

ACT 88

S.B. NO. 1237

A Bill for an Act Relating to Health.

*Be It Enacted by the Legislature of the State of Hawaii:*

SECTION 1. Act 139, Session Laws of Hawaii 2016, amended section 323D-18.5, Hawaii Revised Statutes, to facilitate greater transparency in the health care sector and improve understanding of health care costs, health care system quality, population health conditions, and health care disparities by authorizing the submission of health claims and administrative data from the employer-union health benefits trust fund and the state medicaid agency, and the acquisition of medicare data sets specific to Hawaii. The state health planning and development agency, through its designee, the pacific health informatics and data center at the University of Hawaii, and with the collaboration of multiple state departments and agencies, has initiated phase one of establishing the Hawaii Health Data Center, an all-payer claims database for the State, focusing on government as payer data.

The data authorized by Act 139, Session Laws of Hawaii 2016, provided some information. Now the database must fill data gaps within populations and add new data sources. As stated in the article, *The Promise of Data-Driven Policymaking* by Daniel Etsy and Reece Rushing, "Policymaking, as it currently stands, can be like driving through a dense fog in the middle of the night. Large data gaps make it difficult to see problems clearly and chart a course forward."

Currently, the state health planning and development agency has identified a large data gap missing from the Hawaii senior population data, the medicare advantage (medicare part C) data. The state health planning and development agency, through its designee, has acquired administrative and health claims data for medicare parts A, B, and D. To ensure a more complete picture of health care costs and services utilization by Hawaii's senior population, and

to provide a more comprehensive analysis and better information, it is necessary to require the submission of medicare advantage health claims and administrative data.

According to the department of business, economic development, and tourism's *DBEDT 2045 Series Report*, Hawaii's senior population, age 65 and over, is the only population projected to increase in size between 2016 and 2045, from 17.1 per cent to 23.8 per cent of the total population.

The state health planning and development agency recognizes that the need for a complete and robust medicare data set is essential to effectively plan and prepare for the approaching "Silver Tsunami" and the accompanying increase in medical expenditures by both the state and federal government.

SECTION 2. Section 323D-18.5, Hawaii Revised Statutes, is amended by amending subsection (b) to read as follows:

"(b) Providers of health insurance subject to this subsection shall submit administrative data as follows:

- (1) Beginning November 1, 2016, providers of health insurance that provide health ~~[[benefits]]~~ plans funded by the Hawaii employer-union health benefits trust fund, the state medicaid agency, or both, shall provide to the state agency, or its designee, administrative data required by the state agency to determine health benefits costs, including health care services claims and payment data regarding beneficiaries of health benefits plans funded by the Hawaii employer-union health benefits trust fund, the state medicaid agency, or both~~[-]; and~~
- (2) Beginning July 1, 2019, providers of health insurance that provide medicare advantage (medicare part C) health benefits plans to residents of the State shall provide to the state agency, or its designee, administrative data required by the state agency, using the same standard format as required by the Centers for Medicare and Medicaid Services to determine health benefits costs, including health care services claims and payment data."

SECTION 3. If any provision of this Act, or the application thereof to any person or circumstance, is held invalid, the invalidity does not affect other provisions or applications of the Act that can be given effect without the invalid provision or application, and to this end the provisions of this Act are severable.

SECTION 4. Statutory material to be repealed is bracketed and stricken. New statutory material is underscored.

SECTION 5. This Act shall take effect on July 1, 2019.

(Approved June 7, 2019.)