

WRITTEN ONLY

STATE OF HAWAII
DEPARTMENT OF HEALTH
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Honolulu, HI 96801-3378
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Testimony COMMENTING on H.B. 1161
RELATING TO HEALTH

Representative Della Au Belatti, Chair, House Committee on Health
Representative Dee Morikawa, Chair, House Committee on Human Services
Hearing Date: February 13, 2015 Room Number: 329

1 **Fiscal Implications:** Section 5 of this measure appropriates the sum of \$1,000,000 in fiscal year
2 2016 and \$1,000,000 in fiscal year 2017 to be transferred from the Department of Health to the
3 Department of Human Services (“DHS”) to be expended for the establishment of health care
4 homes for Medicaid enrollees at federally qualified community health centers.

5 **Department Testimony:** The Department of Health defers all sections of this measure to the
6 DHS with exception to Section 5 which it supports. The Department has sufficient funds in the
7 community health centers special fund account to transfer to the DHS as proposed in this
8 measure for the establishment of health care homes for Medicaid enrollees at federally qualified
9 health centers. Section 321-1.65, Hawaii Revised Statutes indicates that moneys in the
10 community health centers special fund shall be used by the Department of Health for the
11 operations of federally qualified community health centers.

12 Thank you for this opportunity to testify on this measure.

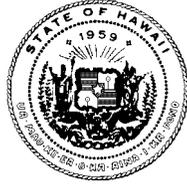
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~~expended~~] to establish health [~~care~~] homes for medicaid enrollees at federally qualified community health centers as provided in the federal Patient Protection and Affordable Care Act of 2010. The department of human services shall obtain the maximum federal matching funds available for this expenditure.

The sums appropriated shall be expended by the department of [~~human services~~] health for the purposes of this section.

We respectfully request that the Committee consider our comments.



STATE OF HAWAII
DEPARTMENT OF HUMAN SERVICES

P. O. Box 339
Honolulu, Hawaii 96809-0339

February 12, 2015

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

The Honorable Dee Morikawa, Chair
House Committee on Human Services

FROM: Rachael Wong, DrPH, Director

SUBJECT: **H.B. 1161 - RELATING TO HEALTH**

Hearing: Friday, February 13, 2015; 8:30 a.m.
Conference Room 329, State Capitol

PURPOSE: The purpose of this bill is to appropriate funds to the Department of Human Services to expand certain health care services to restore basic adult dental benefits to Medicaid enrollees and to provide outreach and eligibility services for individuals and families at Federally Qualified Health Centers. The proposal appropriates funds from the community health centers special fund to establish health care homes.

DEPARTMENT'S POSITION: The Department of Human Services (DHS) appreciates the intent of this measure that would fund the restoration of adult dental benefits; fund out-stationed eligibility workers; and fund the establishment of a health home program. These initiatives are supportive of our overall goals and objectives but we are concerned about the cost implications generated by the proposal and that passage of the bill may replace or adversely impact the priorities in the Executive Budget.

Section 3 requests an appropriation of \$4,800,000 to restore basic adult dental benefits to Medicaid enrollees. The Department estimates that re-establishing an adult dental program for Med-QUEST adults to provide dental benefits up to \$500 per person per benefit year and also provide medically needed dentures up to \$500 each for upper and lower dentures would cost a total of \$12,464,103 of which it would require \$4,799,926 in general funds.

Section 4 of this measure requests \$ 800,000 to provide outreach and eligibility services at Federally Qualified Health Centers (FQHCs). The DHS, in its base budget under HMS 902 - General Support for Health Care Payments, has \$667,000 to continue funding 23 out-stationed eligibility workers (OEWs) at FQHCs and hospitals. Additional funding can increase the amount of outreach activities.

Section 5 of the bill requests an appropriation of \$1,000,000 to establish health homes with funds transferred from the Department of Health's community health centers special fund. These funds can be used to pay for the health home services and receive 90% matching federal funding. The DHS would need an appropriation of general funds to be able to administer the two-year health home program, which can receive 50% federal matching funds. However, based on an opinion from the Department of the Attorney General, the funds cannot be used for administrative purposes. Consequently, the DHS was unable to use moneys appropriated last legislative session from the community health center's special fund to administer the program based on the opinion of the Department of the Attorney General.

Thank you for the opportunity to testify on this measure.



STATE OF HAWAII
STATE COUNCIL
ON DEVELOPMENTAL DISABILITIES
919 ALA MOANA BOULEVARD, ROOM 113
HONOLULU, HAWAII 96814
TELEPHONE: (808) 586-8100 FAX: (808) 586-7543
February 13, 2015

The Honorable Della Au Belatti, Chair
House Committee on Health

and

The Honorable Dee Morikawa, Chair
House Committee on Human Services
Twenty-Eighth Legislature
State Capitol
State of Hawaii
Honolulu, Hawaii 96813

Dear Representative Belatti, Representative Morikawa, and Members of the
Committees:

SUBJECT: HB 1161 – RELATING HEALTH

The State Council on Developmental Disabilities (DD) **SUPPORTS HB 1161**. The bill appropriates funds to the Department of Human Services to restore basic adult dental benefits to Medicaid enrollees, provide outreach and eligibility services for individuals and families at federally qualified health centers, and appropriates funds from the community health centers special funds to establish health care homes for Medicaid enrollees.

This bill represents a comprehensive package of medical, dental, and behavioral health care services with emphasis on obtaining the maximum Federal matching funds available for the appropriations. The Council is especially pleased with the appropriation of \$4,800,000 in Section 3 on Page 4, lines 5-13, for Fiscal Year 2015-2016, and \$4,800,000 for Fiscal Year 2016-2017, to restore basic adult dental benefits to Medicaid enrollees. This provision would directly benefit adults with DD in providing oral health services that includes preventive, restorative, and prosthetic services.

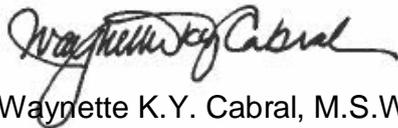
The Council cannot emphasize enough the importance of comprehensive dental care services that include preventive, restorative, prosthetic, and emergency services for people with DD. We are all aware of how oral health, or the lack thereof, affects all aspects (emotional, psychological, and social) of our lives. Numerous individuals can share with you their experience of having a tooth or teeth extracted or acquiring serious health problems because necessary dental services were not available because of the termination of the Medicaid adult dental benefit coverage in 1996. Compounding the challenges is the limited number of dentists on the Neighbor Islands who are available and accessible to serve Medicaid and QUEST recipients.

The Honorable Della Au Belatti
The Honorable Dee Morikawa
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We applaud the Legislature's initiative in restoring basic adult dental benefits to Medicaid enrollees through HB 1161.

Thank you for the opportunity to submit testimony in **support of HB 1161**.

Sincerely,



Waynette K.Y. Cabral, M.S.W.
Executive Administrator



Rosie Rowe
Chair



HAWAII SUBSTANCE ABUSE COALITION

HB1161 RELATING TO HEALTH

COMMITTEE ON HEALTH: Representative Dell Au Belatti, Chair; Representative Richard Creagan, Vice Chair

COMMITTEE ON HUMAN SERVICES: Representative Dee Morikawa, Chair; Representative Bertrand Kobayashi, Vice Chair

- Friday, February 13, 2015 at 8:30 a.m.
- Conference Room 329

HSAC Supports HB1161:

Good Morning Chair Belatti; Chair Morikawa; Vice Chair Creagan; Vice Chair Kobayashi, and Distinguished Committee Members. My name is Alan Johnson, Chair of the Hawaii Substance Abuse Coalition, an organization of more than thirty treatment and prevention agencies across the State.

The Hawaii Substance Abuse Coalition (HSAC) supports funds to restore basic adult dental benefits, provide outreach and eligibility services, and establish health care homes.

Specifically, HSAC supports behavioral health services for substance use disorders and co-occurring (substance abuse and mental health) disorders.

PRIMARY CARE AND SPECIALTY CARE FOR SUBSTANCE USE DISORDERS

- Community Health Centers are ideal for integrating behavioral health services with primary care, especially for mild and moderate substance abuse conditions as well as co-occurring mental health disorders.
- The various HSAC accredited and licensed treatment agencies are considered specialty care and commit to networking with primary care systems to help those with chronic to severe substance use and co-occurring disorders.



Working together, we can improve outcomes, reduce costs and reunify healthy families.

TREATMENT APPROACHES

Behavioral treatments help patients engage in the treatment process, modify their attitudes and behaviors related to drug abuse, and increase healthy life skills. These treatments can also enhance the effectiveness of medications and help people stay in treatment longer.

➤ Outpatient behavioral treatment can range from mild to chronic conditions and encompasses a wide variety of programs for people who visit a clinic at regular intervals. Most of the programs involve individual or group drug counseling with methodologies such as cognitive-behavioral therapy, multidimensional family therapy, motivational interviewing, and motivational incentives (contingency management). Some clinics administer medications, which can include methadone and/or suboxone.

➤ Residential treatment programs are very effective for those with more severe problems. Persons remain in residence for months in a highly structured program. Such programs typically use community approaches, which means that some staff are in recovery to act



as a key agent of change to influence patient attitudes, perceptions, and behaviors associated with drug use. People in residential care generally have relatively long histories of drug addiction, and/or multiple psychological and psychiatric illnesses, and/or involvement in serious criminal activities, and/or seriously impaired social functioning. Specific residential centers are designed to accommodate the needs of women who are pregnant or have children.

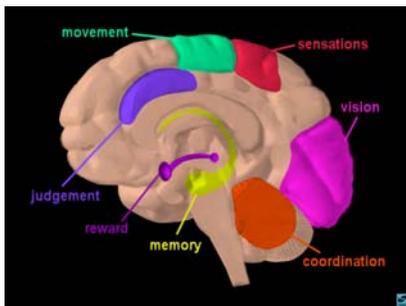
The focus of treatment is on the re-socialization of the patient to a drug-free, crime-free lifestyle.

BACKGROUND INFORMATION ON SUBSTANCE USE DISORDERS

Between 9% to 10% of people in Hawaii suffer from substance use disorders. While some brains are subject to addiction through sensitivity and vulnerability, others come to addiction through frequency and intensity of use. At the beginning, some people feel rewards such as pleasure and reduced stress, while others use alcohol and drugs to counter psychological disturbances or unrest.

➤ However, once people reach the chronic stages of alcohol or drug addiction, they experience intense and periodic, uncontrollable drug cravings that result in compulsive drug seeking and use - even if they would incur devastating consequences.

➤ That is because addiction is a complex illness involving a brain disease where the prolonged drug exposure on the brain eventually impairs the areas of functioning that affects reward and motivation, learning and memory, and inhibitory control over behavior. A person starts taking alcohol and drugs voluntarily, but once addiction occurs - once the brain functions are impaired - the ability to choose is compromised such that there is a brain compulsion to seek and use alcohol or drugs without regard to any consequences.



- Treatment works but it is not simple because drug abuse and addiction have so many dimensions to it and variously disrupt so many aspects of a person's life. Effective treatment must help the person stop using drugs, maintain a drug-free lifestyle, and achieve productive social and brain functioning in the family, at work, and in society.
- For people who have reached the chronic disease, stage, they cannot simply stop using drugs for a few days and be cured. Most patients require long-term or repeated episodes of care to achieve the ultimate goal of sustained abstinence and recovery of their lives. As with most chronic illnesses, recovery is real, but it realistically takes time and adequate support.



SCIENCE-BASED TREATMENT WORKS

Since the mid-1970s, scientific research has evolved to develop effective treatments to help people successfully recover their lives:

- The issue is not effectiveness; the issue is that treatment needs to be readily available.
- Also, treatment must be expanded to attend to the multiple needs of the person, not just his or her drug abuse. Considering severe addiction, those needs include medical conditions, psychological issues, clean and sober housing, social learning, vocational development and social structures.
- Extensive research, with studies spanning decades, has shown that for every \$1 invested in addiction treatment programs, there is a \$4 to \$7 reduction in healthcare costs and when considering health, incarceration and Judiciary together, there can be up to a \$1:\$12 dollar reduction in total costs.

Substance abuse and/or addiction as well as their exorbitant costs are avoidable. Like any other disease, it is preventable, it is treatable, and it changes biology. The proposed funding can validate the cost effectiveness of providing treatment for the substance use disorder population and provide justification for continued funding.

We appreciate the opportunity to testify and are available for questions.



February 11, 2015

TO: Committee on Health Committee on Human Services
Rep. Della Au Belatti, Chair Rep. Dee Morikawa, Chair
Rep. Richard P. Creagan, Vice Chair Rep. Bertrand Kobayashi, Vice Chair

FROM: Dr. Vija Sehgal, Pediatrician, Chief Quality Officer and Associate Medical Officer
Waianae Coast Comprehensive Health Center / 697-3457 or wcchc@wcchc.com

RE: Support for HB 1161: Relating to Health

The Waianae Coast Comprehensive Health Center (WCCHC) strongly supports HB 1161: Relating to Health. Of WCCHC's 31,152 patients, 67% are at 100% of the federal poverty level or below, 11% are uninsured, and 58% are receiving coverage under QUEST, the State's Medicaid program. Morbidity and mortality indicators show that the Waianae coast ranks highest in the City and County of Honolulu, as well as the state, for obesity (43.5%), adults who smoke (26%), adults with diabetes (13.7%), diseases of the heart (260.4 deaths per 100,000), and cancer (197 deaths per 100,000).

The WCCHC has found from its own experience that an effective means of improving these dire statistics is through implementing the Patient-Centered Health Care Home (PCHCH) model, which has been shown to improve health outcomes, reduce long-term cost, and enhance the patient experience.

There are multiple and important components of this bill, all critical to improving the health and well-being of patients we serve throughout Leeward Oahu.

Related to the uninsured, 13.3% of the population on the Waianae coast is uninsured, which is the highest in the City & County of Honolulu.

Related to adult dental health services, 44% of the adult population on the Waianae Coast has not had a dental visit, which is the highest in the state. It is critical to restore adult dental benefits to address dental health needs and its relationship to other health conditions.

Outreach and eligibility is an essential component of the PCHCH. Restoration of state funding is needed to support our patients and families to stabilize not only their health care needs but also their life circumstances that often negatively impact their health.

One key feature of HB 1161 is the allocation of \$2 million dollars from the Community Health Center Special Fund as a interdepartmental transfer from the Department of Health to the Department of Human Services to be used as the state match for a Medicaid health care home state plan amendment to provide health care home services to qualified patients at community health centers. This \$2 million dollars (already allocated for community health centers) will be drawn down for a federal match of \$18 million dollar, for a total of \$20 Million for advanced, coordinated patient care for those with the most complex and severe illnesses.

This is a tremendous opportunity that comes along very rarely. We appreciate your consideration.



HPCA

HAWAII PRIMARY CARE ASSOCIATION

House Committee on Health

The Hon. Della Au Belatti, Chair

The Hon. Richard P. Creagan, Vice Chair

House Committee on Human Services

The Hon. Dee Morikawa, Chair

The Hon. Bertrand Kobayashi, Vice Chair

Testimony on House Bill 1161

Relating to Health

Submitted by Robert Hirokawa, Chief Executive Officer

February 13, 2015, 2015, 8:30 am, Room 329

The Hawaii Primary Care Association (HPCA), which represents the federally qualified community health centers in Hawaii, supports House Bill 1161, making appropriations to the Department of Human Services for services to qualified individuals and families.

We offer the following comments in addition to our overall support:

- Section 3 of this measure appropriates \$4.8 million dollars to restore an adult dental benefit in Medicaid. A clear correlation exists between dental health and other physical maladies, including cardiac disease and premature births. To help alleviate these conditions, all fourteen community health centers provide dental services. Given that 50% of health center patients are Medicaid enrollees, a full restoration of dental benefits will allow for a more robust provision of services and better health outcomes throughout the state.
- Section 4 appropriates \$800,000 in funding for outreach and eligibility services at community health centers. Outreach workers at community health centers provide an essential service by assisting individuals and families in applying for not just Medicaid, but other state assistance programs. These include SNAP, TANF, and other essential services that speak to the social determinants of health and their direct impact on the well-being of communities in Hawaii.

Of special note here is that outreach funding differs greatly from any assistance rendered by the KOKUA program administered by the Hawaii Health Connector. Those funds are for the specific purpose of providing assistance to health insurance enrollment only, saying nothing of the other vital social programs housed in the Department of Human Services.

In addition, not all fourteen health centers currently participate in the Connector KOKUA program.

- Section 5 allocates \$1 million dollars from the community health center special fund as an interdepartmental transfer from the Department of Health to the Department of Human Services. These funds are intended to be used as the state match for a Medicaid health home state plan amendment to provide health home services to qualified patients at community health centers.

Community health centers have worked extensively to both research and implement health homes in recent years, having completed a standalone pilot project with quantifiable positive results. To date, ten separate community health centers have been awarded recognition as health home providers by the National Committee for Quality Assurance (NCQA), the federal accrediting body.

The release of this funding will not only allow for enhanced services for patients at community health centers, it will take advantage of a 9-to-1 federal match that will bring a total of \$20M into the Hawaii healthcare infrastructure. Such funding could prove vital to closing any existing health inequities in the state.

- Additionally, under Section 5, the HPCA requests that an amendment be made to provide administrative funding to the Department of Human Services for the health home program. As such, the HPCA suggests the following amendment to House Bill 1161:

“There is appropriated out of the general revenues of the State of Hawaii the sum of \$1,000,000 or so much thereof as may be necessary for fiscal years 2015-2016 and 2016-2017 to establish health homes in Medicaid as provided in the Patient Protection and Affordable Care Act; provided that no funds appropriated under this section shall be expended unless the department of human services obtains the maximum amount of federal matching funds for each fiscal year available for this expenditure, as provided in Act , Session Laws of Hawaii 2015, the Supplemental Appropriations Act of 2015.”

For these reasons the HPCA supports this measure and thanks you for the opportunity to testify.