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# A BILL FOR AN ACT

RELATING TO HEALTH.

**BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF HAWAII:**

1           SECTION 1. The legislature finds that community health  
2 centers serve uninsured, underinsured, and low-income patient  
3 populations with demographic complexities and co-morbidities, in  
4 addition to one-fourth of the State's medicaid members, and much  
5 of the State's homeless population. Community health centers:

6           (1) Are nonprofit, community-based organizations whose  
7 purpose and expertise lie in providing quality person-  
8 centered health care to underserved populations and  
9 areas;

10          (2) Provide culturally and linguistically appropriate  
11 health care and a broad range of integrated primary  
12 care and preventive services;

13          (3) Operate in medically-underserved areas where people  
14 have limited access to other health care providers  
15 because of geographic and socio-economic barriers;

16          (4) Contribute greatly to the economies and livability of  
17 the communities they serve; and



1 (5) Are cost-effective quality health care providers whose  
2 care results in healthier patients and decreased use  
3 of emergency, specialty, and inpatient services.

4 Community health centers save the health care system \$1,263  
5 per patient per year due to timely, effective care and care  
6 management that reduces unnecessary emergency room, inpatient,  
7 and specialty utilization. This translated to savings of more  
8 than \$90,000,000 for Hawaii's medicaid program in 2013. Their  
9 patient-centered delivery system features comprehensive primary  
10 medical, behavioral-health, and dental services; care management  
11 and enabling services that enhance access, compliance, and  
12 patient engagement; and a focus on quality outcomes supported by  
13 electronic health records that conform to meaningful use  
14 requirements. Community health centers are smart investments  
15 that result in healthier communities while still saving the  
16 State money.

17 The legislature further finds that it is in the best  
18 interest of the State to ensure access to primary, behavioral,  
19 dental, and preventive health care for its residents, including  
20 quality, cost-effective direct health care for uninsured and  
21 underinsured patients. In addition to facilitating a healthier



1 population, improving access to health care reduces state  
2 expenditures attributable to hospital and emergency room  
3 services for preventable injuries or illnesses.

4 SECTION 2. The legislature finds that the State's  
5 federally matched medicaid and med-QUEST programs form an  
6 essential support for underserved individuals and for community  
7 health centers. Among the medicaid programs that need to be  
8 fully funded are dental benefits for adults and outreach and  
9 enrollment services.

10 Oral health is as important as any other physical or mental  
11 health need, and dental diseases contribute to cardiac issues  
12 and premature births. Unaddressed dental needs affect the  
13 ability of individuals to obtain and keep employment.

14 Med-QUEST programs offer insurance options for low-income  
15 uninsured citizens. Under the federal Patient Protection and  
16 Affordable Care Act of 2010, such programs expanded to  
17 accommodate additional uninsured adults. It is in the best  
18 interest of the State to ensure that community programs reach  
19 out to and assist individuals and families with children to  
20 enroll in med-QUEST programs and other social support programs  
21 for which they are eligible.



1           Accordingly, the purpose of this Act is to provide quality,  
2 cost-effective health care for Hawaii residents who are  
3 uninsured, newly uninsured, underinsured, potential medicaid  
4 enrollees, or medicaid enrollees.

5           SECTION 3. There is appropriated out of the general  
6 revenues of the State of Hawaii the sum of \$4,800,000 or so much  
7 thereof as may be necessary for fiscal year 2015-2016 and the  
8 same sum or so much thereof as may be necessary for fiscal year  
9 2016-2017 to restore basic adult dental benefits to medicaid  
10 enrollees. The department of human services shall obtain the  
11 maximum federal matching funds available for this expenditure.

12           The sums appropriated shall be expended by the department  
13 of human services for the purposes of this section.

14           SECTION 4. There is appropriated out of the general  
15 revenues of the State of Hawaii the sum of \$800,000 or so much  
16 thereof as may be necessary for fiscal year 2015-2016 and the  
17 same sum or so much thereof as may be necessary for fiscal year  
18 2016-2017 to provide outreach and eligibility services,  
19 including medicaid and children's health insurance program  
20 eligibility, for children, families, and individuals at  
21 federally qualified health centers. The department of human

1 services shall obtain the maximum federal matching funds  
2 available for this expenditure.

3 The sums appropriated shall be expended by the department  
4 of human services for the purposes of this section.

5 SECTION 5. There is appropriated out of the community  
6 health centers special fund the sum of \$1,000,000 or so much  
7 thereof as may be necessary for fiscal year 2015-2016 and the  
8 same sum or so much thereof as may be necessary for fiscal year  
9 2016-2017 to the department of health to be transferred to the  
10 department of human services to establish health homes for  
11 medicaid enrollees at federally qualified community health  
12 centers as provided in the federal Patient Protection and  
13 Affordable Care Act of 2010. The department of human services  
14 shall obtain the maximum federal matching funds available for  
15 this expenditure.

16 The sums appropriated shall be expended by the department  
17 of health for the purposes of this section.

18 SECTION 6. There is appropriated out of the general  
19 revenues of the State of Hawaii the sum of \$1,000,000 or so much  
20 thereof as may be necessary for fiscal year 2015-2016 and the  
21 same sum or so much thereof as may be necessary for fiscal year



1 2016-2017 to provide administrative support for the health homes  
2 program funded in section 5 of this Act. The department of  
3 human services shall obtain the maximum federal matching funds  
4 available for this expenditure.

5 The sums appropriated shall be expended by the department  
6 of human services for the purposes of this Act.

7 SECTION 7. There is appropriated out of the general  
8 revenues of the State of Hawaii the sum of \$6,000,000 or so much  
9 thereof as may be necessary for fiscal year 2015-2016 and the  
10 same sum or so much thereof as may be necessary for fiscal year  
11 2016-2017 for direct health care, which may include primary  
12 medical, dental, and behavioral health care, for the uninsured  
13 and underinsured patients at community health centers; provided  
14 that distribution of funds may be on a "per visit" basis and may  
15 include an additional per member per month quality incentive  
16 payment that takes into consideration need in all counties.

17 The sums appropriated shall be expended by the department  
18 of health for the purposes of this Act.

19 SECTION 8. This Act shall take effect on July 1, 2050.

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**Report Title:**

Community Health Centers; Appropriations; Affordable Care Act; Medicaid; Health Homes; Med-QUEST Programs; Healthcare

**Description:**

Appropriates funds to the department of human 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. Appropriates funds from the community health centers special fund to establish health homes. Appropriates general revenues for administrative support for the health homes program. Appropriates funds to the department of health for direct health care for uninsured and underinsured patients at community health centers. Takes effect on 7/1/2050. (SD1)

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