-paying reimbursement practices and it's a matter of economics. The same things going to happen with APRN's because of the matter of economics we no longer will be taken Medicaid and then there will be no one to deliver this care.

Now let's look at J to see if he was a veteran. I deliver care to veterans in Hawaii as well both active military through Health Net in 2024 and Tri-West for care in the community which is retired veterans. At this time in 2024 we are reimbursed 65% of Medicaid dollars deliver care to the

veterans and as a practice group we have recently closed our panel and can no longer take any more veterans into our practice group and maybe transitioning them out.

Now let's look at J if he was with a commercial insurance plan the largest commercial insurance in the state if he was at home I would've gotten 85-90 % of Medicaid dollars but because he was on the streets and because I saw him at work which is not at home it codes to the point of service 2 which pays me an additional 15% less which is 70% of Medicaid dollars and again my practice experience is 75% of Medicaid dollars. I want a make the point that commercial insurance plan slightly higher than public insurance is ridiculous on the mainland we are reimbursed hundred and 120- 140% higher than public insurance the therapy codes that we use are reimbursed lower with commercial insurance than it is with public insurance which causes this most favored nation clause issue. This issue occurs with APRN's this does not happen with physicians in the state. What does this mean potentially problematic for commercial insurance to pay less than public insurance they could theoretically force the state reimbursement to be lowered for Medicaid further for APRN's because of the "most favored nation clause".

What is the fix to this situation I would recommend the state legislature seriously consider following the state of Oregon and requiring payment parity between physicians and APRN's. Additionally, I would request that you look at the POC codes, all 99 of them, and require them to be paid on the facility versus non-facility rate not telemedicine discounted. The benefit Ver risk for not allowing providers that are licensed in the state to not right for controlled medicines for clients in the state that just inhibits care with Covid we could do this but now we cannot. The Health and Human Services Sec. has released proposals recently regarding the Ryan Hyatt act and this will not be an issue anymore for telehealth prescribers to write for controlled medicines besides opioids. I would recommend the state consider requiring commercial insurance to pay more than public insurance across all CPT codes. This would avoid "most favored nation issues". Additionally, I would recommend that you amend this law saying that person-to-person visits are at the discretion of medical necessity deemed by the provider as well as of an undue hardship for the client. This would mimic what CMS is doing in 2025. We also recommend that you pay 100% of the Medicaid rates to APRN's across the board stopping this payment disparity between physicians and APRN's and thus causing APRN's to also consider to no longer take Medicaid to be able to continue to help this underserved community.

Thank you for your time. If you have any questions and there is time I will be glad to answer your questions.

George Mackel

Hawai‘i Psychological Association

For a Healthy Hawai‘i

P.O. Box 833
Honolulu, HI 96808

www.hawaiipsychology.org

Phone: (808) 521 -8995

HOUSE COMMITTEE ON HEALTH
Rep. Gregg Takayama, Chair
Rep. Sue L. Keohokapu-Lee Loy, Vice Chair

10:00 am, January 29, 2025 - VIA VIDEO CONFERENCE and Room 329

The Hawai‘i Psychological Association (HPA) strongly supports HB 557 RELATING TO TELEHEALTH

Our organization supports the removing the sunset date on Act 107 (2023) which is an important tool that advances access and utilization of critical mental health treatment through audio-only telehealth.

It is well-established in the research that behavioral health services administered over the telephone is not only as effective, but sometimes more effective than face-to-face therapy. For example, in one study published in Clinical Psychology: Science and Practice (v15 n3, September 2008), researchers concluded that: "***telephone-administered psychotherapy can produce significant reductions in depressive symptoms. Attrition rates were considerably lower than rates reported in face-to-face psychotherapy."***

In a study published in the British Medical Journal entitled "*Telephone administered cognitive behavior therapy for treatment of obsessive compulsive disorder: randomized controlled non-inferiority trial,*" researchers concluded that "***[t]he clinical outcome of cognitive behavior therapy delivered by telephone was equivalent to treatment delivered face to face and similar levels of satisfaction were reported***."

The American Psychological Association's Journal, Professional Psychology: Research & Practice Vol. 42, no. 6, 543-549, published a study entitled "Benefit and Challenges of Conducting Psychotherapy by Telephone" concluded that with audio-only therapies: "***Results of randomized, controlled trials indicate high client acceptance and positive outcomes with this method of delivering psychotherapy."***

We believe this bill is crucial to improving patient outcomes, expediting timely service, and ultimately reducing costs and unnecessary administrative functions. HPA greatly appreciates legislative action to ensure tools, like the standard telephone, are available to keep lines of communication open to provide necessary treatment to those who are: not comfortable with video-conferencing platforms; not equipped with the necessary technology or equipment due to expense; or those who live on more remote neighbor islands or in rural areas - out of reach of necessary broadband network capabilities.

If Act 107 (2023) is not extended beyond the end of the year, insurance reimbursements could be "zero" which would have a significant adverse impact on access for the most vulnerable people, including, for example, elderly people, low-income communities, rural residents, those on the neighbor islands, and those who lack stable internet service or are uncomfortable with video technology. We would anticipate a potentially disproportionate adverse impact on Native Hawaiian communities. Some of those affected may be in crisis or suicidal. Thank you for the opportunity to provide testimony in **strong support** of this important bill.

Sincerely,

Alex Lichton, Ph.D.

Alex Lichton, Ph.D.
Chair, HPA Legislative Action Committee

Hawaii Counselors Association
P.O. Box 6081, Kaneohe, HI 96744

January 29, 2025

HOUSE COMMITTEE ON HEALTH
Hon. Gregg Takayama, Chair
Hon. Sue L. Keohokapu-Lee Loy, Vice Chair
Members of the Committee

Re: Support: HB 557, RELATING TO TELEHEALTH

The Hawaii Counselors Association strongly supports HB 557, relating to telehealth, which maintains the modernization of Hawaii's telehealth statutes ensure access for vulnerable populations. The bill also requires the Insurance Commissioner to provide a report to the Legislature on reimbursement claims for certain telehealth services in the past year. Most importantly, it removes the sunset date of Act 107, Session Laws of Hawai'i 2023, ensuring continued access to essential telehealth services.

The removal of the sunset date is a critical step toward sustaining equitable access to mental health care through audio-only telehealth services. Over the past few years, we have seen how telehealth has become a lifeline for individuals and families across Hawaii, offering flexibility and accessibility in ways previously unimagined. Without permanent reimbursement provisions in state law, many residents may lose access to telehealth options that have become integral to their mental health care.

For many vulnerable populations—including older adults, individuals with disabilities, those in rural areas, and low-income or linguistically diverse communities—audio-only telehealth remains the most practical and effective mode of treatment. Research consistently shows that audio-only telehealth services improve access to care and support outcomes for these groups, who often face significant barriers to accessing video-based or in-person services.

With a shortage of mental health providers statewide, it is imperative that we continue to support all viable modes of delivering care. This measure will help preserve and expand the mental health care safety net for our community, ensuring that individuals receive treatment in the format that works best for them. We strongly support HB 557 as it will uphold and enhance access to mental health services, particularly for Hawaii's most vulnerable residents. Thank you for the opportunity to testify in support of this measure.

Gino Titus-Luciano, President
Hawaii Counselors Association

WWW.HAWAIIMFT.ORG

The Hawaiian Islands Association for Marriage and Family Therapy (HIAMFT)

10:00 AM, January 29, 2025

HOUSE COMMITTEE ON HEALTH
Rep. Gregg Takayama, Chair
Rep. Sue L. Keohokapu-Lee Loy, Vice Chair

HIAMFT **Support:** HB 557, RELATING TO TELEHEALTH

The Hawaiian Islands Association for Marriage and Family Therapy (HIAMFT) strongly supports HB 557, relating to telehealth, which promises to continue the overall improvement and increased access to quality mental health services initiated by Hawaii's adoption of Act 107, session laws of 2023.

HIAMFT believes this language achieves a well-reasoned balance based on robust research, analysis, and deliberation on audio-only telehealth. There is such great demand and such a limited supply of providers, we want to enable and bolster all the methods that can be employed in addressing Hawaii's mental health needs. We therefore strongly support this measure as it will assure continued access to quality mental health services – especially to our vulnerable populations. If they prefer and respond most favorably to treatment administered via the telephone, we should continue to remove barriers to such care.

We believe audio-only treatment is a critical measure in reaching vulnerable groups who do not have access to digital telehealth, either because they: lack of the financial means to obtain the necessary equipment or broad band service; live in rural and remote areas; do not have an adequate command of the English language to navigate the online platforms; or maybe because they are uncomfortable using high technology.

Thank you for the opportunity to testify in STRONG SUPPORT on this critical access to care legislation.

Mahalo,

John Souza Jr LMFT, DMFT

Dr. John Souza, Jr., LMFT, DMFT

HIAMFT Legislative Chair

677 Ala Moana Boulevard, Suite 904, Honolulu, HI 96813
808.489.9549 x3 » naswhi.org

NASW
National Association of Social Workers
HAWAI'I CHAPTER

January 29, 2025

HOUSE COMMITTEE ON HEALTH
Rep. Gregg Takayama, Chair
Rep. Sue L. Keohokapu-Lee Loy, Vice Chair

Support: HB 557, RELATING TO TELEHEALTH

The National Association of Social Workers supports HB 557, relating to telehealth, which updates the State's laws on telehealth services to conform with federal Medicare regulations. It requires the Insurance Commissioner to report to the Legislature on reimbursements claimed in the previous year for certain telehealth services. Importantly, it repeals the sunset date of Act 107, Session Laws of Hawai'i 2023.

Removing the sunset date on Act 107 advances access and utilization of critical mental health treatment through audio-only telehealth. As a community, we were required to pivot to a socially distant way of life over the last few years. As a result, we've now come to appreciate the breadth and utility of telehealth services. However, without telehealth reimbursement provisions in state law, many members of our community may be unable to avail themselves of these services if their availability becomes limited.

This bill would sustain the 2023 law's removal of barriers to access for so many disenfranchised members of our society who do not use the video technology required for telehealth. Research indicates that many vulnerable populations prefer audio-only treatments; and that maintaining expanded audio-only coverage will help to the meet the needs of the elderly, disabled, low-income, disenfranchised racial, ethnic, and linguistic groups, and many others who may simply utilize and respond better to telephonic treatment.

There is such great demand and such a limited supply of providers, we want to enable and bolster all the methods that can be employed in addressing Hawaii's mental health needs. We therefore strongly support this measure as it will assure continued access to quality mental health services – especially to our vulnerable populations. If they prefer and respond most favorably to treatment administered via the telephone, we should continue to remove barriers to such care.

Thank you for the opportunity to provide this testimony in support,

Jeremy Arp, MSW, ACSW
Interim Executive Director
National Association of Social Workers - Hawai'i Chapter
exec.naswhi@socialworkers.org

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

The State Legislature
The House Committee on Health
Wednesday, January 29, 2025
Conference Room 329
10:00 a.m.

TO: The Honorable Gregg Takayama Chair
FROM: Keali'i Lopez, AARP State Director
RE: Support for H.B. 557 Relating to Telehealth

Aloha Chair Takayama, and Members of the Committee:

My name is Keali'i Lopez and I am the State Director for AARP Hawai'i. AARP is a nonpartisan, social mission organization that advocates for individuals age 50 and older. We have a membership of nearly 38 million nationwide and nearly 135,000 in Hawaii. We advocate at the state and federal level for the issues that matter most to older adults and their families, including telehealth. **AARP supports H.B 557** which updates the State's laws on telehealth services and repeals the sunset date of Act 107, Session Laws of Hawaii 2023.

AARP recognizes telehealth as a vital tool for accessing healthcare and aiding family caregivers. Many members, especially those aged 50-59, use mobile devices to manage their health. Telehealth, including family-involved virtual visits, improves access to care, reduces transportation barriers, and enhances outcomes. We also advocate for the continued use of audio-only communications, particularly beneficial for kupuna in rural areas and those uncomfortable with technology. Key benefits include:

- **Improved Access**: Audio-only communications help residents in rural areas connect with healthcare providers from home, saving time and reducing travel stress.
- **Ease of Use**: Phone calls are familiar and accessible, avoiding the frustration of video conferencing for non-tech-savvy kupuna.
- **Cost-Effective: Audio**-only communications require minimal infrastructure, making them viable for resource-limited settings and patients without high-speed internet.

Audio-only communication should continue to be recognized as a practical, accessible, and cost-effective solution to improve healthcare access for kupuna and be a reimbursable service. Thank you very much for the opportunity to testify in support.

American Cancer Society
Cancer Action Network
2370 Nu'uanu Avenue
Honolulu, Hi 96817
808.460.6109

House Committee on Health
Representative Gregg Takayama, Chair
Representative Sue L. Keohokapu-Lee Loy, Vice Chair

Hearing Date: Wednesday, January 29, 2025

ACS CAN SUPPORTS HB 557 – RELATING TO TELEHEALTH

Cynthia Au, Government Relations Director – Hawaii Guam
American Cancer Society Cancer Action Network

Thank you for the opportunity to **SUPPORT** HB 557 – RELATING TO TELEHEALTH.

The American Cancer Society Cancer Action Network (ACS CAN), the nonprofit, non-partisan advocacy affiliate of the American Cancer Society, advocates for public policies that reduce death and suffering from cancer. ACS CAN works with federal, state, and local government bodies to support evidence-based policy and legislative solutions designed to eliminate cancer as a major health problem.

ACS CAN recognizes that telehealth increases access to quality cancer care among populations that are underserved (e.g., residents of rural communities, individuals with limited income, patients with low health literacy, and people of color). It is especially important for access to healthcare services in rural areas or areas on the neighbor islands with limited broadband access. Audio only telehealth can also improve health outcomes.

A particular benefit of telehealth emerged during the coronavirus pandemic - cancer patients vulnerable to COVID-19 could conduct a video or audio visit with their providers from the safety of their home without risking additional exposure to the virus. The pandemic has demonstrated the importance of adaptable policies around telehealth that allow patients to reap the optimal benefits of telehealth.

ACS CAN, through the Survivor Views program, asked a cohort of cancer patients and survivors about their experience with and interest in telehealth. Overwhelming majorities of cancer patients and survivors who have had telehealth visits believed their issues and questions were well-addressed. Fifty-five percent of respondents had a phone visit and forty-three percent had a video visit with a telehealth provider about an issue related to their cancer care that otherwise would have been an in-person office visit (not a prescription refill or appointment booking). In both cases, ninety-four percent said their issues and questions were addressed well.[i]

Thank you again for the opportunity to provide testimony in SUPPORT. Should you have any questions, please do not hesitate to contact Government Relations Director Cynthia Au at 808.460.6109, or Cynthia.Au@Cancer.org.

[i]Survivor Views: Telehealth and Clinical Trials. ACS CAN. Oct. 2021.
https://www.fightcancer.org/sites/default/files/national_documents/survivorviews-telehealth-trials.pdf

Hawaii Association of Health Plans

January 29, 2025

To: Chair Takayama, Vice Chair Keohokapu-Lee Loy and Members of the House Committee on Health (HLT)

From: Hawaii Association of Health Plans Public Policy Committee

Date/Location: January 29, 2025; 10:00 a.m./Conference Room 329 & Videoconference

Re: Testimony in opposition of HB557 – Telehealth

The Hawaii Association of Health Plans (HAHP) respectfully opposes HB 557, which would update the state's laws on Telehealth services. 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 strongly support efforts to make behavioral healthcare more accessible, especially on the Neighbor Islands and in rural areas where broadband access and behavioral health care providers are lacking. However, we must oppose this bill in its current form for several critical reasons:

1. **Expansion of Audio-Only Care**: This bill proposes to expand the type of care that can be delivered via audio-only beyond behavioral health. Currently, there are no comprehensive studies demonstrating that the quality of care and outcomes of services delivered through audio-only are equivalent to those of in-person or telehealth visits. This lack of evidence raises significant concerns about patient safety and the effectiveness of care.
2. **Reimbursement Concerns**: We believe that reimbursement for audio-only services should not be equivalent to that for in-person or telehealth visits. Audio-only services do not require the same level of effort, resources, or overhead as in-person or video-based telehealth visits. Equating reimbursement rates could lead to inefficiencies and misallocation of healthcare resources.
3. **Guardrail Changes**: The proposed changes to the guardrails in this bill would eliminate the option of using a telehealth visit instead of an in-person visit. This is particularly problematic for many behavioral health providers and patients, who may not have the capability to conduct in-person visits. Maintaining the flexibility to use telehealth is essential for ensuring continuous and accessible care for these populations.

In conclusion, while we support modifying the definition of interactive telecommunications system and eliminating the sunset date of Act 107 to reflect the collaborative agreement between legislators, HAHP organizations, and Hawaii health care providers when it was signed into law in 2023, the amendments proposed in this bill pose significant risks and challenges that must be addressed.

Thank you for the opportunity to testify on HB 557.

Sincerely,

HAHP Public Policy Committee
cc: HAHP Board Members

CATHOLIC CHARITIES HAWAI'I

TESTIMONY IN SUPPORT OF HB 557: RELATING TO TELEHEALTH

TO: House Committee on Health

FROM: Tina Andrade, President and CEO, Catholic Charities Hawai'i

Hearing: Wednesday 01/29/2025 at 10:00 AM; CR 329 & via videoconference

Chair Takayama and Vice Chair Keohokapu-Lee Loy, and Members of the Committee

Catholic Charities Hawai'i **Supports HB 557,** which revises the State's telehealth law to align with federal Medicare regulations.

Catholic Charities Hawai`i (CCH) is a tax exempt, non-profit agency that has been providing social services in Hawai`i for over 75 years. CCH has programs serving children, families, elders, homeless, and immigrants. Our mission is to provide services and advocacy for the most vulnerable in Hawai`i. Catholic Charities Hawai'i has a long history of providing counseling to the people of Hawai'i.

Due to the statewide shortage of mental health providers, it is essential to support all effective methods of delivering care. Additionally, individuals seeking counseling have diverse needs and preferences for seeking mental health services. Catholic Charities Hawai'i has successfully offered audio-only services to meet the following client needs and preferences: 1) an 80-year-old client who finds technology frustrating; 2) an adult individual with autism who prefers not to be on camera; and 3) an adult client with an unstable internet connection, for whom phone sessions are consistently accessible.

Catholic Charities Hawai'i strongly supports this bill to make Act 107 permanent to ensure private insurance coverage for audio only mental health servcies. Our priority is to provide client-centered care, meeting clients where they are and addressing their unique needs and preferences.

We urge your support for this bill and ask for your assistance in its passing during this legislative session.

Please contact our Director of Advocacy and Community Relations, Shellie Niles at (808) 527-4813 if you have any questions.

ALOHACARE

To: The Honorable Gregg Takayama, Chair
The Honorable Sue L. Keohokapu-Lee Loy, Vice-Chair
House Committee on Health

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

Hearing: Wednesday, January 29, 2025, 10:00AM, Conference Room 329

RE: **HB557 Relating to Telehealth**

AlohaCare appreciates the opportunity to provide testimony in **support with comments** on **HB557.** This measure updates the State's laws on telehealth services to conform with federal Medicare regulations, requires the Insurance Commissioner to report to the Legislature on reimbursements claimed in the previous year for certain telehealth services, and repeals the sunset date of Act 107, Session Laws of Hawai'i 2023.

Founded in 1994 by Hawai'i's community health centers, AlohaCare is a community-rooted, non-profit health plan serving over 70,000 Medicaid and dual-eligible health plan members on all islands. Approximately 37 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 is committed to improving access to care. This measure provides another way for our members and residents across our State to access telehealth services more easily, consistent with framework provided under the Medicare program. We understand the value of audio-only telehealth services especially for patients who may not have internet or broadband access, may not have the technical proficiency or support to use video technology, or may have privacy concerns about using video technology.

We wish to focus our support of this bill to its impact on the Medicaid-eligible population, and we offer the following comments. We understand this bill's impact is far-reaching, and we want to offer our support as a means to improve access for the Medicaid population, especially for kupuna and those living in rural and remote areas. With regard to the bill language surrounding the intermittent frequency of in-person visits required, removing the currently allowed option for a telehealth audio-and-video visit to establish care with a patient, we ask that you consider

maintaining face-to-face visits to include audio-and-video telehealth visits. This will ensure important guardrails are in place while allowing for flexibility.

We concur with the Centers for Medicare and Medicaid Services (CMS) in their final rule that that practitioners should always use their clinical judgment in deciding to furnish services via telehealth, whether the use of interactive audio-only technology is sufficient, to ensure that appropriate care is being delivered; including scheduling in-person care as needed.

This measure will increase access to telehealth services for our members and Hawai‘i residents broadly, and maintaining the current statute language for intermittent face-to-face visits will ensure important safeguards for quality care.

Mahalo for this opportunity to testify in **support with comments** on **HB557.**

1357 Kapi‘olani Blvd., Suite G101, Honolulu, Hawai‘i 96814
Call: 808-973-0712 • Toll-free: 1-877-973-0712 • Fax: 808-973-0726 • www.AlohaCare.org

THE QUEEN'S HEALTH SYSTEMS

To: The Honorable Greg Takayama, Chair
The Honorable Sue L. Keohokapu-Lee Loy, Vice Chair
Members, House Committee on Health

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

Date: January 29, 2025

Re: Support for HB557: Relating to Telehealth

The Queen's Health Systems (Queen's) is a nonprofit corporation that provides expanded health care capabilities to the people of Hawai'i and the Pacific Basin. Since the founding of the first Queen's hospital in 1859 by Queen Emma and King Kamehameha IV, it has been our mission to provide quality health care services in perpetuity for Native Hawaiians and all of the people of Hawai'i. Over the years, the organization has grown to four hospitals, and more than 10,000 affiliated physicians, caregivers, and dedicated medical staff statewide. As the preeminent health care system in Hawai'i, Queen's strives to provide superior patient care that is constantly advancing through education and research.

Queen's appreciates the opportunity to provide testimony in support of HB557, which updates the State's laws on telehealth services to conform with federal Medicare regulations, requires the Insurance Commissioner to report to the Legislature on reimbursements claimed in the previous year for certain telehealth services, and repeals the sunset date of Act 107, Session Laws of Hawai'i 2023.

Queen's provides a number of telemedicine specialties in areas such as, but not limited to, stroke and neurology, psychiatry, wound care, and critical care; approximately 12% of physician-patient acute telehealth services are classified as telephonic. Telehealth modalities assist with connecting our four hospitals statewide and allow our health care professionals to provide care to patients in their local communities who may not have access to critical health care otherwise.

We would also ask that the Committee consider amending the definition of "interactive telecommunications systems" throughout the proposed bill to ensure greater flexibility for the patient:

> *"Interactive telecommunications systems" may also include two-way, real-time audio-only communication technology for any telehealth service furnished to a patient regardless of geographic location..."*

Thank you for the opportunity to testify on this measure.

ALZHEIMER'S ASSOCIATION

Testimony to the House Committee on Health Wednesday, January 29, 10:00 AM Hawaii State Capitol, Conference Room 329, and Videoconference

RE: House Bill No. 557 – RELATING TO TELEHEALTH

Chair Takayama and Members of the Committee:

My name is Coby Chock, and I am testifying on behalf of the Alzheimer's Association Hawaii Chapter. We are in **strong support** of HB 557, which relates to telehealth.

The Alzheimer's Association Hawaii Chapter is dedicated to supporting individuals and families affected by Alzheimer's disease and other dementias. We understand the critical importance of accessible healthcare services, especially for those living in rural and underserved communities. Telehealth has become an essential tool in providing care to these populations, ensuring they receive the medical attention they need without the barriers of distance and mobility.

The number of people living with Alzheimer's disease in Hawaii is 31,200, with 60,000 caregivers providing $1,907,000,000 in unpaid care. This number is growing. Telehealth services are crucial for these individuals and their caregivers, as they often face significant challenges in accessing in-person healthcare services. The proposed changes in HB 557 would ensure that telehealth services, including audio-only communications, are reimbursed, providing much-needed support and flexibility for patients and caregivers alike.

Telehealth services allow patients in rural areas to connect with healthcare providers without the need for long and often difficult travel. This is particularly important for those with Alzheimer's disease, who may have mobility issues or require constant supervision. By enabling remote consultations, telehealth ensures that these patients receive timely and consistent care, which can significantly improve their quality of life.

For these reasons, we strongly support HB 557 and urge your favorable consideration of this measure.

Mahalo for the opportunity to testify in support! If you have questions, please contact me at 808-451-3410 or ckchock@alz.org

Coby Chock

Coby Chock
Director of Public Policy and Advocacy
Alzheimer's Association - Hawaii

Alzheimer's Association - Hawaii
677 Ala Moana Boulevard, Suite 301
Honolulu, Hawaii 96813
alz.org/hawaii | 808.591.2771

HB-557
Submitted on: 1/27/2025 1:56:54 PM
Testimony for HLT on 1/29/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Marion Poirier	Individual	Support	Written Testimony Only

Comments:

To: Chair Takayama, Vice Chair Loy and Members of the House Committee on Health:

From: Marion Poirier, M.A., R.N

Date: 1/29/25 (Wednesday)

Subject: HB 557 Relating to Telehealth

Position: Strong Support

My name is Marion Poirier, and I strongly support HB 557 Relating to Telehealth. I am a retired RN who has worked extensively in mental health, and I welcome this opportunity that will provide greater access to mental health care. This measure also comports with Medicare regulations.

Thank you for the opportunity to support HB 557.

HB-557
Submitted on: 1/28/2025 1:57:41 PM
Testimony for HLT on 1/29/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Pi'imauna Kackley	Individual	Support	Written Testimony Only

Comments:

Testimony in Support of HB 557 – Relating to Telehealth

To: Members of the Hawaii State Legislature

Date: January 28, 2025

Dear Honorable Members,

I am writing in strong support of House Bill 557, which seeks to update the state's laws on telehealth services to conform with federal Medicare standards, as well as makes permanent Act 107, which ensures insurance coverage for audio-only mental health sessions. Aligning state laws to federal standards will streamline processes for providers and patients and reduce administrative burden. Improving insurance coverage for audio-only mental health sessions will expand access to care for the many patients in our state who live in rural areas or have limited internet availability. I believe that both of these features of HB 557 will work positively to improve the health and well-being of our island people. I urge you to support this important bill.

Thank you for your time and consideration.

Aloha,
R. Pi'imauna Kackley, MD

HB-557
Submitted on: 1/28/2025 7:21:57 PM
Testimony for HLT on 1/29/2025 10:00:00 AM

Submitted By	Organization	Testifier Position	Testify
Josh Fowler	Individual	Support	Written Testimony Only

Comments:

SUPPORT

RE: Strong Support of HB557 – RELATING TO TELEHEALTH

Written Testimony

My name is Joshua Fowler, and I am a volunteer and advocate with the American Cancer Society - Cancer Action Network. I am writing to express my strong support for HB557, which expands and updates telehealth services in Hawaii to align with federal Medicare regulations and improve healthcare accessibility for residents.

Why This Matters:

- **Improving Access to Care:** Many individuals, especially those in rural areas, face challenges accessing in-person healthcare. Expanding telehealth ensures they receive timely medical attention.
- **Equity in Healthcare:** Telehealth, including audio-only consultations, makes healthcare more accessible to those who may lack reliable internet or video capability.
- **Modernizing Hawaii's Healthcare System:** Aligning state regulations with federal Medicare standards ensures consistency and reduces confusion for both providers and patients.
- **Reducing Healthcare Costs:** Telehealth visits are often more cost-effective than in-person visits, reducing strain on Hawaii's healthcare system while maintaining high-quality care.

Looking at Other States:

- **Success Stories:** States such as California and New York have successfully implemented expanded telehealth policies, improving healthcare outcomes and reducing emergency room visits.
- **Lessons from Other States:** Without clear telehealth policies, some states struggle with inconsistent coverage and accessibility gaps—Hawaii must take the lead in establishing robust telehealth services.

Thank you for the opportunity to testify. I urge the committee to support HB557 and ensure that all Hawaii residents have equitable access to healthcare through telehealth services.

With gratitude,
Joshua Fowler
Honolulu, Hawaii