

S.C.R. NO. 26

JAN 25 2012

SENATE CONCURRENT RESOLUTION

REQUESTING THE GOVERNOR'S OFFICE TO CONDUCT A STUDY ON THE EFFICACY OF COMBINING STATE GOVERNMENT HEALTH POLICY, PLANNING, AND PURCHASING IN A SINGLE AGENCY IN ORDER TO ADVANCE TRANSFORMATION OF HAWAII'S HEALTHCARE SYSTEM AND UNIVERSAL ACCESS TO CARE.

1 WHEREAS, the quality and cost of healthcare affects every
2 resident of Hawaii, whether covered by public or private
3 insurance or uninsured; and
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5 WHEREAS, the State of Hawaii spends nearly a quarter of its
6 budget on healthcare purchasing and provides insurance for more
7 than one-third of the population; and
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9 WHEREAS, new approaches to healthcare delivery, payment,
10 and use of information technology can have a transformative
11 effect on Hawaii's health and healthcare, resulting in more
12 consistently high quality of care, reduced cost inflation, and a
13 healthier population; and
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15 WHEREAS, the federal Affordable Care Act offers the State
16 of Hawaii opportunities, guidance, and new requirements to
17 transform our healthcare system; and
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19 WHEREAS, Governor Abercrombie has established a position of
20 Healthcare Transformation Coordinator to lead the State's
21 efforts to develop and implement a strategy to establish a
22 healthcare system that is universal, of high quality, highly
23 efficient, value-based, patient-centered, affordable, and
24 accessible; and
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26 WHEREAS, transforming the state government's structure for
27 healthcare policy, planning, and purchasing is part of a long-

1 term plan for healthcare transformation and universal access to
2 care that promises better quality and cost-effectiveness for
3 beneficiaries of the State's programs as well as having a
4 positive influence on the healthcare delivery and payment
5 systems outside the state government's purview; now, therefore,
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7 BE IT RESOLVED by the Senate of the Twenty-sixth
8 Legislature of the State of Hawaii, Regular Session of 2012, the
9 House of Representatives concurring, that the Governor's Office
10 is requested to conduct a study of the efficacy of combining
11 state government health policy, planning, and purchasing in a
12 single agency in order to advance transformation of Hawaii's
13 healthcare system and universal access to care; and
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15 BE IT FURTHER RESOLVED that the study shall identify the
16 advantages and any disadvantages of such a change in
17 departmental structure, enumerate the steps and timeline for
18 making such a change, and provide an estimate of both the costs
19 for implementation as well as potential savings and benefits;
20 and
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22 BE IT FURTHER RESOLVED that the Governor's Office shall
23 submit a report of its findings and recommendations to the
24 Legislature, including any proposed legislation, no later than
25 twenty days prior to the convening of the Regular Session of
26 2013; and
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28 BE IT FURTHER RESOLVED that certified copies of this
29 Resolution be transmitted to the Governor, to the President of
30 the Senate, to the Speaker of the House of Representatives, to
31 the Healthcare Transformation Coordinator, to the Director of
32 Human Services, to the Director of Health, and to the
33 Administrator of the Hawaii Employer-Union Health Benefits Trust
34 Fund.
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37 OFFERED BY:  _____
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39 BY REQUEST
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JUSTIFICATION SHEET

DRAFT DATE: January 20, 2012

DEPARTMENT: Office of the Governor

TITLE: CONCURRENT RESOLUTION REQUESTING THE GOVERNOR'S OFFICE TO CONDUCT A STUDY ON THE EFFICACY OF COMBINING STATE GOVERNMENT HEALTH POLICY, PLANNING, AND PURCHASING IN A SINGLE AGENCY IN ORDER TO ADVANCE TRANSFORMATION OF HAWAII'S HEALTHCARE SYSTEM AND UNIVERSAL ACCESS TO CARE.

PURPOSE: To seek legislative engagement and support for one of the Governor's priorities for healthcare transformation for Hawaii, namely to combine healthcare policy, planning, and purchasing for healthcare programs of the state government within a single agency.

MEANS: Concurrent resolution requesting study.

JUSTIFICATION: Healthcare is of vital importance to the entire population and the State has a special responsibility and concern since it uses nearly a quarter of state resources for healthcare expenses while purchasing insurance for more than one-third of all state residents.

The Governor has a vision to transform both the healthcare delivery and payment systems. Reorganizing the state government's healthcare policy, planning, and purchasing activities in one agency would provide an ideal vehicle with which to promote and demonstrate innovations in care and payment that will not only improve health and healthcare but will also decrease the rate of future healthcare cost inflation.

Impact on the public: The study contemplated by this resolution will create a blueprint for changes in public healthcare policy and purchasing. The study will point out benefits for the public who contribute to

paying for care and also for those who are direct beneficiaries of public health insurance.

Impact on the department and other agencies:
Impact on the Departments of Human Services and of Health and the Hawaii Employer-Union Health Benefits Trust Fund could be substantial as the resolution calls for a study of how their functions might be reorganized to better effect.

GENERAL FUNDS: None.

OTHER FUNDS: None.

PPBS PROGRAM
DESIGNATION:

OTHER AFFECTED
AGENCIES: None.

EFFECTIVE DATE: Upon adoption.