

STATE OF HAWAII
DEPARTMENT OF HEALTH
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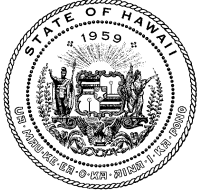
Testimony in SUPPORT of HB716 HD1
RELATING TO HEALTH.

SENATOR JOY SAN BUENAVENTURA, CHAIR
SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

Hearing Date/Time: March 17, 2025; 1:00 PM

Room Number: 225

- 1 **Fiscal Implications:** Appropriates general funds for the Health Information Technology
- 2 Infrastructure Grant Program.
- 3 **Department Testimony:** The Department of Health (DOH) supports HB716 HD1 provided that
- 4 its passage does not replace or adversely impact priorities indicated in our Executive Budget.
- 5 DOH recognizes that significant resources are needed to support a certified, hosted, and
- 6 maintained health information technology infrastructure and implement interoperable health
- 7 information technologies.
- 8 Thank you for the opportunity to testify on this measure.
- 9



**STATE HEALTH PLANNING
AND DEVELOPMENT AGENCY**
DEPARTMENT OF HEALTH - KA 'OIHANA OLAKINO

JOSH GREEN, M.D.
GOVERNOR OF HAWAII
KE KIA'ĀINA O KA MOKU'ĀINA 'O HAWAII

KENNETH S. FINK, MD, MGA, MPH
DIRECTOR OF HEALTH
KA LUNA HO'OKELE

JOHN C. (JACK) LEWIN, M.D.
ADMINISTRATOR

March 13, 2025

To: SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES
Senator Joy A. San Buenaventura, Chair
Senator Henry J.C. Aquino, Vice Chair and
Honorable Members

From: Jack Lewin, MD, Administrator, SHPDA, and
Sr. Advisor to Governor Josh Green, MD on Healthcare Innovation

Re: **HB716, HD1 - RELATING TO HEALTH**

Hearing: March 17, 2025 @ 1:00 pm; Conference Room 225

Position: SUPPORT

Testimony:

It is critically important to provide electronic interoperability for care coordination, administrative and clinical efficiency, and quality improvement for those remaining health care entities in Hawai'i that lack such capabilities today, and which hampers their ability to improvement population health, health outcomes, and health care services across the state.

This one-time investment will have a profound effect on improving health care services in rural areas and among safety net providers, which will greatly reduce health care costs over time and dramatically improve quality of care and health care outcomes. The recipients who are currently unable to afford to purchase this essential connectivity, but they will be able to maintain these services once installed. Contractor vendors who can provide lower costs versions of the EHR (electronic health record) in use by over 80% of the state currently will install them and train staff to effectively deploy them. This will also allow the rural and safety net providers to effectively connect to the Hawai'i Health Information Exchange and all the major health systems across the state, as well as to participate in clinical research to make life-saving drugs and therapies more available to rural residents and providers.

Over 80% of Hawaii's hospitals, clinics, and physician practices statewide have adopted a common electronic health record system statewide, but many federally qualified health centers (FQHCs), rural health clinics, Ryan White HIV centers, Native Hawaiian health centers, some critical access hospitals (CAHs), and other rural

providers lack resources to stay abreast of the interoperable health technologies available and in use by others. Financial assistance is need on a one-time basis to allow these critical services to become available to all providers, but particularly those providing care to less advantaged patients and communities and rural areas.

There are specialized firms which have developed lower cost but fully compatible electronic health record (EHR) systems for safety net and rural health providers in many other states, and which can assist in producing these improvements here, making these services far more affordable.

This bill establishes the Health Infrastructure Grant Program (HIGP) to fund these necessary improvements to our safety net and rural providers. SHPDA is prepared to implement and oversee the program and believes it is essential to improving our health care services here.

The HIGP will require state assistance to realize and perform its essential purposes on behalf of rural and neighbor island beneficiaries.

The budget request of \$20-25 million dollars is necessary to allow connectivity and improved care, reduced costs, and better outcomes for patients for safety net providers and rural health statewide. This investment is essential for the HIGP to succeed.

Mahalo nui loa for the opportunity to testify.



Submitted via electronic email

March 17, 2025

The Honorable Joy San Buenaventura, Chair
The Honorable Henry Aquino, Vice Chair
Committee on Health and Human Services

**Re: HB 716 HD1 Relating to Health – In Support
Monday, March 17, 2025; 1:00 PM
Conference room 225 & Videoconference**

Dear Chair San Buenaventura, Vice Chair Aquino, and Members of the committee,

On behalf of OCHIN, we express our strong support for HB 716 HD1. This vital legislation will drive improved care and outcomes for all Hawaii providers and patients while bridging the digital divide in rural and low resourced communities. Modernizing health IT infrastructure for rural and under-resourced providers ensures a more resilient and cost-effective health care delivery system for Hawaii's future.

OCHIN is a nonprofit health IT and research network. We support low resourced providers include Federally Qualified Health Centers (FQHCs), rural health clinics (RHCs), Ryan White HIV/AIDS Program Centers, and critical access hospitals in Hawaii and across the country. For over 25 years, OCHIN has worked tirelessly to advance health care solutions, leveraging our network's unique data and collective expertise to deliver scalable, innovative health technology to rural and low resourced areas.

HB 716 HD1 provides critical investments that will enable essential providers (FQHCs, Rural Health Clinics, Ryan White HIV/AIDS Program Centers, and Native Hawaiian clinics) to procure and implement certified, hosted, and maintained health IT systems. This will ensure that their technology is secure, up to date, and in compliance with federal and state regulations around critical components like data reporting requirements, cybersecurity, and interoperability.

Further, these investments in health IT systems are a critical move Hawaii can take to strengthen its health care system. For example, outdated systems make it harder to track patient histories, leading to unnecessary and costly repeat tests and hospital admissions, and worsens trauma informed care. With modern, interoperable systems, providers can coordinate care more efficiently, reducing hospital visits and lowering overall health care expenditures.

Through modernizing our health IT infrastructure, Hawaii can maximize federal funding. Hawaii is a trailblazer in healthcare innovation, exemplified by its recent approval to participate in the CMS AHEAD Model, which will use a new value-based payment model to reduce health care costs while improving public health. However, for Hawaii to lead the charge in this national transformation, our health care providers must have robust, modernized IT systems to securely collect, analyze, and share data. HB 716 HD1 is the key to ensuring the success of this model.

We urge you to support HB 716 HD1 and help secure a future where Hawaii's health care providers are equipped not just to survive but to thrive.

Please contact me, stolli@ochin.org, if you have questions.

Sincerely,

A handwritten signature in blue ink, reading "Jennifer Stoll". The signature is cursive and fluid, with the first name "Jennifer" written in a larger, more prominent script than the last name "Stoll".

Jennifer Stoll
Chief External Affairs Officer

Senate Committee on Health and Human Services

Monday, March 17, 2025 1:00 PM Room 225

Comments regarding HB 716 HD1 RELATING TO HEALTH

Chair San Buenaventura and members of the Committee:

Thank you for hearing this measure and for the opportunity to provide comments regarding HB 716 HD1. The grant program proposed by this measure could be of benefit to many organizations in our state.

Waikiki Health is a Federally Qualified Health Center (FQHC) providing primary care as a core service at multiple clinics in Waikiki, McCully/Moiliili, Kaimuki, and by means of mobile medical unit. We are also a Ryan White Part C program grantee, and have been at the forefront of HIV/AIDS care and prevention services since 1992. Waikiki Health also provides Native Hawaiian healing services directed by an award-winning RN program specialist, and works closely with Papa Ola Lokahi.

We are acutely aware that creating and maintaining up-to-date health information technology infrastructure is critical to our success, despite the cost challenges this presents for a non-profit community health center. For example, electronic health records have become critical to our operations, and we rely on expensive outside vendor support services to create and maintain them. Waikiki Health works frequently with other FQHCs, Ryan White program grantees, and Native Hawaiian organizations to share ideas, experiences, and practices, including those related to information technology and interoperability.

Mahalo again for the opportunity to submit comments. Members of the committee are welcome to seek further information from us at any time.



Alexis Charpentier (MPH)
Chief Executive Officer, Waikiki Health



March 17, 2025 at 1:00 pm
Conference Room 225

Senate Committee on Health and Human Services

To: Chair Joy A. San Buenaventura
Vice Chair Henry J.C. Aquino

From: Paige Heckathorn Choy
AVP, Government Affairs
Healthcare Association of Hawaii

Re: Support
HB 716 HD 1, Relating to Health

The Healthcare Association of Hawaii (HAH), established in 1939, serves as the leading voice of healthcare on behalf of 170 member organizations who represent almost every aspect of the health care continuum in Hawaii. Members include acute care hospitals, skilled nursing facilities, home health agencies, hospices, assisted living facilities and durable medical equipment suppliers. In addition to providing access to appropriate, affordable, high-quality care to all of Hawaii's residents, our members contribute significantly to Hawaii's economy by employing over 30,000 people statewide.

Thank you for the opportunity to **support** this measure, which would establish a grant program within the Department of Health to promote and enhance health information technology (IT) infrastructure across our state. This initiative seeks to modernize healthcare delivery and coordination and help to ensure equitable access to high-quality care for all residents of Hawaii.

Investing in health IT infrastructure is particularly difficult for smaller practices and providers serving rural areas, which often face financial and technical barriers to implementing advanced health IT solutions. This grant program would help level the playing field, enabling those providers to adopt tools such as electronic health records (EHRs) and telehealth platforms that would allow them to better share critical patient information securely, streamline workflows, and coordinate care more effectively. This functionality is especially important for managing complex cases and chronic conditions, where collaboration between primary care providers, specialists, and hospitals is key to better outcomes.

This proposed grant program can help to provide more equity and access for underserved and rural communities by ensuring that all healthcare providers, regardless of size or location, have the tools they need to deliver excellent care to our residents. We appreciate the legislature's continued commitment to ensuring access to high-quality care, and the opportunity to testify in support of this measure.



**WAIANAE COAST
COMPREHENSIVE
HEALTH CENTER**

Monday, March 17, 2025 at 1:00 PM
State Capitol, Conference Room 225 & Videoconference

SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

To: Chair Joy San Buenaventura
Vice Chair Henry Aquino

From: Ian Ross
Public Affairs Director
ianross@wcchc.com | (808)652-3380

RE: TESTIMONY IN SUPPORT OF HOUSE BILL 716 HD 1 - RELATING TO HEALTH

Aloha Chair San Buenaventura, Vice-Chair Aquino, and Members of the Senate Committee on Health and Human Services,

Aloha and mahalo for the opportunity to provide testimony in **support of House Bill 716 HD1**, which establishes a Health Information Technology Infrastructure Grant Program.

Waianae Coast Comprehensive Health Center (WCCHC) is a Federally Qualified Health Center (FQHC) dedicated to improving the health and well-being of the West O'ahu community through accessible and affordable medical and traditional healing services, including outreach to people experiencing homelessness, crucial for our community's wellbeing. With 52 years of service, WCCHC is committed to providing comprehensive healthcare by addressing social determinants of health.

House Bill 716 HD1 would provide necessary support for safety-net providers, including FQHCs), rural health clinics, Ryan White HIV/AIDS program centers, and Native Hawaiian health centers, so that they can continue to meet the evolving demands of healthcare delivery and public health readiness.

Hawai'i's healthcare landscape is undergoing rapid changes, driven by advances in technology and the need for systems that promote interoperability, value-based care, and equitable health outcomes. The \$12 million AHEAD grant from the Centers for Medicare & Medicaid Services (CMS) underscores the broad recognition of this situation. By addressing multi-payer alignment and improving care coordination, Hawai'i's Medicaid agency can develop a more advanced, data-driven system that measures value, controls costs, and ensures improved health outcomes. However, achieving these goals requires all providers, particularly safety-net providers, to have the necessary health information technology infrastructure.

Safety-net providers are the backbone of Hawai'i's healthcare system, serving the most vulnerable populations, including Medicaid recipients, uninsured individuals, and those in rural and underserved areas. Unfortunately, these providers often lack the capital to implement and maintain the certified, hosted, and interoperable health information technology systems needed to engage in the next phase of healthcare reform. This creates a disparity in the quality of care and access to innovative payment models, further widening the gap between well-resourced



**WAIANAE COAST
COMPREHENSIVE
HEALTH CENTER**

providers and those struggling to meet basic infrastructure needs while providing care to our most vulnerable communities.

House Bill 716 HD1 addresses this gap by providing critical financial support to safety-net providers, enabling them to:

- Upgrade electronic health record systems to ensure interoperability and compliance with federal standards.
- Invest in cybersecurity and secure patient data systems to build trust and meet regulatory requirements.
- Access technical assistance and workforce development to ensure effective use of these systems.

This measure helps providers including health centers to fully participate in the state's move toward value-based care and Medicaid reform, which is consistent with investment including the CMS AHEAD grant. Without such support, safety-net providers risk falling behind, creating a "Catch-22" situation where the lack of modern infrastructure limits their ability to access resources and implement necessary changes, further perpetuating inequities in care.

As we brace potential shifts in federal Medicaid policies, this bill provides the proactive investment necessary to equip Hawai'i's healthcare system with the tools to adapt to uncertainty. By creating a sustainable infrastructure, our state can enhance care delivery, support critical public health functions, improve patient outcomes, and reduce long-term healthcare costs.

We respectfully urge the committee to pass House Bill 716 HD1 to support Hawai'i's safety-net providers and our most vulnerable populations.

Mahalo for the opportunity to testify in **support** of this important measure.



**Testimony to the Senate Committee on Health and Human Services
Monday, March 17, 2025; 1:00 p.m.
State Capitol, Conference Room 225
Via Videoconference**

RE: HOUSE BILL NO. 0716, HOUSE DRAFT 1, RELATING TO HEALTH.

Chair San Buenaventura, Vice Chair Aquino, and Members of the Committee:

The Hawaii Primary Care Association (HPCA) is a 501(c)(3) organization established to advocate for, expand access to, and sustain high quality care through the statewide network of Community Health Centers throughout the State of Hawaii. The HPCA **SUPPORTS THE INTENT** of House Bill No. 0716, House Draft 1, RELATING TO HEALTH.

By way of background, the HPCA represents Hawaii's Federally Qualified Health Centers (FQHCs). FQHCs provide desperately needed medical services at the frontlines to over 150,000 patients each year who live in rural and underserved communities. Long considered champions for creating a more sustainable, integrated, and wellness-oriented system of health, FQHCs provide a more efficient, more effective and more comprehensive system of healthcare.

The bill, as received by your Committee, would create a grant program within the Department of Health, to be administered by the State Health Planning and Development Agency, to support a certified, hosted, and maintained health information technology infrastructure and the implementation of interoperable health information technologies for federally qualified health centers (FQHCs), rural health clinics, Ryan White HIV/AIDs program centers, and Native Hawaiian health centers in Hawaii.

This measure would take effect on July 1, 3000.

We believe this bill shines the light on the critical importance and need for State information technology support as it pertains to electronic medical records, population health tools, among other priorities. This infrastructure is vital for organizations such as FQHCs to achieve improved patient outcomes within the communities they serve.

Accordingly, we respectfully urge your favorable consideration of this measure.

Thank you for the opportunity to testify. Should you have any questions, please do not hesitate to contact Public Affairs and Policy Director Erik K. Abe at 536-8442, or eabe@hawaiiipca.net.



HAWAI'I HEALTH &
HARM REDUCTION CENTER

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*"Reducing harm,
promoting health,
creating wellness, and
fighting stigma
in Hawai'i and
the Pacific."*

TESTIMONY IN SUPPORT OF HB 716, HD 1

TO: Chair San Buenaventura, Vice Chair Aquino, & HHS
Committee

FROM: Nikos Leverenz, Policy & Advancement Manager

DATE: March 17, 2025 (1:00 PM)

Hawai'i Health & Harm Reduction Center (HHHRC) strongly supports HB 716, HD 1, which establishes the Health Infrastructure Grant Program within the Department of Health to be administered by the State Health Planning and Development Agency, to support health information technology infrastructure and the implementation of interoperable health information technologies.

This bill will provide critical support to federally qualified health centers, rural health clinics, Ryan White HIV/AIDS program centers, and Native Hawaiian health centers by funding the acquisition, upgrade, and maintenance of certified, hosted, and interoperable health IT systems. These improvements will enhance healthcare access, coordination, and public health outcomes, particularly in underserved communities. As a healthcare provider, HHHRC understands the importance of seamless coordination with other entities to ensure high-quality, comprehensive care for the people of Hawai'i.

HHHRC's mission is to reduce harm, promote health, create wellness, and fight stigma in Hawai'i and the Pacific. We work with many individuals impacted by poverty, housing instability, and other social determinants of health. Many have behavioral health problems, including those related to substance use and mental health conditions, and have also been deeply impacted by trauma related to histories of physical, sexual, and psychological abuse.

Mahalo for the opportunity to provide testimony.



Hawaii Medical Association

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SENATE COMMITTEE ON HEALTH AND HUMAN SERVICES

Senator Joy A. San Buenaventura, Chair
Senator Henry J.C. Aquino, Vice Chair

Date: March 17, 2025
From: Hawaii Medical Association (HMA)
Jerald Garcia MD - Chair, HMA Public Policy Committee

RE HB 716 HD1 RELATING TO HEALTH - Health Infrastructure Grant Program; Health Information Technologies; State Health Planning and Development Agency; FQHCs; Rural Health Clinics; Ryan White HIV/AIDS Program Centers; Native Hawaiian Health Centers; Appropriation
Position: Support

This measure would establish the Health Infrastructure Grant Program within the Department of Health, to be administered by the State Health Planning and Development Agency, to support health information technology infrastructure and the implementation of interoperable health information technologies in federally qualified health centers, rural health clinics, Ryan White HIV/AIDS Program centers, and Native Hawaiian health centers and appropriate funds for the grant program.

Advances in health information technology (HIT) have improved patient outcomes and healthcare efficiency in many ways, including the protected sharing of health records among healthcare teams. However, the very patients of rural and underserved areas of Hawaii that may benefit most from leveraging data and technology to improve access are in the least favorable position in terms of tools and infrastructure to take advantage of these innovations.

Secure access to patient information and streamlining of health team workflows facilitate better coordination of care delivery- a high priority for all federally qualified health centers and rural health clinics. With updated HIT, the overall clinical outcomes are more easily measurable and tracked, and there is quality feedback that informs the entire clinical team. Additional urgent or emergent triage and consultation with a distant tertiary care center are also more readily achieved with HIT infrastructure when necessary. HMA strongly supports this measure for health information technology infrastructure in the rural and underserved areas that will improve healthcare delivery of vital medical services throughout our state.

Thank you for allowing the Hawaii Medical Association to testify in support of this measure.

2025 Hawaii Medical Association Officers

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Jerris Hedges, MD, Treasurer • Thomas Kosasa, MD, Secretary • Marc Alexander, Executive Director

2025 Hawaii Medical Association Public Policy Coordination Team

Jerald Garcia, MD, Chair
Linda Rosehill, JD, Government Relations • Marc Alexander, Executive Director

REFERENCES AND QUICK LINKS

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Monday, March 17, 2025; 1:00 PM
Conference Room 225 & Video Conference

Senate Committee on Health and Human Services

To: Senator Joy San Buenaventura, Chair
Senator Henry Aquino, Vice Chair

From: Michael Robinson
Vice President, Government Relations & Community Affairs

**Re: Testimony in Support of HB 716, HD1
Relating to Health**

My name is Michael Robinson, and I am the Vice President of Government Relations & Community Affairs at Hawai'i Pacific Health. Hawai'i Pacific Health is a not-for-profit health care system comprised of its four medical centers – Kapi'olani, Pali Momi, Straub and Wilcox and over 70 locations statewide with a mission of creating a healthier Hawai'i.

HPH writes in SUPPORT of HB 716, HD1 which establishes the Health Infrastructure Grant Program within the Department of Health (DOH), to be administered by the State Health Planning and Development Agency (SHPDA), to support a certified, hosted, and maintained health information technology infrastructure and the implementation of interoperable health information technologies for federally qualified health centers (FQHC), rural health clinics, Ryan White HIV/AIDs program centers and Native Hawaiian health centers in Hawai'i.

A certified, hosted, and maintained health information technology infrastructure is a basic component of the delivery of appropriate, quality healthcare and is an essential element in the overall operation of the health care system. Additionally, coordination of information through the technology infrastructure enables communities as well as the state to immediately identify emerging health trends and issues, making it possible to provide timely interventions. However, the technology infrastructure is costly and requires a significant financial investment which many health centers serving rural communities and underserved areas are unable to incur. The lack of this infrastructure reduces quality of care and leads to disparities in the delivery of healthcare and outcomes.

The establishment of a grant program to assist qualified health centers in rural and underserved areas of the State in investing in a certified, hosted, and maintained health information technology infrastructure is an innovative means of enabling those health centers to operate on par with and coordinate patient health care with clinics located in

metropolitan areas of the state. It also allows health care providers to have direct access to relevant patient information for the benefit of the communities they serve.

Thank you for the opportunity to testify.