

STATE OF HAWAII
DEPARTMENT OF HEALTH
P. O. Box 3378
Honolulu, HI 96801-3378
doh.testimony@doh.hawaii.gov

**Testimony COMMENTING on SB2340 SD1
RELATING TO ALZHEIMER'S DISEASE.**

SENATOR SENATOR DONOVAN M. DELA CRUZ, CHAIR
SENATE COMMITTEE ON WAYS AND MEANS

Hearing Date: February 19, 2020

Room Number: 211

1 **Fiscal Implications:** A general fund appropriation of approximately \$100,000 may be sufficient
2 for purchase-of-service contracts for statewide reach.

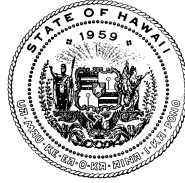
3 **Department Testimony:** The Department of Health (DOH) is unable to meaningfully
4 implement this measure without an appropriation. As an alternative, the department
5 recommends requiring health plans contracted with Medicare to perform provide education
6 through their provider servicing staff.

7 DOH is not the lead agency of Alzheimer's Disease and Related Dementia (ADRD) and does not
8 have programs and staff assigned to ADRD activities. Furthermore, DOH does not maintain lists
9 of licensed physicians nor their Medicare participation status. As a result, the most efficient
10 model for a one-time outreach program that educates providers on comprehensive care planning
11 service benefits for Medicare beneficiaries is to procure services from the private sector.

12 It is worth noting that in 2017 the State of Hawaii received a grant from the US Administration
13 for Community Living to develop the Hawaii Alzheimer's Disease and Support Services
14 Program for persons with dementia and their caregivers. Outreach to the provider community
15 would be a prudent investment to supplement resources being directed to patients and caregivers,
16 and thus consistent with "Hawaii 2025: State Plan on Alzheimer's Disease & Related
17 Dementias," published in 2013.

18 Thank you for the opportunity to testify.

DAVID Y. IGE
GOVERNOR OF HAWAII



LATE

CAROLINE CADIRAO
DIRECTOR

BRUCE ANDERSON
DIRECTOR OF HEALTH

STATE OF HAWAII
EXECUTIVE OFFICE ON AGING
NO. 1 CAPITOL DISTRICT
250 SOUTH HOTEL STREET, SUITE 406
HONOLULU, HAWAII 96813-2831
eoa@doh.hawaii.gov

**Testimony COMMENTING on SB 2340, SD1
Relating to Alzheimer's Disease**

COMMITTEE ON WAYS AND MEANS
SENATOR DONOVAN DELA CRUZ, CHAIR
SENATOR GILBERTS.C. KEITH-AGARAN, VICE CHAIR

Testimony of Caroline Cadirao
Director, Executive Office on Aging
Attached Agency to the Department of Health

Hearing Date February 19, 2020
10:00 AM

Room Number: 211

- 1 **EOA's Position:** The Executive Office on Aging (EOA), an attached agency to the Department
- 2 of Health, is providing comments for SB 2340, SD1 Relating to Alzheimer's Disease and defers
- 3 to the Department of Health (DOH) as the implementing agency.
- 4 **Fiscal Implications:** This bill appropriates a non-specified amount for fiscal year 2020-2021 for
- 5 DOH to establish an outreach program to conduct a comprehensive, one-time education initiative
- 6 informing physicians and appropriate non-physicians that comprehensive care planning services
- 7 for individuals with Alzheimer's disease and related dementias is a covered benefit under the
- 8 Medicare program.
- 9 **Purpose and Justification:** Alzheimer's disease is the sixth leading cause of death in the
- 10 United States and it affects 27,000 Hawaii residents, a number that will increase to 35,000 by the
- 11 year 2025. According to the Alzheimer's Association statistics, one in nine individuals over the

1 age of 65 years old have Alzheimer's disease and one in three individuals over the age of 85
2 years have Alzheimer's disease. Sadly, there is no cure for this disease.
3 This bill mandates DOH to establish an outreach program informing physicians and non-
4 physicians that comprehensive care planning services for those with ADRD is a covered benefit
5 under Medicare. The average costs for a person with dementia are \$287,000 during their last five
6 years of life. Comprehensive care planning services is important and available under Medicare,
7 however, less than one percent engage in comprehensive care planning services.
8 Local Medicare plans have Provider Relations Departments that are responsible to educate the
9 network of providers regarding billing, claiming, and patient related services. Though well
10 intended, we defer to DOH regarding this measure.
11 **Recommendation:** Rather than a requiring an outreach program as proposed by this bill, EOA
12 recommends that the workgroups who are convening to update the ADRD State Plan include this
13 in their discussions and planning. The workgroups are comprised of many stakeholders from the
14 private and public sectors who will be able to contribute to this objective. We should allow them
15 to build this into their current work.
16 Thank you for the opportunity to testify.

February 19th, 2020

Honorable Senator Donovan M. Dela Cruz, Chair
Senate Committee on Ways and Means
Hawaii State Capitol, Conference Room 211, 10:00 A.M.
415 South Beretania Street
Honolulu, HI 96813

RE: SB2340 RELATING TO ALZHEIMER'S DISEASE.

Dear Chair Donovan M. Dela Cruz, Vice Chair Gilbert S. C. Keith-Agaran, and members of the Committee:

On behalf of the Alzheimer's Association, Aloha Chapter, I am pleased to extend our **strong support** for Senate Bill 2340. This measure establishes an outreach program in the Department of Health to inform physicians and appropriate non-physician practitioners participating in Medicare that comprehensive care planning services for those with Alzheimer's disease and related dementias is a covered benefit under Medicare.

Since January 1, 2017, the Centers for Medicare and Medicaid Services (CMS)—through CPT billing code 99483—allows clinicians to be reimbursed for providing a comprehensive set of care planning services to cognitively impaired individuals and their caregivers.

This service is crucial for people diagnosed with Alzheimer's disease for two primary reasons. First, care planning allows diagnosed individuals and their caregivers to receive counseling and to learn about medical and non-medical treatments, clinical trials, and support services available in the community—all of which result in higher quality of life. Second, participating in planning early in the disease process also allows individuals with Alzheimer's to create advance directives regarding their care and finances as well as address driving and safety issues so that their wishes can be carried out when they are no longer cognitively able to make such decisions.

The primary reason that this reimbursable service is not utilized more often is because physicians are simply not aware of it. Nationwide, in 2017—the first year the benefit was available—18,669 fee-for-service (FFS) Medicare beneficiaries received the care planning benefit. Even after accounting for individuals in Medicare Advantage plans, less than one percent of those with Alzheimer's and other dementias received the care planning benefit in 2017.

Implementation of a program to inform physicians about this service is in the best interests of the state financially. Individuals receiving dementia-specific care planning have fewer hospitalizations, fewer emergency room visits, and better medication management. Additionally, without adequate family, financial, and care planning, individuals with Alzheimer's disease are more likely to find themselves in care facilities utilizing Medicaid. Furthermore, more than 95 percent of people with Alzheimer's and other dementias have one or more other chronic

alzheimer's association®

ALOHA CHAPTER

1130 N. Nimitz Highway Suite A-265, Honolulu, Hawaii 96817
Phone: 808.591.2771 Fax: 808.591.9071 www.alz.org/hawaii

conditions. Alzheimer's complicates the management of these other conditions—and consequently, increases costs. For example, a senior with diabetes and Alzheimer's costs Medicare 81 percent more than a senior who has diabetes but not Alzheimer's.

This bill provides a simple and effective solution to the problem of this crucial service not being known to physicians. First, it would educate clinicians on care planning services available under Medicare and on the care planning billing code. Second, it would require that the Legislature receive a report on the barriers to individuals receiving care planning services, how the rate of usage can be increased, and any proposed legislation to improve the program.

I appreciate the opportunity to testify in **strong support** of this legislation and applaud your leadership in bringing it forward.

Ian Ross
Public Policy and Advocacy Manager
iaross@alz.org | Phone: (808) 591-2771 x1333



LATE

Manoa Cottage
2035 Kamehameha Avenue
Honolulu, HI 96822
phone (808) 943-8766

Manoa Cottage Kaimuki
748 Olokele Avenue
Honolulu, HI 96816
phone (808) 426-7850

www.manoacottage.com

February 19, 2020

Testimony - SB 2340, SD1 Relating to Alzheimer's Disease

Committee on Ways and Means
Senator Donovan Dela Cruz, Chair
Senator Gilbert S.C. Keith-Agaran, Vice Chair

Hearing Date February 19, 2020 10:00 AM
Room Number: 211

Dear Senator Dela Cruz, Senator Keith-Agaran and members of the Committee:

I am submitting testimony in support of Senate Bill 2340.

There is no cure or treatment for Alzheimer's Disease. Citizens of Hawaii with Alzheimer's disease need compassionate care from physicians and other medical practitioners. In order to deliver this needed care, a comprehensive care plan must be established.

The Centers for Medicare and Medicaid Services has allowed clinicians to be reimbursed for providing a comprehensive set of care planning services to cognitively impaired individuals and their caregivers. However, there has not been sufficient care planning services provided to patients as identified by reimbursement data.

SB 2340 will help inform doctors that they can provide this service to their patients.

Thank you for the opportunity to testify in support of this bill.

Sincerely,

Calvin M. Hara
Executive Director and Administrator

From: [Rebecca Halloran](#)
To: [WAM Testimony](#)
Subject: Testimony in support of SB2340
Date: Tuesday, February 18, 2020 4:03:27 PM

LATE

Dear Chair Dela Cruz and members of the Committee,

I am writing in support of Senate Bill 2340,

Since January 1, 2017, the Centers for Medicare and Medicaid Services has allowed clinicians to be reimbursed for providing a comprehensive set of care planning services to cognitively impaired individuals and their caregivers. Unfortunately, this service is severely underutilized, with only 1% of people diagnosed with Alzheimer's disease and related dementias receiving this service. This bill will help inform doctors that they can provide this service and help us overcome any other roadblocks preventing people from receiving vital care planning.

Everyone is likely to someday become a family caregiver or a recipient of care. By age 85, one in three people develops Alzheimer's disease or a related dementia. There is a frightening chance that any person or family to be affected. Ensuring that our doctors know that they can and should provide timely comprehensive care planning will benefit many of our families down the line.

To put it simply, care planning is important for people diagnosed with Alzheimer's disease.

Care planning allows people living with the disease and their caregivers to receive multiple services including: evaluating cognition; decision-making capacity; reviewing and reconciling prescription medications; measuring behavioral symptoms; evaluating safety - including driving ability; identifying and assessing a primary caregiver; developing advance care directives; creating a care plan, including referral to community resources such as the Alzheimer's Association, Aloha Chapter. All of this results in a higher quality of life.

Thank you for hearing this bill and for giving me the opportunity to testify in support.

Regards,
Rebecca Halloran

From: [Emily Bustard](#)
To: [WAM Testimony](#)
Subject: Testimony in support of SB2340
Date: Tuesday, February 18, 2020 4:04:01 PM



Dear Chair Dela Cruz and members of the Committee,

I am writing in support of Senate Bill 2340,

Since January 1, 2017, the Centers for Medicare and Medicaid Services has allowed clinicians to be reimbursed for providing a comprehensive set of care planning services to cognitively impaired individuals and their caregivers. Unfortunately, this service is severely underutilized, with only 1% of people diagnosed with Alzheimer's disease and related dementias receiving this service. This bill will help inform doctors that they can provide this service and help us overcome any other roadblocks preventing people from receiving vital care planning.

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Thank you for hearing this bill and for giving me the opportunity to testify in support.

Regards,
Emily Bustard



From: [Ashley Curry](#)
To: [WAM Testimony](#)
Subject: Testimony in support of SB2340
Date: Tuesday, February 18, 2020 4:05:21 PM

Dear Chair Dela Cruz and members of the Committee,

I am writing in support of Senate Bill 2340,

Since January 1, 2017, the Centers for Medicare and Medicaid Services has allowed clinicians to be reimbursed for providing a comprehensive set of care planning services to cognitively impaired individuals and their caregivers. Unfortunately, this service is severely underutilized, with only 1% of people diagnosed with Alzheimer's disease and related dementias receiving this service. This bill will help inform doctors that they can provide this service and help us overcome any other roadblocks preventing people from receiving vital care planning.

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Thank you for hearing this bill and for giving me the opportunity to testify in support.

Regards,
Ashley Curry