

Honolulu, Hawaii

FEB 17 2011

RE: S.B. No. 1468
S.D. 1

Honorable Shan S. Tsutsui
President of the Senate
Twenty-Sixth State Legislature
Regular Session of 2011
State of Hawaii

Sir:

Your Committees on Human Services and Health, to which was referred S.B. No. 1468 entitled:

"A BILL FOR AN ACT RELATING TO HEALTH,"

beg leave to report as follows:

The purpose and intent of this measure is to:

- (1) Establish the Hawaii Patient Centered Health Home pilot program within the Medicaid program; and
- (2) Establish the Hawaii Medicaid Modernization and Innovation Council.

Your Committees received testimony in support of this measure from Hawaii Medical Service Association; American Osteopathic Association; Hawaii Association of Osteopathic Physicians and Surgeons; Healthcare Association of Hawaii; Hawai'i Primary Care Association; AlohaCare; Hawaii Medical Association; Ho'ola Lahui Hawai'i; Hamakua Health Center, Inc.; Puna Community Medical Center; Malama I Ke Ola Health Center; Bay Clinic, Inc.; Hawaii Academy of Physician Assistants; Kauai Community Health Alliance; Waimanalo Health Center; Lana'i Community Health Center; Moloka'i Community Health Center, and four individuals. Your Committees received testimony in opposition to this measure from the Department of Human Services. Your Committees received comments on this measure from the Office of Information Practices, 'Ohana Health Plan, and one individual.



Your Committees find that a patient centered health home is a model of delivering comprehensive, integrated, and holistic health care services, including preventative and lifestyle health services to patients. The purpose of patient centered health homes is to improve continuity of care by strengthening the relationship between a primary care physician and a patient. Your Committees further find that the idea is to work as a team when approaching the health care needs of patients. The benefits include increased understanding of a patient's health care needs and the ability to direct any questions or concerns to one source.

Your Committees also find that almost forty states have implemented a form of the patient centered health home, and all of them have shown improvements in care or cost. A patient centered health home is an excellent way to cut wasteful spending and give patients better access to care.

Your Committees additionally find that under the Affordable Care Act, Public Law 111-148, the federal Centers for Medicare and Medicaid Services were directed to formally establish a new Center for Medicare and Medicaid Innovation, the Innovation Center. Accordingly, your Committees find that creating a Hawaii council to focus on innovation in local Medicaid issues is an appropriate complement to the national efforts of the Innovation Center.

Your Committees have heard the concerns regarding allowing council members to have standing subcommittees and workgroups that appear to function outside of Hawaii's Sunshine Law. Your Committees note that it would be in the best interest of the council to use existing permitted interactions established under the Hawaii Revised Statutes, and conduct its business consistent with all other government boards.

Your Committees have amended this measure by:

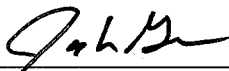
- (1) Adding the following persons to serve on the Hawaii Medicaid Modernization and Innovation Council:
 - (A) A representative from a hospital;
 - (B) A representative from a physician's group;
 - (C) A representative from the health care provider industry;



- (D) A physician assistant;
 - (E) An individual with a finance background; and
 - (F) A social worker;
- (2) Deleting the provision in section 3 of this measure which would have allowed two or more council members, but less than a quorum, to discuss matters relating to official council business in the course of their participation in a workgroup or subcommittee; and
- (3) Making technical, nonsubstantive amendments for the purposes of clarity and consistency.

As affirmed by the records of votes of the members of your Committees on Human Services and Health that are attached to this report, your Committees are in accord with the intent and purpose of S.B. No. 1468, as amended herein, and recommend that it pass Second Reading in the form attached hereto as S.B. No. 1468, S.D. 1, and be referred to the Committee on Ways and Means.

Respectfully submitted on
behalf of the members of the
Committees on Human Services
and Health,



JOSH GREEN, M.D., Chair



SUZANNE CHUN OAKLAND, Chair



The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Human Services
HMS

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|--|---|-------------------------|----------|----------|
| Bill / Resolution No.:* SB 1498 | Committee Referral: HMS/HH, WAM | Date: 2/11/11 | | |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| CHUN OAKLAND, Suzanne (C) | ✓ | | | |
| IHARA, Jr., Les (VC) | | | | ✓ |
| GREEN, M.D., Josh | ✓ | | | |
| SLOM, Sam | ✓ | | | |
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| TOTAL | 3 | 0 | 0 | 1 |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature: | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | |

*Only one measure per Record of Votes

The Senate
 Twenty-Sixth Legislature
 State of Hawai'i

Record of Votes
Committee on Health
HTH

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|--|--|-------------------------|-----|----------|
| Bill / Resolution No.:* SB1468 | Committee Referral: HMS/HTH, WAM | Date: 2/10/11 | | |
| <input type="checkbox"/> The committee is reconsidering its previous decision on this measure. If so, then the previous decision was to: _____ | | | | |
| The Recommendation is: <input type="checkbox"/> Pass, unamended 2312 <input checked="" type="checkbox"/> Pass, with amendments 2311 <input type="checkbox"/> Hold 2310 <input type="checkbox"/> Recommit 2313 | | | | |
| Members | Aye | Aye (WR) | Nay | Excused |
| GREEN, M.D., Josh (C) | ✓ | | | |
| NISHIHARA, Clarence K. (VC) | ✓ | | | |
| BAKER, Rosalyn H. | | | | ✓ |
| CHUN OAKLAND, Suzanne | ✓ | | | |
| SHIMABUKURO, Maile | ✓ | | | |
| WAKAI, Glenn | | | | ✓ |
| SLOM, Sam | | | | ✓ |
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| TOTAL | 4 | | | 3 |
| Recommendation: <input checked="" type="checkbox"/> Adopted <input type="checkbox"/> Not Adopted | | | | |
| Chair's or Designee's Signature: <i>Clarence K. Nishihara</i> | | | | |
| Distribution: Original Yellow Pink Goldenrod File with Committee Report Clerk's Office Drafting Agency Committee File Copy | | | | |

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